



Willow Creek Water Company
P.O. Box 3394
Logan, UT 84323-3394

November 25, 2020

Utah Public Service Commission
160 East 300 South
Salt Lake City, 84111

Via Email (psc@utah.gov)

Regarding: Application for Exemption for Willow Creek Water Company

Honorable Commissioners of the Utah Public Service Commission:

Willow Creek Water Company (WCWC) respectfully requests a Letter of Exemption (LOE) and, if necessary, a cancellation of Certificate of Public Convenience and Necessity (CPCN) from the Public Service Commission (the PSC). WCWC is a non-profit mutual water company, which operates domestic culinary and irrigation water distribution system on behalf of its members. WCWC's sole customers are its private share-holders, and WCWC provides no water service to the general public.

As a matter of background, WCWC became incorporated as a non-profit water company to private shareholders on January 27, 2007. WCWC was granted a Certificate of Public Convenience and Necessity on July 2, 2009, certificate number 2506, to operate as a Water Corporation providing culinary water solely within the High Country Estates and Spring Ridge Subdivisions, Box Elder County, Utah. After changes were made to the Board of Directors in June 2019, WCWC has been working very closely with the Division of Drinking Water to ensure compliance with all drinking water requirements. It currently services 72 connections in Box Elder and Cache Counties with culinary and irrigation water, and has only ever served (and can only serve, according to the WCWC bylaws) its private shareholders. WCWC does not, nor has it ever, qualified as a Public Utility, as defined by Utah Code § 54-2-1(22); nor is it a Water Corporation, as defined by Utah Code § 54-2-1(38). As such, WCWC should be exempt from the PSC jurisdiction.

Enclosed to this request for LOE and cancellation of CPCN are the following exhibits, for which we have included relevant notes:

Exhibit A – Application for Public Service Commission Exemption for WCWC. Also attached are the items required under Section A of the Application. All exhibits are linked and bookmarked for your convenience.

Exhibit B – Business License for Willow Creek Water Company.

Exhibit C – Plan Approval letters from the Division of Drinking Water.

Note: There are six letters covering different phases of approval:

1. Sep. 4, 2003 Plan Review of High Country Estates 200,000-Gallon Concrete Storage Tank;
2. Sep 28, 2007 After-the-Fact-Plan Approval, 250,000-Gallon Water Tank;
3. Sep 28, 2007 Plan Approval, Booster Pump Station for Uppermost Lots of New Additional Lots;
4. Jul 12, 2011 Plan Approval, Willow Creek Well Wellhead Discharge Piping Modification;
5. Oct. 24, 2011 Plan Approval, Well Drilling, Test Well (WS002),
6. Nov. 24, 2014 Approval, Arsenic Blending and Compliance Plan.

Exhibit D – certified copy of WCWC’s Articles of Incorporation.

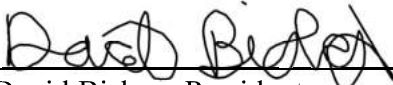
Exhibit E – WCWC’s Bylaws. Please note that while there is still a developer interest (Class E shares) in the ownership of WCWC, Article VIII-A of the bylaws clearly provides for the rate to be regulated by the B & C (homeowner/customer) shareholders of the company, thereby preventing any developer monopoly over the rates of the company. We feel it is in the best interest of WCWC to be regulated by the homeowners, thus creating a balance between the Board of Directors and the water users. This will enable WCWC to respond more quickly to the ebb and flow of the needs of the company.

Exhibit F – Location Map and Project Map featuring the location and planned extent of WCWC’s service area.

Based on WCWC’s role in providing water solely to its private members, we respectfully request a LOE and a cancellation of WCWC’s CPCN, Certificate Number 2506, as WCWC is not a water corporation under Utah law. Thank you for your time and attention to this matter. Please contact us should you need more information or clarification.

Sincerely,

Willow Creek Water Company, Board of Directors

By: 
David Bishop, President

Enclosures:

cc: Gary Smith, Dept. of Public Utilities (garysmith@utah.gov)

Exhibit A

Application for Public Service Commission Exemption

Water and Wastewater Companies

Application for Public Service Commission Regulation or Exemption

Enclosed is an application designed by the Division of Public Utilities (DPU) intended to assist an applicant in determining if a water system qualifies as a public utility. Public utilities are subject to regulation by the Utah Public Service Commission (PSC or Commission).

In the regulation of water companies, the PSC can issue one of two different designations. The first is a Certificate of Public Convenience and Necessity (CPCN). A CPCN is required for any public utility providing service to the public generally. The Public Service Commission regulates companies with this designation. The second designation is a Letter of Exemption (LOE). An LOE is provided to companies providing water service that is limited to its members only and is not delivered to the public. As long as the company serves only its members, it is not serving the public generally. It is irrelevant how a member acquires their member status as long as a member's rights and duties are different than those of nonmembers.

Below is a list of governing rules and definitions that will help provide guidance in filing an application with the Public Service Commission. Please note that this is not a complete list of applicable rules and definitions that a company may need when applying for a CPCN or LOE.

Utah Code: [54-2-1](#) < *Click on link* >

Definitions (22) (a) "Public Utility includes ... water corporations [and] sewerage corporations ... where the service is performed for, or the commodity delivered to, the public generally..."

Utah Code: [54-2-1](#) < *Click on link* >

Definitions (36) "Water corporation"
Definitions (37) (a) and (b) "Water system"

Utah Code: [54-4-25](#) < *Click on link* >

Certificate of convenience and necessity prerequisite to construction and operation.

Utah Code: [54-4a-6](#) < *Click on link* >

Objectives of the DPU.

Utah Administrative Rule: [R746-330](#) < *Click on link* >

Rules for Water and Sewer Utilities Operating in Utah.

Utah Administrative Rule: [R746-332](#) < *Click on link* >

Depreciation Rates for Water Utilities.

Utah Administrative Rule: [R746-405](#) < *Click on link* >

R746-405-1. Filing of Tariffs. General Provisions.

R746-405-2. Filing of Tariffs. Format and Construction of Tariffs.

Legal name of applicant (company name): Willow Creek Water Company



Questionnaire

Please fill out the following questionnaire to assist you in determining if you are subject to PSC regulation. *(Please check only one for each question.)*

Q1. Is this company providing water to anyone other than the owner (two houses or more)?:

Yes

If “**Yes**,” then please continue to **Question Q2**.

No

If “**No**,” then this company or water distribution system is not subject to PSC regulation. You are not required to register with the PSC at this time. If your circumstances change, you may be required to register with the PSC at a later time.

Q2. Is the company serving its members only and not to the public generally?

Yes

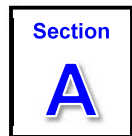
If “**Yes**,” then this company appears to meet the criteria to be exempt from PSC regulation. Please complete and provide the information requested in **Sections A, C, and D**.

No

If “**No**,” then this company meets the criteria requiring it to be regulated by the PSC. Please complete and provide the information requested in all the sections (**Sections A, B, C, and D**).

Legal name of applicant (company name): Willow Creek Water Company

Please Note: The information requested in the following sections covers the basic items of interest to the Division of Public Utilities. The list does not necessarily include all things the Public Service Commission and the Division of Public Utilities need to review in the application procedure. Additional details may be requested as the Division and Commission become more familiar with the applicant's particular circumstances.



The following items are required with this application for ALL applicants, both regulated and exempt.

The following documentation **MUST** be provided to be considered complete. Incomplete applications will **NOT** be considered.

- If doing business in Utah, please provide a copy of your Business License verifying proof of authority to conduct business in Utah. *(Attachment required)*
- Please provide verification of the review and approval of the water system by the Division of Drinking Water. *(Attachment required)*
- Please provide maps (8 ½" x 11") showing the location of the proposed water system relative to nearby towns and highways and the proposed platted subdivision. This map must also show the names and service area of any water utilities that are providing or proposing to provide similar service near or in any part covered by this applicant. *(Attachment required)*
- I certify that this proposed water utility will not conflict with or adversely affect the operations of any existing certified public utility which supplies the same product or service to the public and that it will not constitute an extension into the territory of an existing public utility.

Initial Here:  SMB

Legal name of applicant (company name): Willow Creek Water Company

Section

B

Additional financial items to be included with this application for applicants applying for authority to operate as a regulated public utility.

The following documentation **MUST** be provided to be considered complete. Incomplete applications will **NOT** be considered.

1

Proposed TARIFF

Proposed tariff should include proposed rates and service rules and regulations. Applicant's tariff must comply with the format, construction, and elements as set forth in Utah Administrative Rule: [R746-405 < Click on link >](#) *(Attachment required)*

2

Rates:

For item 2, please select one of the following regarding rates and provide the information requested:

Proposed rates will cover the entire cost of service

Please provide calculations to show that the proposed rates are based upon actual cost of service. *(Attachment required)*

OR

Developer agrees to subsidize costs

If the proposed rates are less than the full cost of service, then the developer agrees to subsidize the water utility expenses until such time that the utility is self-sustaining through its customers' rates. *(Attachment required)*

3

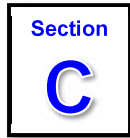
Balance Sheet

In addition to providing a balance sheet for the water company, if the water company is to be, or was, constructed by a developer please provide a personal balance sheet for the developer to ensure that funds are available for the operations of the water company. *(Attachment required)*

Income Statement

Please provide an historical income statement if the water company is already operating, or a projected income statement if not yet operating. *(Attachment required)*

Legal name of applicant (company name): Willow Creek Water Company



APPLICATION
(Must be completed by ALL applicants, both regulated and exempt.)

The following information **MUST** be provided with this application to be considered complete. Incomplete applications will **NOT** be considered.

1. Legal name of applicant (company name): Willow Creek Water Company

2. Principal office address, phone number, and email address:

Address: P.O. Box 3394

Address: _____

City: Logan State: Ut ZIP: 84323-3394

Phone No.: 435-731-9265 Email address: willowcreekwatercompany@g

3. Name of the state in which the applicant is incorporated and date of incorporation

Name of State: UT Date of Incorporation: 01/27/2007

If not incorporated, describe the type of organization and state in which it is organized.

4. The officers and directors (or partners) of the applicant are as follows:

Name	Title	Phone #	Email
David Bishop	President	801-554-9560	david03bishop@gmail.com
Troy Cooper	Vice President	435-557-1901	yacooper2@gmail.com
Craig Veibell	Treasurer	435-452-1907	cveibell@hotmail.com
Natalie Erickson	Secretary	435-730-1649	natjoreri@gmail.com
Miles Hansen	Board Member	202-823-5350	leshansen@gmail.com

Legal name of applicant (company name): Willow Creek Water Company

5. The type of service (water, sewer, or both) which applicant proposes to render is:
(Please check the services that apply.)

Water Only Sewer Only Both Water and Sewer

6. If the applicant is conducting operations at present, please enter the date applicant commenced rendering such service: 01/27/2007

7. How Many Connections will the company serve and type (residential/commercial)?

Residential Customers: 72

Commercial Customers: 0

Total Number of Customers:

8. Please provide any other information not listed above that you consider relevant to this application.



Applicant Must Sign and Date below:

I certify that to the best of my knowledge the above information is true, accurate and complete. I am in compliance with and agree to comply with all regulations and requirements of all State and local government agencies.

Legal name of applicant (company name): Willow Creek Water Company



David Bishop
(This serves as my electronic signature)

President
Title

10/25/2020
Date

If you have any questions regarding the information, the Division is requesting, please feel free to contact us at (800) 874-0904 or (801) 530-7622.



PSC Filing Requirements

Please submit the application and required documentation via email with the Public Service Commission (PSC) to psc@utah.gov.

