

"EXHIBIT A"

RESOLUTION OF THE SHAREHOLDERS AMENDING  
ARTICLES OF INCORPORATION OF  
LAZY H MUTUAL WATER COMPANY

Add  
Article III  
Sec 1  
change from ms  
to 3:00 p.m.  
2PM

*Article III. Section I. Regular Meetings.*

WHEREAS, it is the desire of the board of directors to amend the Articles of Incorporation of Lazy H Mutual Water Company to change the Regular Meetings from monthly meetings to quarterly meetings, and

WHEREAS, the Articles of Incorporation of Lazy H Mutual Water Company state that the time of the regular meetings shall be adopted from time to time by resolution. It is the desire of the Board of Directors to hold the regular quarterly meetings at 2:00 p.m.,

NOW, THEREFORE, BE IT RESOLVED, that the Articles of Incorporation of Lazy H Mutual Water Company be amended to reflect Regular Quarterly Meeting to be held at 2:00 p.m.

changed to  
3:00 pm  
4/8/98

**CERTIFICATE OF SECRETARY**

The foregoing is a true and correct original Resolution of Shareholders Amending Articles of Incorporation of Lazy H Mutual Water Company adopted by a majority of the outstanding shares at an annual meeting held on March 1, 1997.

Charles McKay  
Charles McKay, Secretary

Change  
time to  
3 PM

CERTIFICATE OF AMENDMENT OF  
ARTICLES OF INCORPORATION OF  
LAZY H MUTUAL WATER COMPANY

The undersigned, Charles McKay and Laverne Duker, do hereby certify that they are, respectively, and have been at all times herein mentioned, the duly elected and acting Secretary and Assistant Secretary of Lazy H Mutual Water Company, a California corporation, and further that:

One: At the annual meeting of the shareholders of said corporation duly held at the Lazy H Restaurant meeting room for the transaction of business at 2:00 o'clock P.M., on the 1st day of March, 1997, ARTICLE III Section 1, was amended by resolution, a copy of which is attached as Exhibit "A" and by this reference incorporated herein.

Two: The number of shares which voted affirmatively for the adoption of said resolution is 31.

Three: The total number of shares of said corporation entitled to vote on the adoption of such amendment is 55.

IN WITNESS WHEREOF, the undersigned have executed this certificate of amendment this 1st day of March, 1997.

Charles McKay  
Charles McKay, Secretary

Laverne Duker  
Laverne Duker, Assistant Secretary

CERTIFICATE OF AMENDMENT OF  
ARTICLES OF INCORPORATION OF  
LAZY H MUTUAL WATER CO.

Add  
Article XI  
Sec 1 2 3  
TO  
By-laws

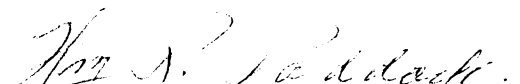
The undersigned, William R. Paddock and Howard E. Rollins, do hereby certify that they are, respectively, and have been at all times herein mentioned, the duly elected and acting President and Secretary of Lazy H Mutual Water Company, a California corporation, and further that:

One: At the annual meeting of the shareholders of said corporation duly held at its principal office for the transaction of business at 10:00 o'clock A. M., on the 5th day of March, 1988, ARTICLE XI, Section 1, Section 2 and Section 3 were added to by by-laws, a copy of which is attached as Exhibit "A" and by this reference incorporated herein.

Two: The number of shares which voted affirmatively for the adoption of said resolution is 39.

Three: The total number of shares of said corporation entitled to vote on the adoption of such amendment is 55.

IN WITNESS WHEREOF, the undersigned have executed this certificate of amendment this 14 day of March, 1988.

  
\_\_\_\_\_  
William R. Paddock, President

  
\_\_\_\_\_  
Howard E. Rollins, Secretary

LAZY H MUTUAL WATER COMPANY

Amendment to By-Laws

ARTICLE XI. INDEMNIFICATION

Section 1. Right of Indemnity:

To the fullest Extent permitted by law and California Corporations Code sections relating to non profit mutual benefit Corporations, Lazy H Mutual Water Company (LHMWC) shall indemnify its directors, officers, employees, and other persons authorized to be indemnified by law, if any such person acted in good faith and in a manner such person reasonably believed to be in the best interests of LHMWC, against all awards, expenses, judgments, fines, settlements, and other amounts including attorneys' fees and costs actually and reasonably incurred by them in connection with any "proceeding", as that term is used in the provisions relating to nonprofit mutual benefit corporations and including an action by or in the right of LHMWC, by reason of the fact that the person is or was a person described in these provisions.

Section 2. Advancement of Expenses:

To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under Article XI Section 1, of these by laws in defending any proceeding covered by that section may at the discretion of the Board be advanced by the LHMWC before final disposition of the proceeding on receipt by the LHMWC of an undertaking by or on behalf of that person.

Section 3. Insurance:

LHMWC shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees, and other agents against any liability asserted against or incurred by any Officer, director, employee, or agent in such capacity or arising out of the officer's, director's, employee's, or agent's status as such.

