

AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
MISSOURI HEIGHTS-MOUNTAIN MEADOW
IRRIGATION COMPANY
(A Colorado Nonprofit Corporation)

Under the Colorado Nonprofit Corporation Act and Article 42 of Chapter 7, Colorado Revised Statutes, as amended, pertaining to ditch and reservoir companies, this Corporation is formed due to the consolidation of the Missouri Heights Irrigation Company, a Colorado corporation, ("MHIC") and the Mountain Meadow Ditch and Irrigation Company, a Colorado corporation, ("Mountain Meadow") pursuant to C.R.S. 7-42-110, as amended. A Certificate of Consolidation has been filed with the Colorado Secretary of State, and will be recorded in the offices of the Clerk and Recorder of both Garfield County and Eagle County.

ARTICLE I
NAME

The name of the Corporation is MISSOURI HEIGHTS — MOUNTAIN MEADOW IRRIGATION COMPANY.

ARTICLE II
PERIOD OF DURATION

The Corporation shall have perpetual existence.

ARTICLE III
MEMBERS

The Corporation shall have members.

ARTICLE IV
PURPOSES AND POWERS

A. **Purposes.** The purposes for which the Corporation is organized are as follows:

1. To take all steps necessary to legalize, adjudicate and/or protect a water supply for the Corporation's shareholders in accordance with the decrees for the Water System and the Articles and Bylaws of the Corporation.

2. To own, hold title to, operate and maintain the Corporation's water system (hereinafter "Water System") which includes, but not exclusively, the following water rights which are used for irrigation, domestic, stockwater and other beneficial purposes:

a. 13.0 c.f.s. direct flow irrigation water right in the Mountain Meadow Ditch on Cattle Creek, decreed in Case No. 1145, District Court, Garfield County, with an adjudication date of August 1, 1905, and an appropriation date of May 31, 1902. The right

was originally decreed for 25.6 c.f.s. but 12.6 c.f.s. was subsequently abandoned in Case No. 4220, District Court, Garfield County.

b. Spring Park Reservoir, decreed in Case No. 1997 for 2843 acre feet for irrigation use. Said reservoir can fill and refill under a 40 c.f.s. water right in Mountain Meadow Ditch as decreed in Case No. 1997, with an adjudication date of September 27, 1918, and an appropriation date of December 28, 1911.

c. Landis Canal, decreed in Civil Action No. 4613, Garfield County District Court. The canal was decreed for 130 c.f.s., with an appropriation date of July 29, 1957. In Case No. 79CW333, a portion of the Landis Canal was changed to the headgate of the Mountain Meadow Ditch. In Case No. 81CW252, 47 c.f.s. was made absolute. On November 21, 1979, Basalt Water Conservancy District and MHIC entered into an agreement whereby the District would provide the use of its Landis Canal decree up to and including a direct flow rate of 47 c.f.s. by MHIC at the headgate of the Mountain Meadow Ditch.

d. All appurtenances to the said water rights, including, but not exclusively, headgates, pumps, dams, piping and distribution systems.

e. All easements (whether arising by statute, express grant, implication or prescription) related to the Water System, including, but without limitation, all easements for the diversion, storage, carriage and delivery of water to the Company's shareholders.

3. To use its best efforts to operate the Water System in such a manner that the shareholders will receive and be entitled to use water consistently with what they received and used under the historical operation of the system before the consolidation of MHIC and Mountain Meadow, and to adopt such rules and regulations as may be helpful or necessary to provide for the administration of the Water System and distribution of water to the shareholders.

4. To construct, operate, maintain, repair and enlarge the Water System; and to utilize any available administrative and/or legal procedures to change the water rights associated with the Water System.

5. To engage generally in the business of transporting water from the Water System to the Corporation's shareholders for irrigation, domestic, stockwater and other beneficial purposes.

6. To contract with and borrow money from the United States of America; any federal agency, entity or corporation; any public or private corporation; the State of Colorado, or any agency of the State of Colorado; any individual; or, without limitation, from any other source; and, without limitation, to execute bonds, notes and other evidences of indebtedness and secure the same by mortgages, deeds of trust or instruments constituting a lien upon all or any part of the Corporation's real or personal property.

7. To acquire by purchase, lease, contract, assignment, exchange, appropriation or otherwise water and water rights, rights-of way, easements, use permits, franchises, privileges, priorities, irrigation works, appliances, equipment and machinery, and other real property and personal property and interests therein; and to sell, lease, mortgage, encumber, assign, pledge or otherwise convey or dispose of any part or all of such property.

8. To do or perform any act or thing permitted or authorized by the provisions of the Colorado Nonprofit Corporation Act, Articles 121 to 137 of Title 7, as the same may be amended, and the provisions of Article 42 of Title 7, Colorado Revised Statutes, as the same may be amended, and not prohibited by these Articles of Incorporation.