Additional filing options and for confidential information, further details may be found online at the following site:

<https://psc.utah.gov/psc-filing-requirements/>

If you have any questions regarding the PSC Filing Requirements, please contact the PSC at 801 530-6716

Please Note:

A complete application includes all pages of the application (you may omit the first page that contains the laws and rules), all requested documentation, and an original signature on the signature page.

Electronic copies should include all files in their native formats. For example, all spreadsheets should be in their original EXCEL format, and documents should be in their original WORD format. Files formatted as Adobe PDF are acceptable to use for documents that must be copied or scanned from an original source.

(A \$100.00 filing fee must accompany this application. If applying for an EXEMPTION, the \$100 fee is waived.)

Exhibit B

Business License

2020
Box Elder County, Utah
Business License

This License is Granted To:

Willow Creek Water Co.

Business Location:
PO Box 3394
Logan, UT 84323



Effective Date: 04/01/2020
Business License #:
1163606
Type: Business License
Expires: 12/31/2020

This license is issued on the petition of the applicant who assumes all responsibility of compliance with Federal, State or Municipal Regulations


County Clerk

THIS LICENSE MUST BE DISPLAYED IN A CONSPICUOUS PLACE

Exhibit C

**Plan Approval letters from the
Division of Drinking Water**



Utah!

Where ideas connect

Department of Environmental Quality
Division of Drinking Water

Michael O. Leavitt
Governor

Dianne R. Nielson, Ph.D.
Executive Director

Kevin W. Brown, P.E.
Director

150 North 1950 West
P.O. Box 144830
Salt Lake City, Utah 84114-4830
(801) 536-4200
(801) 536-4211 Fax
(801) 536-4414 T.D.D.
drinkingwater.utah.gov

Drinking Water Board

Dale F. Pierson
Chairman
Anne Erickson, Ed.D.
Vice-Chairman
Myron Bateman
Jay W. Franson, P.E.
Laure McNeill, Ph.D.
Nancy Melich
Dianne R. Nielson, Ph.D.
Charlie Roberts
Petra Rust
Ronald Thompson
Chris Webb

September 4, 2003

J. Alton Veibell
Willow Creek Water Company
14005 North 400 West
Beaver Dam, Utah 84306

Dear Mr. Veibell:

Subject: Plan Review of High Country Estates 200,000-Gallon, Concrete Storage Tank, File #06162, System #02062

On August 5, 2003, we received a second set of revised plans from your consultant, Clyde Nichols with Nichols Engineering, for the above referenced project. The items from our July 28, 2003 letter have been satisfactorily addressed. The plans and specifications basically comply with applicable portions of R309 of the Utah Administrative Code (UAC) and are hereby approved.

As a reminder, an Operating Permit, must be obtained from the Executive Secretary prior to placing this project into operation, as outlined in R309-500-9. If you need further engineering assistance or have any questions, please call James Brough, of my staff, at (801) 536-4150.

Sincerely,

DRINKING WATER BOARD

Kevin W. Brown, P.E.
Executive Secretary

JSB

cc: Bear River Health Department
Clyde Nichols, Nichols Engineering, 913 W. 925 S., Brigham City, UT. 84302

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DDW-2003-000251
Document Date: 09/04/2003



State of Utah

Department of
Environmental Quality

Richard W. Sprutt
Executive Director

DIVISION OF DRINKING WATER
Kenneth H. Bousfield, P.E.
Director

JON M. HUNTSMAN, JR.
Governor

GARY HERBERT
Lieutenant Governor

September 28, 2007

Alton J. Veibell
Willow Creek Water Company
14005 North 400 West
Collinston, UT 84036

Dear Mr. Veibell:

Subject: After-the-Fact Plan Approval, 250,000-Gallon Water Tank,
Willow Glen Water Company (Box Elder County), Water
System #02062, File #06162

The history of the construction of the subject water tank includes original construction plans received at the Division on March 26, 2003, from your consultant, Nichols Engineering, and revised plans received on July 18, 2003, and again on August 5, 2003, for a 200,000-gallon, concrete water tank. The Division granted construction approval in a letter dated September 4, 2003.

On or about June 1, 2007, you requested, for your new water tank, issuance from the Division of the Operating Permit required of all water tanks prior to use in any public drinking water system. At that time, the Division became aware that you had not constructed the Division-approved, 200,000-gallon water tank but that you had constructed a 250,000-gallon water tank without the necessary pre-construction approval from the Division.

You were informed of your obligation to submit after-the-fact construction drawings to the Division for Division review. Your consultant, Nichols Engineering, submitted these revised plans and specifications and they were recorded at the Division on August 9, 2007.

We have completed our review of the revised plans and specifications and hereby approve them as our review found them to basically comply with State Rules R309-110, -352, -500, -505, -510, -515, -520, -525, -530, -535, -540, -545, -550, -600, and -605.

Alton Viebell
September 28, 2007
Page 2 of 2


This letter documents your project's after-the-fact construction approval only. Issues which pertain to the separate operating permit that must be obtained from the Executive Secretary, as outlined in *R309-500-4(1)*, before the new infrastructure may be put into service, will be addressed in a separate letter from the Division.

Local or county approvals/permits may have been necessary before beginning construction of either the original or the modified project. The Division's after-the-fact construction approval of the 250,000-gallon water tank does not absolve you of any project obligations that you may have had, or continue to have, with local or county government. It is our understanding that your water system will use the new water tank to supply drinking water to both the High Country Estates Subdivision in Box Elder County and the proposed Spring Ridge Subdivision in Cache County. This letter from the Division should not be represented by you to Box Elder County or Cache County as evidence of anything more than after-the-fact construction approval of the subject 250,000-gallon water tank.

If you desire any further explanation, or if you have any additional questions, please contact Steve Onysko, Engineering Section Manager, at 801-536-0096.

Sincerely,

DRINKING WATER BOARD



Kenneth Bousfield, P.E.
Executive Secretary

sj0

cc: Joel Hoyt, Director., Environmental Health, Bear River Health Department., 655 East 1300 North, Logan, UT 84341
Kevin Hamilton, Planning Department, Box Elder County, 1 South Main St., Brigham City, UT 84302
Greg Martz, Box Elder County Fire Marshall, 52 South 1000 West, Brigham City, UT 84302
Josh Runhaar, Zoning Administrator, Cache County, 179 North Main St., Suite 305, Logan, UT 84321
Craig Humphreys, Fire Marshall, Cache County Fire District, 179 North Main, Suite 112, Logan, UT 84321



State of Utah

Department of
Environmental Quality

Richard W. Sprott
Executive Director

DIVISION OF DRINKING WATER
Kenneth H. Bousfield, P.E.
Director

JON M. HUNTSMAN, JR.
Governor

GARY HERBERT
Lieutenant Governor

September 28, 2007

Alton J. Veibell
Willow Creek Water Company
14005 North 400 West
Collinston, UT 84036

Dear Mr. Veibell:

Subject: Plan Approval, Booster Pump Station for Uppermost Lots of New Additional Lots, High Country Estates Subdivision (Box Elder County), Willow Glen Water Company (Box Elder County), Water System #02062, File #07369

On August 24, 2007, the Division received the plans and specifications for the subject project from your consultant, Nichols Engineering. The project has its origins in the Division's concern that your 2007-constructed, 250,000-gallon, water storage tank (file #06162) will not be capable of meeting the minimum water pressure requirements, per *R309-105-9, Minimum Pressure*, at the uppermost lots in the High Country Estates Subdivision's proposed 27-lot addition:

- no less than 40 psi during peak day demand;
- no less than 30 psi during peak instantaneous demand; and,
- no less than 20 psi during fire flow and fire demand experienced during peak day demand;

Our understanding of the subject project is that it consists of building on to the existing well pump building to house dual Grundfos, 3 HP motor-driven, variable frequency drive (VFD) modulated, booster pumps. Some 300 lineal feet of 4-inch diameter, PVC waterline will also be installed to deliver the booster pump-pressurized water flow to the water distribution lines that will serve the uppermost lots. Your consultant has represented to us that at least 4 lots, and as many as 11 lots, in the new phase of the subdivision may have to rely on booster pump-pressurized water flow to meet the pressure standards.

Alton Viebell
September 28, 2007
Page 2 of 3

There is an unfortunate history of events associated with your construction of water system infrastructure to serve the new phase of development in the High Country Estates Subdivision. Division records show approval dates of February 17, 2000, and July 10, 2000, for a project submittal on behalf of your water system, described as *tank, pump building, waterline, & chlorine*, file #05320, but we have been unable to locate copies of the approval letters themselves. You have represented to us that one or both of these letters approved installation of waterlines of a mere 4-inch diameter, which the Division presently does not approve in community water system use as a general rule.

Also, the originally proposed, 200,000-gallon water storage tank was approved in a Division letter dated September 4, 2003. You failed to comply with the conditions of that approval inasmuch as you altered the design without Division pre-approval to a 250,000-gallon tank capacity, and you neglected to seek the required project re-approval, per *R309-500-6(2)(d)*, when you did not commence construction within one year of the approval letter date. In retrospect, it is clear that the water storage tank construction was approved at an insufficiently high ground elevation, in our letter dated September 4, 2003. It is unclear if the elevations of the uppermost lots in the proposed 27-lot addition to the High Country Estates Subdivision were accurately represented to the Division at that time. Had you sought the required re-approval in 2007, when the elevations of those lots was then known with certainty, it is very likely that we would have raised concerns over the water tank's proposed elevation.

Thus, the combination of missteps, with undersized waterlines and the inadequate water tank elevation, have brought us to the present, unfortunate fix of booster pumping in perpetuity for the uppermost lots. Although this remedy is allowed under the *State of Utah Administrative Rules for Public Drinking Water Systems*, the circumstance is disappointing for the High Country Estates Subdivision as there seems to be no convincing reason as to why larger-sized waterlines and a higher elevation water tank could not have been incorporated into the design.

On this basis, the plans for the proposed project are hereby approved as our review found them to basically comply with State Rules R309-110, -352, -500, -505, -510, -515, -520, -525, -530, -535, -540, -545, -550, -600, and -605. This approval pertains to construction only and a separate operating permit must be obtained from the Executive Secretary as outlined in *R309-500-4(1)*, before the new infrastructure may be put into service. A checklist that outlines the operating permit requirements is enclosed.

Local or county approvals/permits may be necessary before beginning construction of this project. As the project proceeds, notice of any changes in the approved design, as well as any change affecting the quantity or quality of the delivered water, must be submitted to the Division. We may also conduct interim and final inspections to ascertain compliance with

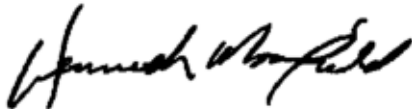
Alton Viebell
September 28, 2007
Page 3 of 3

the approved drawings. Please notify us when actual construction begins so that these inspections can be scheduled.

This approval must be renewed if construction has not begun or if substantial materials have not been ordered within one year of the date of this letter. If you desire any further explanation, or if you have any additional questions, please contact Steve Onysko, Engineering Section Manager, at 801-536-0096.