RESOLUTION OF SHAREHOLDERS AMENDING  
ARTICLES OF INCORPORATION OF  
LAZY H MUTUAL WATER CO.

WHEREAS, there should be added to the Articles of Incorporation of Lazy H Mutual Water Co. an article expressly authorizing assessments upon all shareholders of this corporation,

NOW, THEREFORE, BE IT RESOLVED, that the following Article Sixth be added to the Articles of Incorporation of Lazy H Mutual Water Co.:

SIXTH: The directors of the corporation are hereby granted the power and authority to levy and collect, from time to time, as in their discretion they may deem advisable, assessments upon all of the shareholders of the corporation. Such assessments shall be made in the manner provided in the Bylaws.

*Add  
Art. VI*

CERTIFICATE OF SECRETARY

The foregoing is a true and correct original Resolution of Shareholders Amending Articles of Incorporation of Lazy H Mutual Water Co. adopted by a vote of the holders representing a majority of the outstanding shares at an annual meeting called for the purpose of considering such amendment held on February 11, 1984.

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Mike Fitzsimmons, Secretary

(SEAL)

ARTICLES OF INCORPORATION  
OF  
LAZY H MUTUAL WATER COMPANY

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, have this day voluntarily associated ourselves together for the purpose of forming a corporation under the laws of the State of California, and we hereby certify:

I

The name of the corporation is:

LAZY H MUTUAL WATER COMPANY

II

The purposes for which the corporation is organized are:

(a) To supply to its stockholders, only, at cost and not for profit, water for any and all domestic and irrigation purposes in that district commonly known as Pauma Valley in the County of San Diego, State of California, and to sink wells and shafts and to make, build and construct reservoirs, culverts, main and other pipelines and appliances, and to execute and do all works and things necessary or convenient for obtaining, storing, delivering, measuring and distributing water.

(b) To properly prosecute the objects and purposes above set forth, the corporation shall have full power and authority to borrow money, purchase, lease and otherwise acquire, hold, mortgage, convey and otherwise dispose of all kinds of property, both real and personal; to construct, equip and maintain buildings, pipelines and plants; to install and maintain machinery and appliances, and to operate the same by any kind of motor power, and generally to perform all acts which may be deemed necessary or convenient for the proper and successful prosecution of the objects and purposes for which the corporation was created.

III

The principal office for the transaction of the business of the corporation is to be located in the County of San Diego, State of California.

IV

The corporation is authorized to issue Ten Thousand (10,000) shares of One Dollar (\$1.00) par value per share. The aggregate par value of all shares is Ten Thousand Dollars (\$10,000.00). All shares of stock of this corporation shall have the same rights, privileges and obligations.

V

The shareholders of this corporation shall have the following special qualification, to wit: Each and every shareholder must be a landowner in Section 22, Township 10 South, Range 1 West, San Bernadino Meridian in the County of San Diego, State of California.

VI

The number of directors of this corporation shall be three (3) which may be changed from time to time either by amending these Articles or by the provisions made in the By-laws or amendments thereof.


VII

The names of the persons who are appointed to act as the first directors of the corporation are:

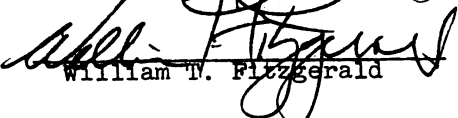
THOMAS B. COLBY	Lazy H Sky Ranch Pauma Valley, California
MIDGE M. COLBY	Lazy H Sky Ranch Pauma Valley, California
WILLIAM T. FITZGERALD	2808 Chatsworth Boulevard San Diego, California

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of California, we, the undersigned, constituting the incorporators of this corporation,

including the persons named hereinabove as the first directors of this corporation, have executed these Articles of Incorporation this 21 day of NOVEMBER 1955.

  
Thomas B. Colby


  
Midge M. Colby

  
William T. Fitzgerald

STATE OF CALIFORNIA )  
COUNTY OF SAN DIEGO ) SS.

On this 21 day of Nov., 1955, before me, the undersigned, a Notary Public in and for the County of San Diego, State of California, personally appeared THOMAS B. COLBY, MIDGE M. COLBY and WILLIAM T. FITZGERALD, known to me to be the persons who are named as directors in the within instrument and whose names are subscribed thereto, and they severally acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at my office in the County of San Diego, State of California, the day and year in this Certificate first above written.

  
Notary Public in and for said  
County and State



72  
le

FILED

In the office of the Secretary of State  
of the State of California

ARTICLES OF INCORPORATION

OF

AUG 16 1954

LAZY H MUTUAL WATER CO.

FRANK M. JORDAN, Secretary of State

By Ralph R. Martin  
Deputy

290191

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, have this day executed these Articles of Incorporation for the purpose of forming a mutual water company under the laws of the State of California, AND WE HEREBY STATE:

FIRST: That the name of said corporation is

"LAZY H MUTUAL WATER CO."