B. **Powers.** The Corporation shall have and may exercise all of the rights, powers and privileges now or hereafter conferred upon nonprofit corporations organized under the laws of the State of Colorado. The Corporation shall have and may exercise all powers necessary or convenient to effect any of the purposes for which the Corporation is organized.

C. **User Fees.** The Corporation is organized exclusively for the purposes above set forth, whereby at least eighty-five percent (85%) of its income shall be derived from user fees assessed to the shareholders for the sole purpose of meeting the expenses and losses of the Corporation in full compliance with the applicable requirements of Section 501 of the Internal Revenue Code, as amended.

ARTICLE V NONPROFIT STATUS

A. **Net Earnings.** No part of the income or net earnings of the Corporation shall inure to the benefit or be distributable to any shareholder, director or officer of the Corporation or any other corporation or private individual; however, reasonable compensation may be paid for services actually rendered to or for the Corporation and any officer, director, agent or employee or any other person or corporation may be reimbursed for expenses advanced or incurred for the Corporation's benefit upon authorization of the Board of Directors. No shareholder, director or officer of the Corporation, nor any other corporation or private individual, shall be entitled to share in any distribution of any of the corporate assets upon dissolution of the Corporation or otherwise except as hereinafter expressly set forth.

B. **Prohibited Activities.** No substantial part of the activities of the Corporation shall consist of carrying on lobbying activities, propaganda campaigns or other activities designed to influence legislation. The Corporation shall not participate or intervene in any political campaign on behalf of any candidate for public office.

C. **Dissolution.** In the event of the dissolution of the Corporation, the assets of the Corporation shall be distributed to all shareholders and all lienholders as their interest may appear as provided by Colorado law then in effect. The proceedings for dissolution shall be conducted in accordance with Article 134, Title 7 of the Colorado Revised Statutes, as the same may be amended.

D. **Prohibited Income.** Notwithstanding any other provision hereof, this Corporation shall not conduct or carry on any activities nor permit or receive any income which is prohibited under the applicable provisions of Section 501 of the Internal Revenue Code as amended.

ARTICLE VI SHAREHOLDERS

A. **Authorized Shares.** There shall be ten thousand (10,000) shares of authorized capital stock, and the ownership thereof shall entitle the holder(s) to a proportional share of water made available by the Corporation's operation of the Water System, as provided in the Bylaws and any rules and regulations adopted by the Corporation. Based upon the analysis conducted by Resource Engineering, Inc., as memorialized in a December 15, 1998 report to Balcomb & Green,

P.C., 32.6% of the shares will be designated Class A shares and be made available to shareholders in Mountain Meadow; 67.4% of the shares will be designated Class B shares and be made available to shareholders in MHIC. Thus, of the 10,000 authorized shares in this consolidated Corporation, 3,260 will be issued to the pre-consolidation shareholders of Mountain Meadow, and 6,740 will be issued to pre-consolidation shareholders of MHIC.

B. **Voting of Shares.** Each share of stock (both Class A and Class B) issued by the Corporation and fully paid as to assessments shall have the right to one (1) vote at any shareholder's meeting. Cumulative voting in the election of directors shall be in effect.

C. **Election of Directors.** Directors of the Corporation shall be elected by a majority vote of the shareholders.

D. **Changes of Corporation Water Rights.** It is the express intent of the Corporation that its water rights remain decreed for their originally decreed purposes and used on the lands on which they have historically been used. The Corporation disfavors and discourages changes of the Corporation's water rights and transfers of shares away from the property which they have historically served, whether the transfer is to property inside or outside of the Corporation's Water System. Such changes and transfers will only be allowed when made in accordance with the requirements and restrictions stated in the Corporation's bylaws as they may be amended from time to time. However, nothing herein shall be deemed to affect changes to any of the Corporation's water rights that were approved by final judicial decree prior to the date of the adoption of this amended Article VI.D.

ARTICLE VII ASSESSMENTS

A. The Corporation shall have the power to make assessments on its capital stock, to be levied as set out in the Bylaws hereinafter provided for, which assessments shall be payable in money. Assessments may be levied for any corporate purpose described in these Articles or in the Bylaws of the Corporation.

B. In the event any shareholder fails to pay any assessment on his stock, this Corporation shall have the power to pursue any remedy described in the Bylaws or allowed under Colorado law, including without limitation, to withdraw or terminate the delivery of water to the shareholder until such assessment is paid; or, in addition thereto, or in lieu thereof, to file a lien against the property associated with the delinquent shareholder's stock or any number of shares of said stock; or in addition thereto, or in lieu thereof, to commence a civil action against such delinquent shareholder to recover the amount of any assessment which may remain unpaid, together with interest, court costs and reasonable attorney's fees; or in addition thereto, or in lieu thereof, to declare a forfeiture or sale of the delinquent shareholder's stock or any number of shares of said stock. The Corporation shall be entitled to recover from a delinquent shareholder all its attorney's fees and other costs incurred to recover unpaid assessments.