Sincerely,

DRINKING WATER BOARD



Kenneth Bousfield, P.E.
Executive Secretary

sjc

cc: Joel Hoyt, Director., Environmental Health, Bear River Health Department., 655 East 1300 North, Logan, UT 84341
Kevin Hamilton, Planning Department, Box Elder County, 1 South Main St., Brigham City, UT 84302
Greg Martz, Box Elder County Fire Marshall, 52 South 1000 West, Brigham City, UT 84302

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DIVISION OF DRINKING WATER OPERATING PERMIT CHECKLIST

With the exception of distribution lines (and distribution lines with booster pumps and pressure-reducing valves), the following items must be submitted and found to be acceptable for all projects:

- Utah Registered Engineer's statement of what plan changes, if any, were necessary during construction and Utah Registered Engineer's Certification of Conformance that all of these changes were in accordance with applicable Utah Administrative Code, namely, Rule Series 500, Drinking Water Facility, Construction, Design, and Operation.
- Utah Registered Engineer's R309-500-9 Certification of Rule Conformance that all conditions of plan approval (including conditions set forth by the Executive Secretary in any conditional approval letter) have been accomplished.
- As-built drawings have been received at the Division (unless no changes were made to the pre-construction drawings).
- Confirmation that as-built drawings have been received at the water system (unless no changes were made to the pre-construction drawings).
- Evidence of proper flushing and disinfection in accordance with the appropriate ANSI/AWWA Standard.
 - ANSI/AWWA C651-92 AWWA Standard for Disinfecting Water Mains
 - Two consecutive sample sets (each 1200 feet, end-of-line, each branch, etc.), none positive, at least 24 hours apart.
 - ANSI/AWWA C652-92 AWWA Standard for Disinfection of Water-Storage Facilities
 - One or more samples, none positive.
 - ANSI/AWWA C653-97 AWWA Standard for Disinfection of Water Treatment Plants
 - Two consecutive samples per unit, none positive, no less than 30 minutes apart.
 - ANSI/AWWA C654-97 AWWA Standard for Disinfection of Wells
 - Two consecutive samples, none positive, no less than 30 minutes apart.
- Water quality data, where appropriate.

[Guidance: Storage tank water should be analyzed for residual volatile organic compounds used during tank interior painting or coating.]
- Water system owner has been provided with O&M manuals for any new facilities.



State of Utah

GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

Department of Environmental Quality

Amanda Smith
Executive Director

DIVISION OF DRINKING WATER
Kenneth H. Bousfield, P.E.
Director

Drinking Water Board
Paul Hansen, P.E., *Chair*
Ken Bassett, *Vice-Chair*
Terry Beebe
Russell Donoghue
Daniel Fleming
Tage Flint
Heather Jackson
Betty Naylor
Amanda Smith
David Stevens, Ph.D.
James Webb
Kenneth H. Bousfield, P.E.
Executive Secretary

July 12, 2011

Alton Veibell
Willow Creek Water Company
14015 North 400 West
Collinston, UT 84306

Dear Mr. Veibell:

Subject: **Plan Approval**, Willow Creek Well Wellhead Discharge Piping Modification (WS001), System #02062, File #08705

On June 1, 2011, the Division of Drinking Water (the Division) received your submission of the plans for modifying the wellhead discharge piping for the Willow Creek Well. This well is identified as WS001 in our inventory.

The Division understands the project consists of modifying the well discharge piping from the Willow Creek Well to accommodate future installation of a central arsenic treatment facility. The proposed piping modification includes only the discharge pipes directly from the well casing to the 4-inch diameter inlet manifold as indicated on the construction drawing.

This approval applies to the wellhead discharge piping modification only, and does not apply to the arsenic treatment facility. **You must obtain a separate plan approval prior to installing the central arsenic treatment facility.** The arsenic treatment is reviewed under a different file number (File # 08607).

We have completed our review of the plans, stamped and signed by Eric F. Dursteler, P.E. and dated May 31, 2011, and find they basically comply with the applicable portions of Utah's Administrative Rules for Public Drinking Water Systems in R309. On this basis, **the plans for modifying the wellhead discharge piping of the Willow Creek Well (WS001) are hereby approved.**

An operating permit must be obtained from the Executive Secretary before the modified Willow Creek Well piping may be put in service. A checklist outlining the items required for operating permit issuance is enclosed for your information.

195 North 1950 West • Salt Lake City, UT
Mailing Address: P.O. Box 144830 • Salt Lake City, UT 84114-4830
Telephone (801) 536-4200 • Fax (801) 536-4211 • T.D.D. (801) 536-4414

www.deq.utah.gov

Printed on 100% recycled paper

This approval contains the following stipulations:

1. **Point-of-Use arsenic treatment units** currently installed at individual residential connections served by Willow Creek Water Company **shall remain in place and in use until the central treatment facility is installed, fully functional, and an operating permit has been issued for the central treatment facility by the Executive Secretary.**
2. **Point-of-Use arsenic treatment units** currently in use by Willow Creek Water Company users **shall continue to be monitored and serviced** by the Water Company until such time as the central treatment facility is fully operating.

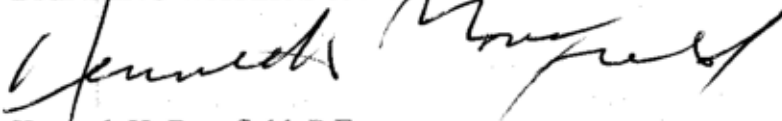
Approvals or permits by local authority or county may be necessary before beginning construction on this project. As the project proceeds, notice of any changes in the approved design, as well as any change affecting the quantity or quality of the delivered water, must be submitted to the Division. We may also conduct interim and final inspections of this project. Please notify us when actual construction begins so that these inspections can be scheduled.

This approval must be renewed if construction has not begun or if substantial equipment has not been ordered within one year of the date of this letter.

If you have any questions regarding this letter, please contact Michael Grange, of this office, at (801) 536-0069, or Ying-Ying Macauley, Engineering Section Manager, of this office, at (801) 536-4188.

Sincerely,

DRINKING WATER BOARD



Kenneth H. Bousfield, P.E.
Executive Secretary

mjj

Enclosure — Operating Permit Checklist

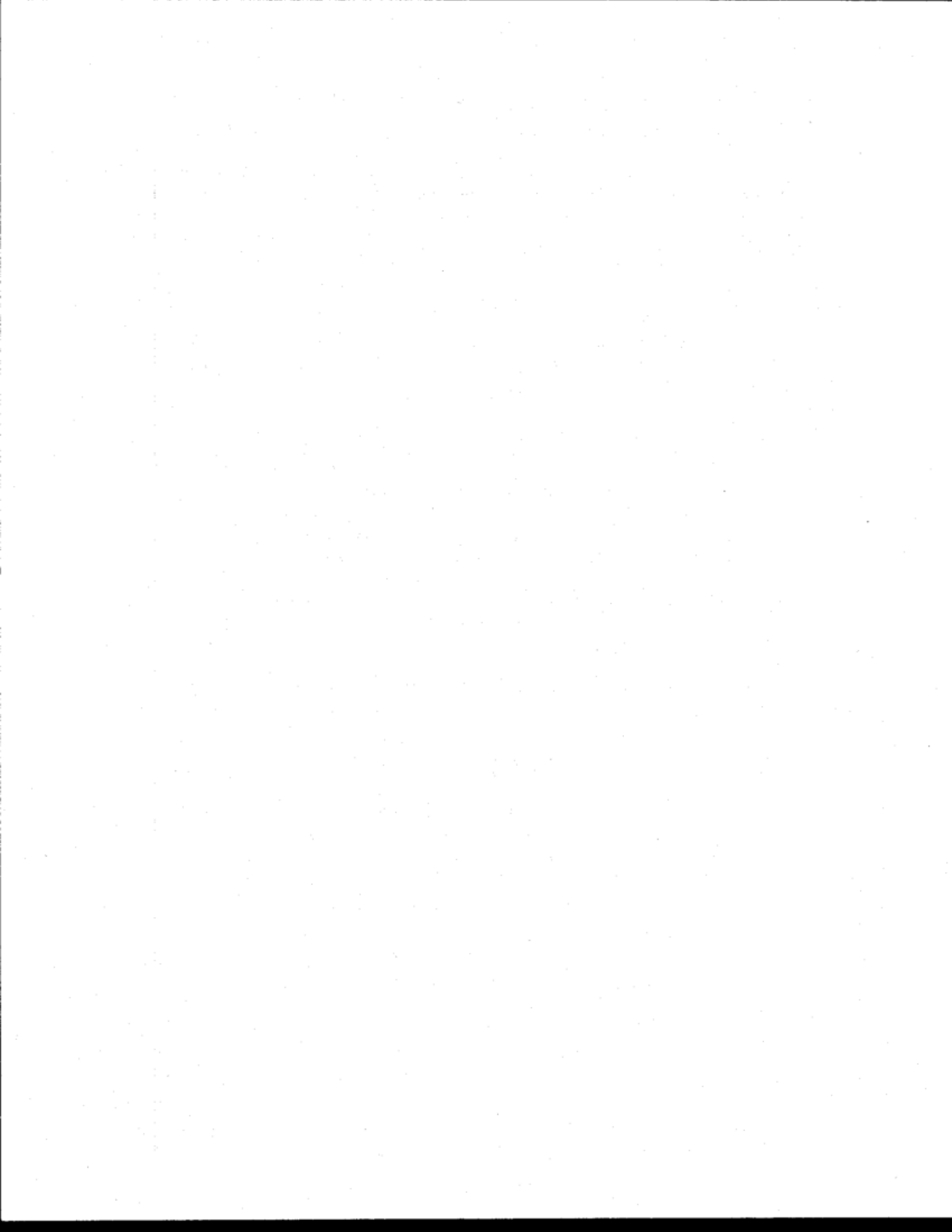
cc: Eric F. Dursteler, Sunrise Engineering, Inc., 26 South Main Street, Smithfield, Utah 84335
Grant Koford, Bear River Health Dept., 655 East 1300 North, Logan, UT 84341
Patti Fauver, DDW
Don Lore, DDW
Michael Grange, DDW

DIVISION OF DRINKING WATER

Checklist for Operating Permit (per Utah Administrative Code R309-500-9)

The following items must be submitted and found to be acceptable for all projects for operating permit issuance with the exception of distribution lines and distribution lines with booster pumps and pressure-reducing valves. *[Distribution system projects may be placed into service prior to submittal of all items or issuance of operating permit if a water system has officially designated a professional engineer responsible for the entire water system and if this designated engineer has received a Certification of Rule Conformance by a P.E. and proof of satisfactory bacteriological result. In this case, a public water system will submit all items needed for obtaining an operating permit for specific distribution system project even after the new waterlines has been placed into service as determined by the water system's designated professional engineer.]*

- Utah Registered Engineer's Certification of Rule Conformance that all conditions of plan approval (including conditions set forth by the Executive Secretary in any conditional approval letter) have been accomplished.
- Utah Registered Engineer's statement of what plan changes, if any, were necessary during construction and a Certification of Rule Conformance that all of these changes were in accordance with applicable Utah Administrative Code, *R309-500 through R309-550, Drinking Water Facility, Construction, Design, and Operation Rules.*
- As-built drawings have been received at the Division (unless no changes were made to the previously submitted and approved pre-construction drawings).
- Confirmation that as-built drawings have been received by the water system (unless no changes were made to the previously submitted and approved pre-construction drawings).
- Evidence of proper flushing and disinfection in accordance with the appropriate ANSI/AWWA Standards.
 - ANSI/AWWA C651-05 AWWA Standard for Disinfecting Water Mains
 - Two consecutive sample sets (each 1200 feet, end-of-line, each branch, etc.), none positive, at least 24 hours apart.
 - ANSI/AWWA C652-02 AWWA Standard for Disinfection of Water-Storage Facilities
 - One or more samples, none positive.
 - ANSI/AWWA C653-03 AWWA Standard for Disinfection of Water Treatment Plants
 - Two consecutive samples per unit, none positive, no less than 30 minutes apart.
 - ANSI/AWWA C654-03 AWWA Standard for Disinfection of Wells
 - Two consecutive samples, none positive, no less than 30 minutes apart.
- Water quality data, where appropriate. *[Guidance: Storage tank water should be analyzed for residual volatile organic compounds after tank interior painting or coating.]*
- Confirmation that water system owner has been provided with O&M manuals for any new facilities.
- Location data of new storage tank, treatment facility, or source, if applicable.