SECOND: That the purposes for which this corporation is formed are:

THE PRIMARY BUSINESS IN WHICH THE CORPORATION IS INTENDED TO INITIALLY ENGAGE IS:

To purchase, procure, develop, distribute, store, supply, furnish, sell and deliver water to and for its stockholders for irrigation, domestic and all other useful purposes, in proportion to the number of shares of stock held by the respective stockholders, at actual cost plus necessary expenses.

As a means of effecting and carrying out said purposes, this corporation shall have the power, among other things:

1. To develop, maintain and operate wells, reservoirs, pumps, ditches, dams, flumes and pipe lines for the development, production, transportation, distribution and storage of water.
2. To own, buy, sell, hold, develop, maintain, operate, condemn, lease, exchange, convey and to otherwise acquire, hold, dispose of or deal with or in lands, water, water rights, easements, roads, buildings and property of every nature and description, both real and personal and whether situated in the State of California or any other state of the United States of America.
3. To become and be a member or share holder of any non-profit corporation, cooperative corporation or association organized for the purpose of obtaining, supplying, adjudicating or distributing water or water rights and to aid or participate in

Registration of Articles  
to Amend Articles

No

Yes

the formation of any quasi-public corporation, district or other public agency the principal purpose of which is to obtain, develop or distribute water or water rights.

4. To buy, sell, exchange or otherwise deal with capital stock or bonds of this corporation, as well as any other corporation; to hold, purchase or otherwise acquire or to sell, assign, transfer, mortgage, pledge, hypothecate, foreclose, exchange or otherwise deal with or dispose of promissory notes, bills of exchange, mortgages, deeds of trust, contracts and any and all other evidences of indebtedness created by this or any other corporation, person, district, association, government, or municipal or governmental division or subdivision and to exercise all of the powers, rights and privileges of ownership thereof, to act as agent or broker for commission in the purchase and/or sale of stocks or bonds for any corporation; to issue bonds, debentures or other obligations of this corporation from time to time for any of the objects or purposes of the corporation, and to secure the same by mortgage, pledge, deed of trust, or otherwise; to purchase, hold, sell and transfer the shares of its own capital stock provided it shall not use its funds or property for the purchase of its own shares of capital stock when such use would cause any impairment of its capital, and provided further that shares of its own capital stock belonging to it shall not be voted upon, directly or indirectly.

5. To buy, sell, transfer, exchange, divide, deal in, subdivide, sublease, assign, transfer, and improve any and all kinds of lands, property or real estate and the buildings or structures thereon, and personal property incidental thereto or connected therewith; and to lease, purchase leases, subleases, assignments of leases, and to sell leases, assign leases or subleases to others, divide leases and exchange leases in this or any other state of the United States or any foreign country, and to lease, rent, or sublease any property of the corporation in any part or parcel; to sell or assign any part or parcel of any interest in any lease or parcel belonging to the corporation.

6. To have one or more offices to carry on any or all of its operations and business, and, without restrictions or limitation as to amount, to purchase or otherwise acquire, hold, own, mortgage, sell, convey or otherwise dispose of real and personal property of every class and description in any of the states, districts, territories, or colonies of the United States, and in any and all foreign countries, subject to the laws of such state, district, territory, colony or country.

7. In general, to carry on any other business in connection with the foregoing, whether manufacturing or otherwise, and to have and exercise all the powers conferred by the laws of California upon corporations formed under the laws of said State, and to do any or all of the things hereinbefore set forth to the same extent as natural persons might or could do; provided, however, that nothing herein contained shall authorize this corporation to carry on any business as a public utility.

8. The foregoing clauses shall be construed both as objects and powers, and it is hereby expressly provided that the foregoing enumeration of specific powers shall not be held to limit or restrict in any manner the powers of this corporation.

THIRD: That the principal office for the transaction of the business of this corporation in this State is to be located in the County of San Diego, State of California.

FOURTH: That the total number of shares that may be issued by this corporation is two hundred forty-five (245) all of which shall be without nominal or par value.

FIFTH: That the number of directors shall be three (3) and that the names and residences of the persons who are appointed to act as the first directors are as follows:

<u>Name</u>	<u>Address</u>
Charles O. Harding	Pala, California
E. Theodore Wise	1040 New York Drive, Altadena, California
W. B. Dennis	Rt. 1, Box 58, Fallbrook, California

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 10<sup>th</sup> day of August, 1954.

[Signature]  
E. Theodore Wise  
[Signature]

STATE OF CALIFORNIA )  
                          )SS.  
COUNTY OF SAN DIEGO )

On this 10<sup>th</sup> day of August, 1954, before me,  
the undersigned, a Notary Public in and for said County and  
State, residing therein, duly commissioned and sworn, personally  
appeared CHARLES O. HARDING, E. THEODORE WISE and W. B. DENNIS,  
known to me to be the persons whose names are subscribed to  
the within instrument, and acknowledged to me that they exe-  
cuted the same.

WITNESS my hand and official seal.

Dorothy C. Carter  
Notary Public in and for  
said County and State

MY COMMISSION EXPIRES MAY 31, 1957