ARTICLE VIII BYLAWS

The initial bylaws of the Corporation shall be adopted by the Board of Directors. The Board of Directors shall have the power to add to, amend or repeal any of the Bylaws of the Corporation, provided that notice of the proposal to add to, amend or repeal any of said Bylaws shall be included in the notice of the meeting of the Board of Directors at which such action is proposed to be taken. Such notice must also

be provided to all shareholders not less than seven (7) days prior to the said meeting of the Board of Directors. Any such action of the Board of Directors may be suspended by the owners of not less than ten percent (10%) of the outstanding shares by written notice within thirty (30) days subsequent to the giving of notice of such action by the Board of Directors. The addition, amendment or repeal of said Bylaws shall nonetheless become effective unless prior to ninety (90) days after the service of written notice of objection, the shareholders shall have met and by majority vote rejected the proposed addition, amendment or repeal of said Bylaws. The Bylaws may also be amended or repealed by the affirmative vote of the owners of a majority of the shares of stock of the Corporation.

ARTICLE IX
INITIAL REGISTERED OFFICE AND AGENT

The address of the initial registered office of the Corporation and the name of the initial registered agent at that address:

Lori J.M. Satterfield
Balcomb & Green, P.C.
818 Colorado Avenue
P.O. Drawer 790
Glenwood Springs, CO 81602.

ARTICLE X
INITIAL PRINCIPAL OFFICE

The address of the initial principal office of the Corporation is 818 Colorado Avenue, P.O. Drawer 790, Glenwood Springs, Colorado 81602.

ARTICLE XI
INITIAL DIRECTORS

A. **Number of Directors.** The number of directors of the Corporation shall be at least three (3) and no more than five (5), with the number thereof being determined by the Bylaws of the Corporation from time to time amended by the Board of Directors. The initial Board of Directors of the Corporation shall consist of five (5) directors.

B. **Initial Directors.** The names and addresses of the persons who served as the initial directors and until their successor or successors are elected and qualified are:

William H. McElnea	6059 County Road 100 Carbondale, CO 81623
Jake Stoner	5600 County Road 100 Carbondale, CO 81623
J. Richard Hunt	14013 Hwy. 82 Carbondale, CO 81623
Sirous Saghatoleslami	P.O. Box 8080 Aspen, CO 81612
Ruth Scarrow	P.O. Box 28950 El Jebel, CO 81628

C. **Increase or Decrease of Directors.** Commencing with the election of the Board of Directors by the shareholders of the Corporation, the number of directors may be increased or decreased by the adoption of an amendment to the Bylaws, but no decrease shall have the effect of shortening the term of any incumbent director.

ARTICLE XII
INDEMNIFICATION OF OFFICERS AND DIRECTORS

The Corporation shall indemnify its officers and directors to the full extent permitted by Colorado law.

ARTICLE XIII
LIMITATION OF LIABILITY

A. **Breach of Fiduciary Duty.** The personal liability of a director to the Corporation or its shareholders for monetary damages for breach of fiduciary duty as a director is limited to the full extent provided by Colorado law.

B. **Obligations of Corporation.** The directors, officers, employees and shareholders of the Corporation shall not, as such, be liable on its obligations.

C. **Wanton and Willful Acts.** Directors shall not be liable for actions taken or omissions made in the performance of corporate duties except for wanton and willful acts or omissions.

ARTICLE XIV
AMENDMENT OF ARTICLES

Amendments to these Articles of Incorporation shall only be by the affirmative vote of seventy-five percent (75%) of the outstanding shares at any meeting called for the purpose of amending these Articles.

ARTICLE XV
INCORPORATORS

The names and addresses of the original incorporators:

Mountain Meadow Ditch and Irrigation Company

P.O. Box 8080
Aspen, CO 81612

Missouri Heights Irrigation Company

14913 Hwy. 82
Carbondale, CO 81623

Lori J. M. Satterfield Balcomb & Green, P.C.

P.O. Drawer 790
Glenwood Springs, CO 81602.

Articles of Incorporation
Missouri Heights-Mountain Meadow Irrigation Co.

CERTIFICATE

By my signature below, I certify that the foregoing is a true and correct current copy of the Articles of Incorporation of the Missouri Heights-Mountain Meadow Irrigation Company as of the 7th day of February, 2024.

A handwritten signature in black ink, appearing to be 'Andrea Traul', written over a horizontal line.

Andrea Traul, Secretary