State of Utah

GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

Department of
Environmental Quality

Amanda Smith
Executive Director

DIVISION OF DRINKING WATER
Kenneth H. Bousfield, P.E.
Director

Drinking Water Board
Paul Hansen, P.E., *Chair*
Ken Bassett, *Vice-Chair*
Terry Beebe
Russell Donoghue
Daniel Fleming
Tage Flint
Heather Jackson
Betty Naylor
Amanda Smith
David Stevens, Ph.D.
James Webb
Kenneth H. Bousfield, P.E.
Executive Secretary

October 24, 2011

Alton Veibell
Willow Creek Water Co.
14015 North 400 West
Beaver Dam, UT 84306

Dear Mr. Veibell:

Subject: **Plan Approval**, Well Drilling, Test Well (WS002), System #02062, File #8872

On September 15, 2011, the Division of Drinking Water (the Division) received the plans and specifications for the subject project from your consultant, Eric Dursteler, P.E., with Sunrise Engineering. We understand that this project consists of drilling a test well with the possibility of converting the well into a production well, should the test well demonstrate adequate capacity and quality. A 12-inch borehole will be drilled to a minimum depth of 100 feet, after which an 8-inch diameter borehole will be drilled to a total depth of 450 to 600 feet, depending on the formations encountered. Step-drawdown and constant rate pump tests will be conducted with a target flow of 30 gpm.

We have completed our review of the plans and specifications, stamped and signed by Eric Dursteler, P.E. and dated September 14, 2011, and found they basically comply with the applicable portions of *Utah's Administrative Rules for Public Drinking Water Systems*. On this basis, **the plans for the Test Well are hereby approved**. This approval pertains to well drilling, development, aquifer testing, and disinfection of the Test Well only. Please be aware that discharge permits may be required by Utah Division of Water Quality for discharges generated during well drilling and aquifer drawdown test.

Please note that plans and specifications for this project were submitted without submittal of a Preliminary Evaluation Report (PER). An Operating Permit cannot be issued for this well without an approved PER and associated recorded land use agreements. By proceeding with the drilling of the well without an approved PER, you accept the risk that, depending on how the well is sited and proximity to uncontrolled potential contamination sources and pollution sources, it may be impossible to approve the PER. Should the Division not be able to approve a future PER submittal, well-equipping approval and subsequent operating permit will not be issued for the Test Well.

Alton Veibell
Page 2
October 24, 2011

After drilling is completed, you are required to submit additional information outlined in *R309-515-6(5)(b)* and *(c)* for review, and **obtain an approval for equipping this well and constructing discharge piping and infrastructure necessary for introducing the well water into the distribution system.** An Operating Permit must be obtained from the Executive Secretary before the Test Well may be put in service. A checklist outlining the well approval process, including the items required for well equipping and operating permit, is enclosed for your information.

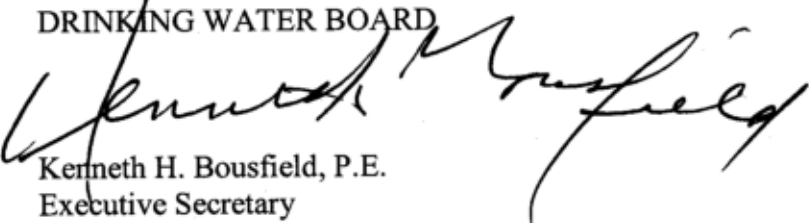
The Test Well is referenced as WS002 in our inventory. Please label the well water sample collected for new source chemical analysis with your water system number (02062) and the WS002 (for both the facility ID and sample point ID) on all laboratory forms for each individual source. This will ensure proper identification and entry of the new source chemical analysis results in our database.

Approvals or permits by local authority or county may be necessary before beginning construction of this project. As the project proceeds, notice of any changes in the approved design, as well as any change affecting the quantity or quality of the delivered water, must be submitted to the Division. We may also conduct interim and final inspections of this project. Please notify us when actual construction begins so that these inspections can be scheduled.

Project approval must be renewed if construction has not begun or if substantial materials have not been ordered within one year of the date of this letter. If you have any question regarding this letter, please contact Jesse Johnson, of this office, at (801) 536-4195, or Michael Grange, Construction Assistance Section Manager, of this office, at (801) 536-0069.

Sincerely,

DRINKING WATER BOARD


Kenneth H. Bousfield, P.E.
Executive Secretary

JJ

Enclosure — Well Approval Checklist

cc: Grant Koford, Environmental Health Director, Bear River Health Department, gkoford@brhd.org
Eric Dursteler, P.E., Sunrise Engineering, edursteler@sunrise-eng.com
Jesse Johnson, P.E., Division of Drinking Water
Kate Johnson, Division of Drinking Water
Alton Veibell, Vice President, Willow Creek Water System, alton.veibell@gmail.com

DDW-2011-018108.doc

DIVISION OF DRINKING WATER
Checklist for New Public Drinking Water Wells

System Name: _____ Willow Creek Water Co. _____ System Number: __02062__

Well Name & Description: _____ Test Well (WS002) _____

1. Approval to Drill the Well

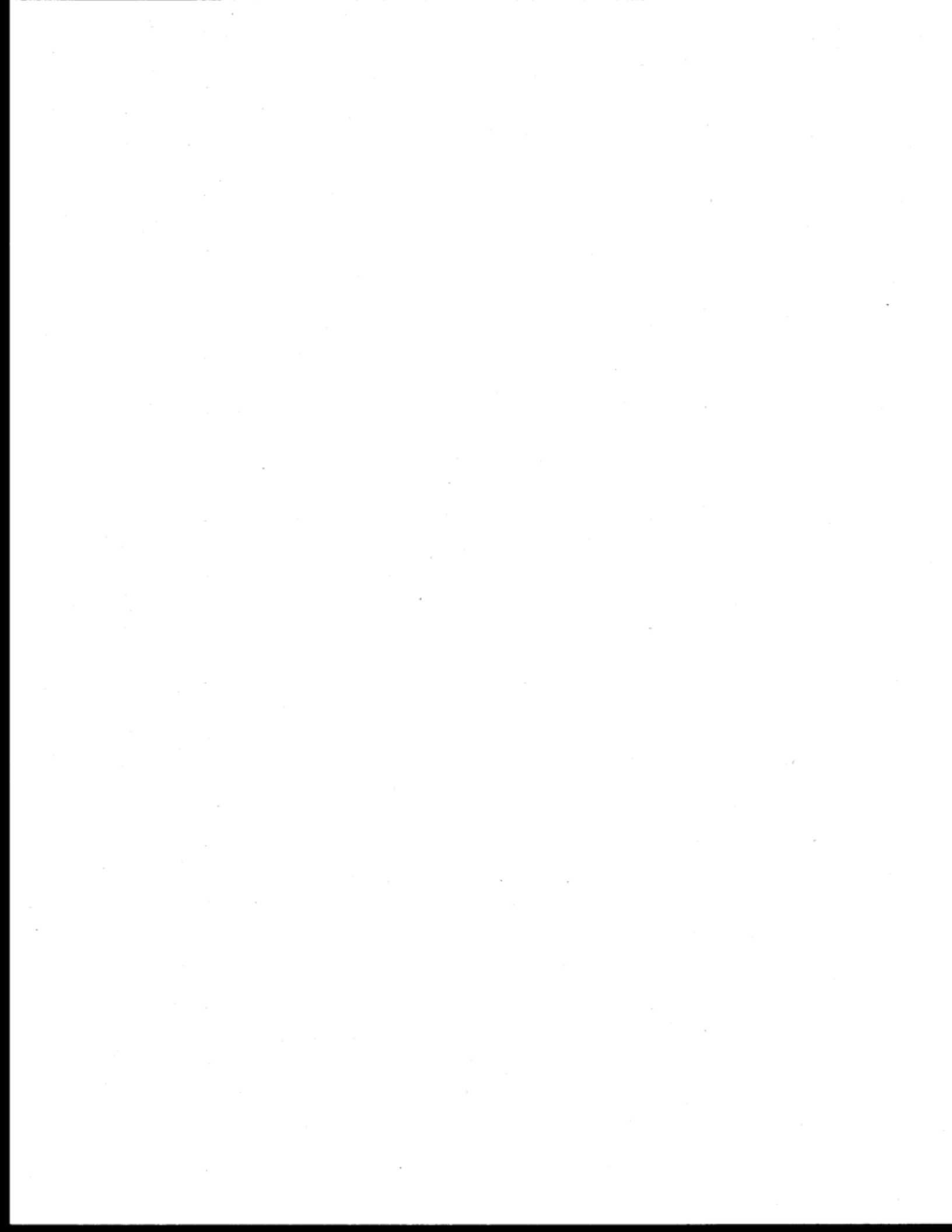
- Project Notification Form
- Preliminary Evaluation Report (PER) concurrence
- Well drilling specifications and plans
- Valid Start Card or authorization to drill letter from the Division of Water Rights

2. Approval to Equip the Well

- Project Notification Form
- Well location data
- Certification of well seal
- Well driller's report (well log)
- Aquifer drawdown test results (step drawdown test & constant-rate test) for well yield determination
- Chemical analyses of the well water
- Plans and specifications for equipping the well
 - Pump information (e.g., pump specifications, pump curve & operating point, motor information, etc.)
 - Well head discharge piping
 - Well house design

3. Operating Permit to Introduce the Well Water

- Documentation of valid water right(s)
- Design engineer's statement of conformance with approval conditions
- Design engineer's statement of conformance with the Rule for any deviation from the plan approval or plan review exemption
- Evidence of O&M manual delivery
- As-built drawings
- Recorded land use agreements or documentation that the requirements for coverage under the City/County source protection ordinance have been met
- Satisfactory bacteriological results





State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

Department of
Environmental Quality

Amanda Smith
Executive Director

DIVISION OF DRINKING WATER
Kenneth H. Bousfield, P.E.
Director

November 14, 2014

Alton Veibell
Willow Creek Water Company
14015 N 400 W
Beaver Dam, UT 84306

Dear Mr Veibell,

Subject: **Approval**, Arsenic Blending and Compliance Plan, Willow Creek Well (WS001), System #02062, File #8607

On January 3, 2014, the Division of Drinking Water (the Division) received the Arsenic Blending and Compliance Plan from your consultant, Eric Dursteler with Forsgren Associates. This letter is to clarify the blending plan proposed by the Willow Creek Water Company to comply with arsenic maximum contaminant levels (MCL) of 10.0 µg/L or parts per billion (ppb), and to outline the requirements set by the Division to allow the high-arsenic Willow Creek Well (identified as WS001 in the Division’s inventory database) to remain in service.

The following is a list of your sources and results from the most recent arsenic analysis.

Source ID	Activity Status	Source Name	Most Recent Arsenic Sample (ppb or µg/L)
WS001	Active	Willow Creek Well	22.9
WS002	Active	Willow Creek Well #2	0

The Division understands that water from the high-arsenic Willow Creek Well (WS001) and the low-arsenic Willow Creek Well #2 (WS002) will be combined into one dedicated transmission line to the 250,000 Gallon Tank (ST004) and blended according to the ratios shown in the table below.

Facility ID	Facility Name	Arsenic Level (µg/L or ppb)	Estimated Flow (gpm)
WS001	Willow Creek Well	22.9	27
WS002	Willow Creek Well #2	0.0	40
SS001	Arsenic Sampling Station	9.2	67

Each well will be metered and monitored with a Supervisory Control and Data Acquisition (SCADA) system so that the correct flows are achieved from each well. Furthermore, the SCADA will be programed so the Willow Creek Well (WS001) will not turn on without the Willow Creek Well #2 (WS002) also turning on. The reduced pumping rate of Willow Creek Well (WS001) is achieved by having the VFD equipped on the well pump run at a lower Hertz, thus essentially moving the pump curve down. It is our understanding that this feature allows the 100 gpm pump run at 27 gpm without compromising the system integrity, which has been verified by your engineer.

One sampling point has been created in our database to monitor the worst-case arsenic level of the blended water. Arsenic Sampling Station SS001 is located at the outlet of the 250,000-Gallon Tank (ST004) and is located prior to any service connections since the well house pumps directly to the tank before distribution.

The total flow amount is limited by the safe yield capacity of the Willow Creek Well #2 of 40 gallons per minute (gpm). Unfortunately, the recently drilled Well #2 (WS002) did not produce the anticipated volume of water that was initially estimated when the well was being tested. Typically, the Division prefers that blended arsenic levels be below 8 ppb to provide an additional safety factor. In this case, due to the water system's need, the 9.2 ppb level will be allowed, **provided that the actual arsenic level of the blended water does not exceed the MCL of 10.0 ppb.**

We have completed our review of the arsenic blending plan for the Willow Creek Water Company and found it basically complies with the applicable portions of *Utah's Administrative Rules for Public Drinking Water Systems*. On this basis, **the arsenic blending plan for the Willow Creek Water Company is hereby approved for implementation, subject to the following conditions:**

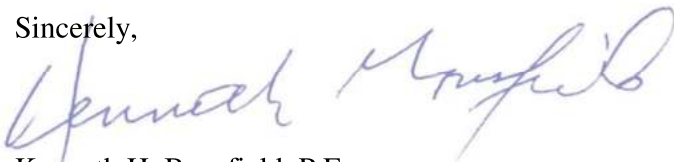
1. The System shall pump the Willow Creek Well (WS001) to waste for an adequate period of time during every startup to avoid a concentrated dose of arsenic laden water being pumped directly into the distribution system or water storage.
2. Compliance with the arsenic standard will be based on the running annual average (RAA) of the calculated quarterly arsenic results at the Arsenic Sampling Station (SS001). The selected location of SS001 is at the outlet of the 250,000-gallon concrete tank (ST004). The intent of this sampling is to determine the quality of the water delivered to the consumers under the worst-case conditions within the distribution system. The RAA is calculated by averaging the four most recent quarterly results. If at any time the System's RAA exceeds the arsenic MCL of 10.0 µg/L (ppb), the Willow Creek Water Company will be issued a water quality violation in accordance with *Utah Administrative Code R309-205-5(c)*.
3. The Water System must take **source arsenic samples** at the well head of WS001 while the source is operational **for any month that WS001 provides water to the distribution system.** The system will indicate in the monthly report the complete activity status of WS001 for each quarter.
4. The System must keep accurate monthly water usage data (in gallons) for both WS001 and WS002.

5. The System must take an arsenic **distribution system compliance sample** at the Arsenic Sampling Station SS001, located at the Storage Facility ST004, each calendar quarter, regardless of source operational status. (These distribution system compliance samples are used for RAA calculations. In some cases, it may be necessary to take sources high in arsenic out of service in order to maintain the RAA of the water delivered through the distribution system under 10.0 ppb arsenic.)

6. The System will compile all arsenic sample results and monthly source water usage data and submit it in a quarterly arsenic report to the Division. The quarterly arsenic report is due by the 10th day following the end of each quarter (i.e., April 10, July 10, October 10, and January 10), and should be sent to the attention of J.J. Trussell, Arsenic Compliance Manager, P.O. Box 144830 Salt Lake City, Utah 84114-4830, or electronically to ddwreports@utah.gov. For any questions regarding arsenic monitoring and reporting or assistance with the arsenic report template, please contact **J.J. Trussell at (801) 536-4198** or jtrussell@utah.gov.

If you have any questions regarding this letter, please contact Jesse Johnson, of this office, at (801) 536-4195, or J.J. Trussell at (801) 536-4198.

Sincerely,



Kenneth H. Bousfield, P.E.
Director

JJ

Enclosure — Monitoring Schedule & Inventory Report

cc: Grant Koford, Environmental Director, Bear River Health Department, gkoford@brhd.org
Eric Dursteler, Forsgren Associates, edursteler@forsgren.com
Jesse Johnson, Division of Drinking Water, jjohnson@utah.gov
Kate Johnson, Division of Drinking Water, katej@utah.gov
Rachael Cassidy, Division of Drinking Water, rcassady@utah.gov
Jennifer Yee, Division of Drinking Water, jyee@utah.gov
J.J. Trussell, Division of Drinking Water, jtrussell@utah.gov
Rachael Cassidy, Division of Drinking Water, rcassady@utah.gov

Utah Department of Environmental Quality

Division of Drinking Water

Monitoring Schedule

Run Date:
11/13/2014 04:55 pm

PWS ID: UTAH02062 **Name:** WILLOW CREEK WATER CO

Legal Contact: WILLOW CREEK WATER CO **Rating:** Not Approved
J ALTON VEIBELL **Rating Date:** 04/25/2012

Address: 14005 N 400 W **Activity Status:** A
BEAVER DAM, UT 84306

Phone Number: 435-458-3429

City Served (Area): Consumptive Use Zone
Irrigation Zone Number: 4 02/15/2013

County: BOX ELDER COUNTY

System Type: Community **Last Inv Update:** 11/12/2014
Last Snty Srv Dt: 05/20/1998

Population: 32 **Surveyor:** DDW SURVEYOR
Oper Period: 1/1 to 12/31

Total Coliform Rule Monitoring

Sample Count	Sample Type	Sample Frequency	Effective Begin Date	Effective End Date	Seasonal Start	Seasonal End	Analyte Name
1	Routine	Monthly	01/01/2014		1/1	12/31	COLIFORM (TCR)

Additional Monitoring Requirements

Facility ID	Facility Name	Analyte Name	Sample Count	Sample Type	Sample Frequency	Last Sample	Next Sample Between
DS001	UTAH02062 DISTRIBUTION SYSTEM		Activity Status: A		Sample Label: UTAH02062 DS001		
	Lead & Copper		5	Routine	6 Months	2014	06/01-09/30
	Disinfection Byproducts Stage 2		1	Routine	3 Years		
	MR001	DISTRIBUTION SYSTEM				09/30/2013	AUGUST 2016
SS001	ARSENIC SAMPLING STATION		Activity Status: A		Sample Label: UTAH02062 SS001		
	ARSENIC		1	Routine	QT	08/29/2014	10/01/2014-12/31/2014
WS001	WILLOW CREEK WELL		Activity Status: A		Sample Label: UTAH02062 WS001		
	NITRATE		1	Routine	Year	04/09/2014	01/01/2015-12/31/2015
	ARSENIC		1	Routine	MN	08/29/2014	09/01/2014-09/30/2014
	Pesticides		1	Routine	3 Years	05/11/2011	01/01/2014-12/31/2016
	Inorg & Metals		1	Routine	3 Years	03/07/2011	01/01/2014-12/31/2016
	Sodium, Sulfate, TDS		1	Routine	3 Years	03/07/2011	01/01/2014-12/31/2016
	Volatile Organics		1	Routine	Year	08/29/2014	01/01/2015-12/31/2015
	Radionuclides		1	Routine	6 Years	04/03/2013	01/01/2017-12/31/2022
WS002	WILLOW CREEK WELL #2		Activity Status: A		Sample Label: UTAH02062 WS002		
	NITRATE		1	Routine	Year	04/09/2014	01/01/2015-12/31/2015
	Volatile Organics		1	Routine	Quarter	09/05/2014	10/01/2014-12/31/2014
	Radionuclides		1	Routine	Quarter	09/05/2014	10/01/2014-12/31/2014
	Pesticides		1	Routine	3 Years	12/07/2011	01/01/2014-12/31/2016
	Inorg & Metals		1	Routine	3 Years	12/07/2011	01/01/2014-12/31/2016
	Sodium, Sulfate, TDS		1	Routine	3 Years	12/07/2011	01/01/2014-12/31/2016

**Utah Department of Environmental Quality
Division of Drinking Water**

Monitoring Schedule

Run Date:
11/13/2014 04:55 pm

**Utah Department of Environmental Quality
Division of Drinking Water**

Public Water System Inventory Report

Run Date:
11/13/2014 04:54 pm

PWS ID: UTAH02062	Name: WILLOW CREEK WATER CO	Rating: Not Approved
Legal Contact: WILLOW CREEK WATER CO		Rating Date: 04/25/2012
J ALTON VEIBELL		Activity Status: A
Address: 14005 N 400 W		
BEAVER DAM, UT 84306		
Phone Number: 435-458-3429		
City Served (Area):		
County: BOX ELDER COUNTY		
System Type: Community	Last Inv Update: 11/12/2014	
	Last Snty Srv Dt: 05/20/1998	
Population: 32	Surveyor: DDW SURVEYOR	
	Oper Period: 1/1 to 12/31	

Consumptive Use Zone
Irrigation Zone Number: 4 02/15/2013

Contacts

Contact Type	Name	Title	Phone Numbers		Email Address
			Office	Emergency	
AC	VEIBELL, J ALTON		435-458-3429		alton.veiball@gmail.com

Service Connections

Connection Type	Meter Type Code	Meter Size	Number Connections
Residential	Unmetered	0	18
			18 Total Svc Connections

Storage

Total Storage: 250,000 GAL **Number of Units:** 4

No.	Name	Type	Effective Volume	Constr Matrl	Activity Status	Activity Status Reason	Press'd
ST004	250,000 GAL CONCRETE TANK	Ground	250,000 GAL	Concrete	A		NO
ST001	1,100 GAL CONCRETE TANK #1 DEN	Ground	0 GAL	Concrete	I	Abandoned	NO
ST002	1,100 GAL CONCRETE TANK #2 DIS	Ground	0 GAL	Concrete	I	Abandoned	NO
ST003	1,700 GAL CONCRETE TANK DISCO	Ground	0 GAL	Concrete	I	Abandoned	NO

Treatment Plants

No.	Plant Name	BIN			App Design Cap (milgal/day)	Activity Status	Activity Status Reason	Treatment Process
		Type	Status	Date				
TP001	WILLOW CREEK WELL CHLORINATION UNIT					A		

Pumping Stations

Facility No	Facility Name	Activity Status	Activity Status Reason	Capacity	Avail
PF001	BOOSTER STATION	I			P

Sources

No.	Source Name	Activity Status	Activity Status Reason	Source Type	Safe Yield *	Pump Capacity	Location Data On File	Water Type	Availability	Period of Operation
WS001	WILLOW CREEK WELL	Active		WL	27 GPM	130 GPM	Yes	GW	Permanent	
WS002	WILLOW CREEK WELL #2	Active	OP Issued	WL	40 GPM	40 GPM	Yes	GW	Permanent	1/1 to 12/31

*Reports measured flow for wells, approved design capacity for all other sources.

Exhibit D

**Certified copy of WCWC's Articles of
Incorporation**

Date: 07/20/2011
Receipt Number: 3624966
Amount Paid: \$17.00



RECEIVED
JUL 20 2011

Utah Div. Of Corp. & Comm. Code

AMENDED AND RESTATED ARTICLES OF INCORPORATION
of
WILLOW CREEK WATER COMPANY

The undersigned do hereby adopt the following Amended and Restated Articles of Incorporation this 5th day of July, 2011.

ARTICLE I - CORPORATE NAME

The name of this Company is the **Willow Creek Water Company**.

ARTICLE II - PERIOD OF DURATION

The period of duration for this Company is perpetual, unless sooner terminated in the manner provided by law.

ARTICLE III - POWERS AND PURPOSES

In furtherance of and in no way in limitation of the powers now or hereinafter conferred upon non-profit corporations by the laws of the State of Utah, the nature of business of the Company, and the objects, purposes and powers to be transacted, promoted, exercised or carried on by it are as follows:

A. To own water rights for domestic, culinary, municipal, secondary, irrigation and other purposes allowed under the laws of the State of Utah, and to store and distribute this water on a non-profit basis only to the members of the Company.

B. To acquire and maintain water rights and sources of water supply by purchase, lease, contract, appropriation, change application or otherwise.

C. To acquire, hold, and sell real and personal property useful to the carrying on of the corporate business.

D. To own water diversion, transportation, distribution, measurement and storage facilities useful to the distribution of the water supply held by the Company.

E. To solicit and receive contributions, to purchase, own, and sell real and personal property, to make contracts, to invest corporate funds, to spend corporate funds for corporate purposes, and to engage in any activity in furtherance of, incidental to, or connected with any of the other purposes.

F. To convey its assets as security for loans and make and perform contracts of any kind and description, including, without limitation, contracts with the State of Utah or the United States of America, or any agency, department or political subdivision thereof, for the purpose of borrowing money, acquiring water and water rights, and for the use, joint development of and/or the construction, development, repair, improvement, modification, repair, and replacement of all springs, wells, reservoirs and other water sources, as well as all other water diversion, transportation, distribution, measurement and storage facilities.

G. To charge fees for water service and make assessments, in accordance with Article VIII and Utah Code Annotated sections 16-4-101, et seq., against its membership shares (“Shares”) and members either on or not on a pro rata basis for the purpose of raising funds to accomplish any of the other purposes or powers, or to pay its debts or obligations, to publish notice of delinquency for nonpayment of assessments, and to sell at public auction, after adequate notice, the Shares that remain delinquent.

H. To engage in any and all other lawful purposes, activities and pursuits, which are substantially similar to the foregoing and which are or may hereafter be authorized by Section 501(c)(12) of the Internal Revenue Code and consistent with those powers described in the Utah Revised Nonprofit Corporation Act, as amended and supplemented.

I. To do any and all acts and things, and to exercise any and all other powers which a natural person could do or exercise, and which are not now nor hereafter prohibited by law, in carrying on its business, or for the purpose of attaining or furthering its objectives.

J. With respect to such purposes:

(1) no part of the net earnings of the Company shall inure to the benefit of, or be distributed to, its directors, officers, members, or other private persons, except that the Company shall be authorized and empowered to pay reasonable and customary compensation for services rendered to the Company by employees or contractors and to make payments and distributions in furtherance of the purposes set forth herein;

(2) no substantial part of the activities of the Company shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Company shall not participate in, or intervene in (including publishing or distribution of statements) any political campaign on behalf of any candidate for public office, except as authorized under the Internal Revenue Code of 1954, as amended; and

(3) the Company shall not carry on any other activities not permitted to be carried on by a corporation exempt from Federal income tax under Section 501(c) of the Internal Revenue Code of 1954, as amended (or the corresponding provision of any future United States Internal Revenue Code).

ARTICLE IV - MEMBERS

This Company shall have one or more classes of members, which are the shareholders in the Company.

ARTICLE V – MEMBERSHIP SHARES

Ownership in the Company shall be held by the members in accordance with their respective interests. For purposes of ownership, interest in the Company is divided into Shares. The total number of Shares in the Company is flexible and may change according to the capacity of the Company's water systems as more specifically set forth below. The total number of Shares, however, shall not exceed 4,500. Shares in the Company are divided into the following five (5) classes with the respective maximum numbers of Shares in parentheses—(1) Class A (Developer) Shares (1,000); (2) Class B (Home Owner) Shares (1,000); (3) Class C (Irrigation) Shares (1,000), (4) Class D (Stockwatering) Shares (1,000), and Class E (Common) Shares (500). Subclasses within each class may be created for purpose of administering the non-pro rata assessments authorized under Utah Code Annotated section 16-4-203 and as may be required to meet certain membership costs not fairly attributable to all (e.g., canal and irrigation ditch company assessments).

One thousand (1,000) Shares may be issued at the ratio of 1.562 acre-feet per year per share as Class A Shares in accordance with the requirements for the issuance of such Shares as specified in these Articles. One thousand (1,000) Shares may be issued at the ratio of 0.45 acre-feet per year per share as Class B Shares in accordance with the requirements for the issuance of such Shares as specified in these Articles. One thousand (1,000) Shares may be issued at the ratio of 1 acre-feet per year per share as Class C Shares in accordance with the requirements for the issuance of such Shares as specified in these Articles. One thousand (1,000) Shares may be issued at the ratio of 0.112 acre-feet per year per share as Class D Shares in accordance with the requirements for the issuance of such Shares as specified in these Articles. And five hundred (500) Shares may be issued as Class E Shares in accordance with the requirements for the issuance of such Shares as

specified in these Articles. The maximum number of Shares may be increased or decreased, and additional classes may be added in a manner provided by law. In addition, inasmuch as the Company may, at some future date, be converted into a governmental entity, all Shares issued by the Company may be cancelled and recalled for no consideration upon resolution of the Board of Directors so long as Class A members receive a credit from the governmental entity towards any impact fee, water dedication requirement, or other requirement in an amount equal to the Class A member's contributions to the Company, and Class B, C, and D members are assured of continued water service by the resulting governmental entity. The number, preferences, limitations and relative rights of the Shares of each class are:

1. Class A (Development) Shares:

Class A (Development) Shares may be issued upon transfer to the Company of a source site, a storage site, and approved water rights sufficient to increase the Company's capacity by 1.562 acre-feet of water per year. A Class A (Development) Share may be converted into Class B (Homeowner), Class C (Irrigation) Share, and Class D (Stockwatering) Shares as provided in these Articles and in the duly adopted Bylaws of the Company. To ensure continual beneficial use of all water rights held by the Company, prior to conversion into Class B, C, and D Shares, the water rights associated with a Class A (Development) Share may be used by the holder of such Share for irrigation purposes on an irrigation, storage and distribution system not necessarily owned or otherwise controlled by the Company.

Upon completion of the diversion works and storage facilities, the party may transfer the source and storage sites, together with the diversion works and storage facilities, to the Company subject to an underlying encumbrance so long as (1) the Company is not required to assume any of the indebtedness originally undertaken by the party, (2) the party provides reasonable assurances

that the lien on the underlying assets will be satisfied prior to the issuance of Class B, C, and D Shares which are to be supported by such source, and (3) the encumbrance is on the lots being developed rather than directly on the infrastructure transferred to the Company. Under no circumstances shall Class B, C, or D Shares be issued if the underlying source site, storage site, diversion works or storage facilities are encumbered by a lien in favor of a construction lender. It shall be sufficient to support the issuance of Class B, C, and D Shares, however, if the encumbrance is released on a pro rata or partial release basis to the extent necessary to issue Class B, C, and D Shares free and clear of such encumbrance.

Class A (Development) Shares shall be non-assessable, with the exception of (1) those holding costs incurred to maintain the contributed water right in good standing or such other needed or requested work, and (2) any special assessments or contract charges associated with the water rights contributed to the Company (e.g., canal and irrigation ditch company assessments). Class A (Development) Shares shall represent an actual and proportionate ownership in the water rights and facilities of the Company. Class A (Development) Shares shall not entitle the holder thereof to water delivery. Class A (Development) Shares must be surrendered and converted into Class B, C, and D Shares to obtain water delivery and to obtain an interest in the Company's water distribution works. Class A (Development) Shares shall be nonvoting.

2. Class B (Culinary) Shares:

Class B (Culinary) Shares shall only be issued upon a resolution by the Board of Directors duly approving the conversion of Class A (Development) Shares upon terms and conditions assuring that the Company is able to provide culinary water service to the Class B members who will hold such Shares. The decision by the Board of Directors as to conversion of Class A (Development) Shares and issuance of Class B (Culinary) Shares shall be final. Class B (Culinary)

Shares may only be issued in the ratio of one Share per 0.45 acre-feet of water per year in the culinary water system (i.e., there can be no more than 100 Class A Shares per each 45 acre-feet of water rights committed to the culinary water system). No Class B (Culinary) Share may be issued unless the Company owns all facilities, works, and rights necessary to serve the property designated on the Share with water meeting culinary standards. In conformance with this requirement, however, a Class B (Culinary) Share may be issued at any time after (1) the Company has capacity to serve the relevant lot with water meeting culinary standards, and (2) a water main is installed in the street adjacent to that lot. Prior to a Class B member's receiving water service, the Board of Directors may assess a standby fee in lieu of the water rates charged to users of water under Class B (Culinary) Shares. The Company shall not issue Class B (Culinary) Shares on a fractional basis.

Class B (Culinary) Shares shall represent an actual proportionate ownership interest in the water rights and facilities of the Company. Holders of Class B (Culinary) Shares shall have one vote per Share in accordance with the provisions of these Articles and the duly adopted Bylaws, and as specifically limited by Article VII below. Class A (Culinary) Shares shall be fully assessable in such manner as may be authorized by law and as is specifically provided for in Utah Code Annotated Title 16, Chapter 4.

3. Class C (Irrigation) Shares:

Class C (Irrigation) Shares shall only be issued upon a resolution by the Board of Directors duly approving the conversion of Class A (Development) Shares upon terms and conditions assuring that the Company is able to provide irrigation water to the Class C members who will hold such Shares. The decision by the Board of Directors as to conversion of Class A (Development) Shares and issuance of Class C (Irrigation) Shares shall be final. Class C (Irrigation) Shares may only be issued in the ratio of one Share per 1 acre-feet of water per year approved for irrigation

purposes from the Company's water system. Class C (Irrigation) Shares may only be issued in whole or half number increments. No person may use water from the Company's water system for irrigation, which is defined as any outdoor watering of plants, without owning at least one half Class C share for each 0.125 acres of irrigation (i.e., one Class C Share for each 0.25 acres of irrigation). No Class C (Irrigation) Share may be issued unless (1) the proposed holder of the share owns at least one Class B (Culinary) Share appurtenant to the property on which the C Share will be used, and (2) the Company owns all facilities, works, and rights necessary to serve the property designated on the Share with water approved for irrigation purposes. In conformance with this requirement, however, a Class C (Irrigation) Share may be issued at any time after (1) the Company has capacity to serve the relevant lot with water for irrigation purposes, and (2) a water main is installed in the street adjacent to that lot. Prior to a Class C member's receiving water service, the Board of Directors may assess a standby fee in lieu of the water service rates charged to users of water under Class C (Irrigation) Shares.

Class C (Irrigation) Shares shall represent water to be used for irrigation purposes from the Company's water storage and distribution system. Class C (Irrigation) Shares shall represent an actual and proportionate ownership in the water rights or facilities of the Company. Holders of Class C (Irrigation) Shares shall have one vote per Share in accordance with the provisions of these Articles and the duly adopted Bylaws, and as specifically limited by Article VII below. Class C (Irrigation) Shares shall be fully assessable in such manner as may be authorized by law and as is specifically provided for in Utah Code Annotated Title 16, Chapter 4.

4. Class D (Stockwatering) Shares:

Class D (Stockwatering) Shares shall only be issued upon a duly approved resolution by the Board of Directors approving the conversion of Class A (Development) Shares upon terms and

conditions assuring that the Company is able to provide stockwatering water to the Class B members who will hold such Shares. The decision by the Board of Directors as to conversion of Class A (Development) Shares and issuance of Class D (Stockwatering) Shares shall be final. Class D (Stockwatering) Shares may only be issued in the ratio of one Share per 0.112 acre-feet of water per year approved for stockwatering purposes from the Company's water system. Class D (Stockwatering) Shares may only be issued in whole number increments. Each Class D (Stockwatering) Share allows its owner to water up to 4 Equivalent Livestock Units as defined by the Utah Division of Water Rights. No Class D (Stockwatering) Share may be issued unless (1) the proposed holder of the share owns at least one Class B (Culinary) Share appurtenant to the property on which the C Share will be used, and (2) the Company owns all facilities, works, and rights necessary to serve the property designated on the Share with water approved for irrigation purposes. In conformance with this requirement, however, a Class D (Stockwatering) Share may be issued at any time after (1) the Company has capacity to serve the relevant lot with water for stockwatering purposes, and (2) a water main is installed in the street adjacent to that lot.

Class D (Stockwatering) Shares shall be non-assessable, with the exception of (1) those holding costs incurred to maintain the contributed water right in good standing or such other needed or requested work, and (2) any special assessments or contract charges associated with the water rights contributed to the Company (e.g., canal and irrigation ditch company assessments). Class D (Stockwatering) Shares shall represent a right to receive water delivery as described above, but shall not represent any ownership in the water rights or facilities of the Company. Class D (Stockwatering) Shares may, with approval of the Board of Directors, be converted to Class B or Class C shares on the following bases: 4 Class D shares can be exchanged for 1 Class B share, or 9 Class D shares can be exchanged for 1 Class C share.

5. Class E (Common) Shares:

In consideration of the water rights and funds contributed to the Company as of the date of these Amended and Restated Articles, the Company shall issue 498 Class E (Common) Shares in proportion to these initial contributions to the Company. Class E (Common) Shares shall be assessable to (1) cover the costs necessary to bring the water system into compliance with the regulations of the Division of Drinking Water for service of the first 83 connections to the water system, and (2) other startup costs not approved by Public Service Commission for payment by the Class B and Class C shareholders. Holders of Class E (Common) Shares shall have one vote per Share in accordance with the provisions of these Articles and the duly adopted Bylaws, and as specifically provided in Article VII below. Class E (Common) Shares shall represent an actual and proportionate ownership in the water rights, facilities, and all other assets of the Company.

ARTICLE VI – SHARES APPURTENANT TO LAND

Class B (Culinary) Shares, Class C (Irrigation) Shares, and Class D (Stockwatering) Shares shall be deemed to be appurtenant to the land described on the membership certificate at such time and in the manner specifically provided for in the Bylaws or rules and regulations of the Company. The owner of an appurtenant share shall not be entitled to separately convey or transfer ownership of the Shares off the land without the express written approval of the Board of Directors of the Company.

ARTICLE VII - VOTING RIGHTS

The Company's members are entitled to cast one vote for each share of Class B, C, and E stock, but are not entitled to vote any Class A or D shares. Cumulative Voting shall not be allowed in any vote of the members. Class B (Culinary) and Class C (Irrigation) members are entitled to

vote in all decisions committed to the members, including the election of the members of the Board of Directors and the election of the non-appointed members of the Rate Board. With the exception of the election of the non-appointed members of the Rate Board, Class E (Common) members are entitled to vote in all decisions committed to the members, including the election of the members of the Board of Directors. Classes B, C, and E members are entitled to vote in elections pertaining to (1) the sale, transfer, or other conveyance of the assets of the Company and the operation of the Company's water system to any other entity and (2) such other matters as the Board of Directors deems appropriate to place before the members. In elections concerning the sale, transfer, or other conveyance of the assets of the Company and the operation of the Company's water system to any other entity, the majority vote of all voting Shares is required in order to take action on the matter being voted upon. In all other matters, only a majority vote of the Shares present or represented by proxy at a meeting of the members is required in order to take action on the matter being voted upon, unless otherwise provided for herein or in the duly adopted Bylaws of the Company.

ARTICLE VIII – SHARE ASSESSMENTS & WATER SERVICE FEES

Except as otherwise provided in these Articles, all Shares shall be fully assessable for the purpose of paying their proportionate share of all lawful obligations of the Company, including, without limitation, operating, maintaining, developing, and managing the facilities used to divert and convey water from any water source within the Company to water storage facilities, or to the place of use, and for the operation, maintenance, development, and management of facilities utilized to divert, store and distribute water, and to pay their proportionate share of the general administrative expenses incurred in the operation of the Company. Subject to exceptions detailed below, assessments shall be levied proportionally within specific classes of Shares. Holders of Class B (Culinary), Class C (Irrigation), and Class D (Stockwatering) Shares shall not bear any costs incident

to an expansion of the Company's water distribution systems except to the extent that such expansion is calculated to benefit the then-existing members. Assessments shall be levied and provisions made for the collection of all delinquent assessments as provided in Rules and/or Regulations as may be adopted in accordance with state law by the Company from time to time.

The amount assessed per Share shall be equal and pro-rata within each class of Shares, except that special assessments may be levied on an equitable but unequal basis, at the discretion of the relevant Board, in situations where expenditures are made or are necessary for purposes that are of benefit to only a part of the members, or where existing or future contracts with the United States, the State of Utah, or any other lending institutions or agencies, or the laws or regulations of such institutions or agencies or other contracting parties, now or hereafter, require unequal assessments, or where unequal assessments are required or permitted by the terms or conditions of any contract between the Company and any of its members.

In addition to or in lieu of share assessments, Class B, C, and D members may be charged water service fees. Such water service fees may be charged on a monthly basis or any other increment authorized by the Board. The water service fees or water rates may be based on the quantity of water used by a particular member. As set forth in Article X below, water service fees and Class B and C share assessments shall, if the Company receives an exemption from Public Service Commission rate regulation, be set by the Rate Board.

ARTICLE IX – ALLOCATION OF COSTS OF EXPANSION

Revenue from rates for culinary water, and assessments on Class B (Culinary) or Class C (Irrigation) Shares may not be used to fund expansion of the company to serve additional lots. All costs attributable to the expansion of a water system to serve new connections shall be paid by Class A (Development) members.

ARTICLE X - BOARD OF DIRECTORS

This Company shall be governed by a Board of Directors. The Board of Directors shall consist of between three and seven directors. The normal term of a directorship is five years. The Board of Directors shall elect a President, Vice-President, Secretary, and Treasurer as more fully set forth in the Bylaws of the Company. The directors as of the date of these Amended and Restated Articles are as follows:

R. Craig Hansen
6517 S. Canyon Cove Dr.
Salt Lake City, UT 84121

J. Alton Veibell
14015 N. 400 W.
Beaver Dam, UT 84306

Lloyd Hansen
4557 Kiftsgate Bend
Bloomfield, MI 48302

Brent L. Bishop
P.O. Box 767
Farmington, UT 84025

Steven C. Taylor
~~150 E. 400 N.~~ 83 Canterbury Circle
Logan, UT 84321

Pursuant to Utah Code Annotated section 16-6a-801, the Board of Directors may authorize persons other than the Board of Directors to have the authority and perform a duty of the Board of Directors and the directors shall be relieved to that extent from such duty. Accordingly, if the Company is granted an exemption from rate regulation by the Public Service Commission, there shall be a Rate Board empanelled consisting of five members. If empanelled under this Article, the Rate Board shall have authority to set the assessments on Class B (Culinary) and Class C (Irrigation)

Shares and rates for water service. The rates for water service and assessments set by the Rate Board must be at least sufficient to pay for the operation, maintenance, reasonably necessary improvements or expansions, and management of the culinary water system to serve the then-existing connections to the water system. The Board of Directors shall appoint one member to the Rate Board. Four members of the Rate Board shall be elected as provided in these Articles and in the duly adopted Bylaws.

ARTICLE XI – QUORUM & TIE BREAKING PROCEDURE

A majority of the members of the Board of Directors of the Company shall be necessary to form or constitute a quorum to transact the business and exercise the corporate powers of the Company and every decision of a majority of the quorum so formed shall be valid as a corporate act. If the Board of Directors, in voting on a Board resolution, has an equal number of votes in support and in opposition to some resolution, the Board may pursue the following procedure to cure the tie: First, the members of the Board who support the resolution shall select an independent person versed in the operation of water companies (“Representative One”). Second, the members of the Board who oppose the resolution shall select an independent person versed in the operation of water companies (“Representative Two”). Third, Representative One and Representative Two shall jointly select some other independent person versed in the operation of water companies (“Independent”). Finally, the Independent, upon being fully informed as to the resolution at a duly called Board meeting, shall cast the deciding vote on the disputed resolution.

ARTICLE XII - INCORPORATORS

The names and addresses of the original incorporators of this Company are as provided in the original Articles of Incorporation dated January 29, 2007

ARTICLE XIII - CURRENT REGISTERED AGENT

The registered agent of the Company as of the date of these Amended and Restated Articles of Incorporation is:

Bruce G. King
1265 E. 300 N.
Logan, UT 84321

ARTICLE XIV - CURRENT REGISTERED OFFICE

The location of the registered principal offices of the Company as of the date of these Amended and Restated Articles of Incorporation is:

Willow Creek Water Company
c/o Bruce G. King
1265 E. 300 N.
Logan, UT 84321

ARTICLE XV - SHAREHOLDERS AND DIRECTORS NOT LIABLE

Officers, directors and members are not liable under a judgment, decree, or order of a court, or in any other manner, for a debt, obligation or liability of the Company, and the private property of a director, officer or member of the Company shall not be subject to a debt or obligation of the Company.

ARTICLE XVI - BYLAWS

The Board of Directors shall adopt, by a two-thirds vote, appropriate bylaws, rules and regulations and any amendments thereto that may be necessary for the proper governance of this Company. Bylaws and amendments thereto so approved need not be confirmed by the members.

ARTICLE XVII - DISSOLUTION

In the event of dissolution, each member of the Company shall receive his proportionate share of the Company's property based upon their legal interests as they may appear, after paying or providing for the payment of all debts of the Company. This Article shall not apply in the event of a conversion of the Company into a governmental entity.

ARTICLE XVIII – OWNERSHIP OF WATER SYSTEM

The Company holds title for and on behalf of its members to land, reservoirs, storage tanks, wells, pumps, pumphouses, pressure reduction valves, treatment plants, main distribution lines, delivery and service lateral lines and connections from the water mains to the curb stop of each individual member-water user, including the meter, outside readout, curb-stop valve box and shut-off valve, and any other facilities constituting the water system. Each individual member shall own the service lateral from the property side of the curb-stop valve box and shut-off valve to the premises being served excluding the water meter and outside readout.

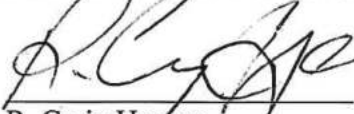
ARTICLE XIX – MEETINGS

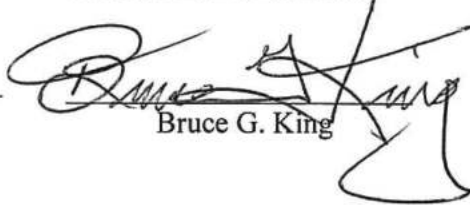
Meetings of the Board of Directors and the Rate Board shall be held at the time and place set forth in the Bylaws of the Company, or by resolution of the Board. The annual members meeting shall be held in the month of March at a place designated by the Board of Directors.

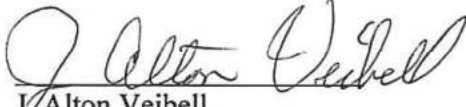
DATED this 5th day of July, 2011.

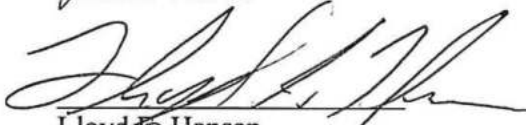
BOARD OF DIRECTORS

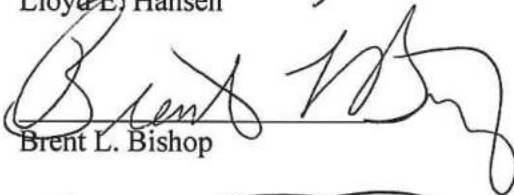
REGISTERED AGENT



R. Craig Hansen


Bruce G. King


J. Alton Veibell

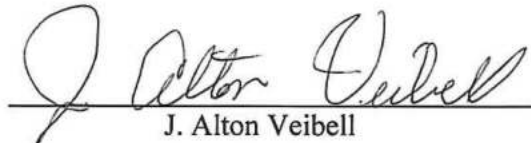

Lloyd E. Hansen


Brent L. Bishop


Steven C. Taylor

**APPROVAL OF THE SHAREHOLDERS OF
WILLOW CREEK WATER COMPANY**

We, the undersigned shareholders of Willow Creek Water Company, pursuant to sections 16-6a-707 and 16-6a-1003 of the Utah Code Annotated, hereby approve by unanimous written consent the adoption of these Amended and Restated Articles of Incorporation. By our signatures below we also acknowledge the satisfaction of any notice requirement under Utah Law and the Articles and Bylaws of the Company and waive any right to challenge the sufficiency or efficacy of notice for this amendment.


J. Alton Veibell

7/5/2011
Date

Exhibit E

WCWC's Bylaws

AMENDED AND RESTATED BYLAWS
OF THE
WILLOW CREEK WATER COMPANY

ADOPTED AUGUST 18, 2011

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ARTICLE I - NAME

The name of this non-profit mutual water company is the Willow Creek Water Company (hereinafter referred to as the "**Company**").

ARTICLE II - DURATION

The period of duration of the Company shall be perpetual.

ARTICLE III - PURPOSE

The Company is a non-profit mutual water company which operates or may in the future operate a domestic, culinary, secondary, and irrigation water distribution system on behalf of its members. The Company may engage in any act or activity allowed by law in accordance with the provisions of the Utah Revised Nonprofit Corporation Act.

ARTICLE IV - FISCAL YEAR

The fiscal year of the Company shall be from January 1st to December 31st of each year.

ARTICLE V - PRINCIPAL OFFICE & REGISTERED AGENT

The principal place of business and registered agent of the Company shall be as provided in Articles XIII and XIV of the Company's Articles of Incorporation and may be changed from time to time by the Board of Directors in accordance with Utah Code Ann. §§ 16-6a-501 and 16-6a-502, as may be amended from time to time.

ARTICLE VI – MEMBER SHIP SHARES

A. **CLASSES OF SHARES.** All members of the Company shall be shareholders. There are presently five (5) classes of membership shares: (1) Class A (Development) Shares; (2) Class B (Culinary) Shares; (3) Class C (Irrigation) Shares; (4) Class D (Stockwatering) Shares; and (5) Class E (Common) Shares. These five classes of shares comprise all membership shares currently authorized under the Articles of Incorporation. The rights, obligations, and limitations on each class are as follows:

1. Class A (Development) Shares – Class A (Development) Shares may be issued upon transfer to the Company of a source site, a storage site, and approved water rights sufficient to increase the Company's capacity by 1.562 acre-feet of water

per year. A Class A (Development) Share may be converted into Class B (Homeowner), Class C (Irrigation) Share, and Class D (Stockwatering) Shares as provided in these Articles and in the duly adopted Bylaws of the Company. To ensure continual beneficial use of all water rights held by the Company, prior to conversion into Class B, C, and D Shares, the water rights associated with a Class A (Development) Share may be used by the holder of such Share for irrigation purposes on an irrigation, storage and distribution system not necessarily owned or otherwise controlled by the Company. Upon completion of the diversion works and storage facilities, the party may transfer the source and storage sites, together with the diversion works and storage facilities, to the Company subject to an underlying encumbrance so long as (1) the Company is not required to assume any of the indebtedness originally undertaken by the party, (2) the party provides reasonable assurances that the lien on the underlying assets will be satisfied prior to the issuance of Class B, C, and D Shares which are to be supported by such source, and (3) the encumbrance is on the lots being developed rather than directly on the infrastructure transferred to the Company. Under no circumstances shall Class B, C, or D Shares be issued if the underlying source site, storage site, diversion works or storage facilities are encumbered by a lien in favor of a construction lender. It shall be sufficient to support the issuance of Class B, C, and D Shares, however, if the encumbrance is released on a pro rata or partial release basis to the extent necessary to issue Class B, C, and D Shares free and clear of such encumbrance. Class A (Development) Shares shall be non-assessable, with the exception of (1) those holding costs incurred to maintain the contributed water right in good standing or such other needed or requested work, and (2) any special assessments or contract charges associated with the water rights contributed to the Company (e.g., canal and irrigation ditch company assessments). Class A (Development) Shares shall represent an actual and proportionate ownership in the water rights and facilities of the Company. Class A (Development) Shares shall not entitle the holder thereof to water delivery. Class A (Development) Shares must be surrendered and converted into Class B, C, and D Shares to obtain water delivery and to obtain an interest in the Company's water distribution works. Class A (Development) Shares shall be nonvoting.

2. Class B (Culinary) Shares – Class B (Culinary) Shares shall only be issued upon a resolution by the Board of Directors duly approving the conversion of Class A (Development) Shares upon terms and conditions assuring that the Company is able to provide culinary water service to the Class B members who will hold such Shares. The decision by the Board of Directors as to conversion of Class A (Development) Shares and issuance of Class B (Culinary) Shares shall be final. Class B (Culinary) Shares may only be issued in the ratio of one Share per 0.45 acre-feet of water per year in the culinary water system (i.e., there can be no more than 100 Class A Shares per each 45 acre-feet of water rights committed to the culinary water system). No Class B (Culinary) Share may be issued unless the Company owns all facilities, works, and rights necessary to serve the property designated on the Share with water meeting culinary standards. In conformance

with this requirement, however, a Class B (Culinary) Share may be issued at any time after (1) the Company has capacity to serve the relevant lot with water meeting culinary standards, and (2) a water main is installed in the street adjacent to that lot. Prior to a Class B member's receiving water service, the Board of Directors may assess a standby fee in lieu of the water rates charged to users of water under Class B (Culinary) Shares. The Company shall not issue Class B (Culinary) Shares on a fractional basis. Class B (Culinary) Shares shall represent an actual proportionate ownership interest in the water rights and facilities of the Company. Holders of Class B (Culinary) Shares shall have one vote per Share in accordance with the provisions of these Articles and the duly adopted Bylaws, and as specifically limited by Article VII below. Class B (Culinary) Shares shall be fully assessable in such manner as may be authorized by law and as is specifically provided for in Utah Code Annotated Title 16, Chapter 4.

3. Class C (Irrigation) Shares – Class C (Irrigation) Shares shall only be issued upon a resolution by the Board of Directors duly approving the conversion of Class A (Development) Shares upon terms and conditions assuring that the Company is able to provide irrigation water to the Class C members who will hold such Shares. The decision by the Board of Directors as to conversion of Class A (Development) Shares and issuance of Class C (Irrigation) Shares shall be final. Class C (Irrigation) Shares may only be issued in the ratio of one Share per 1 acre-foot of water per year approved for irrigation purposes from the Company's water system. Class C (Irrigation) Shares may only be issued in whole or half number increments. No person may use water from the Company's water system for irrigation, which is defined as any outdoor watering of plants, without owning at least one half Class C share for each 0.125 acres of irrigation (i.e., one Class C Share for each 0.25 acres of irrigation). No Class C (Irrigation) Share may be issued unless (1) the proposed holder of the share owns at least one Class B (Culinary) Share appurtenant to the property on which the C Share will be used, and (2) the Company owns all facilities, works, and rights necessary to serve the property designated on the Share with water approved for irrigation purposes. In conformance with this requirement, however, a Class C (Irrigation) Share may be issued at any time after (1) the Company has capacity to serve the relevant lot with water for irrigation purposes, and (2) a water main is installed in the street adjacent to that lot. Prior to a Class C member's receiving water service, the Board of Directors may assess a standby fee in lieu of the water service rates charged to users of water under Class C (Irrigation) Shares. Class C (Irrigation) Shares shall represent water to be used for irrigation purposes from the Company's water storage and distribution system. Class C (Irrigation) Shares shall represent an actual and proportionate ownership in the water rights or facilities of the Company. Holders of Class C (Irrigation) Shares shall have one vote per Share in accordance with the provisions of these Articles and the duly adopted Bylaws, and as specifically limited by Article VII below. Class C (Irrigation) Shares shall be fully assessable in such manner as may be authorized by law and as is specifically provided for in Utah Code Annotated Title 16, Chapter 4.

4. Class D (Stockwatering) Shares – Class D (Stockwatering) Shares shall only be issued upon a duly approved resolution by the Board of Directors approving the conversion of Class A (Development) Shares upon terms and conditions assuring that the Company is able to provide stockwatering water to the Class B members who will hold such Shares. The decision by the Board of Directors as to conversion of Class A (Development) Shares and issuance of Class D (Stockwatering) Shares shall be final. Class D (Stockwatering) Shares may only be issued in the ratio of one Share per 0.112 acre-feet of water per year approved for stockwatering purposes from the Company's water system. Class D (Stockwatering) Shares may only be issued in whole number increments. Each Class D (Stockwatering) Share allows its owner to water up to 4 Equivalent Livestock Units as defined by the Utah Division of Water Rights. No Class D (Stockwatering) Share may be issued unless (1) the proposed holder of the share owns at least one Class B (Culinary) Share appurtenant to the property on which the C Share will be used, and (2) the Company owns all facilities, works, and rights necessary to serve the property designated on the Share with water approved for irrigation purposes. In conformance with this requirement, however, a Class D (Stockwatering) Share may be issued at any time after (1) the Company has capacity to serve the relevant lot with water for stockwatering purposes, and (2) a water main is installed in the street adjacent to that lot. Class D (Stockwatering) Shares shall be non-assessable, with the exception of (1) those holding costs incurred to maintain the contributed water right in good standing or such other needed or requested work, and (2) any special assessments or contract charges associated with the water rights contributed to the Company (e.g., canal and irrigation ditch company assessments). Class D (Stockwatering) Shares shall represent a right to receive water delivery as described above, but shall not represent any ownership in the water rights or facilities of the Company. Class D (Stockwatering) Shares may, with approval of the Board of Directors, be converted to Class B or Class C shares on the following bases: 4 Class D shares can be exchanged for 1 Class B share, or 9 Class D shares can be exchanged for 1 Class C share.
5. Class E (Common) Shares – In consideration of the water rights and funds contributed to the Company during the startup phase of the Company, the Company shall issue 498 Class E (Common) Shares to those persons or entities (or their successors) who made such contributions. The shares shall be issued in proportion to these initial contributions to the Company. Class E (Common) Shares shall be assessable to (1) cover the costs necessary to bring the water system into compliance with the regulations of the Division of Drinking Water for service of the first 83 connections to the water system, and (2) other startup costs not approved by Public Service Commission for payment by the Class B and Class C shareholders. Holders of Class E (Common) Shares shall have one vote per Share in accordance with the provisions of these Articles and the duly adopted Bylaws, and as specifically provided in Article VII below. Class E (Common)

Shares shall represent an actual and proportionate ownership in the water rights, facilities, and all other assets of the Company.

B. TRANSFER OF SHARES. The Company's membership shares are transferable on the books of the Company only in accordance with the following procedures and subject to approval of said transfer by the Board of Directors.

1. With respect to Class A (Development) Shares and Class E (Common) Shares ("**Nonappurtenant Shares**"), the share certificate must be presented to the Company's Secretary signed by the person in whose name the share appears on the Company's books, by his or her legal representative(s), or by his or her duly authorized agent. The signing of the certificate shall be properly witnessed and the name of the new owner shall be included in the space provided. In the case of a transfer by an authorized agent, a copy of the duly executed and acknowledged power of attorney shall be deposited with the Secretary. Indemnification certificates are also available from the Secretary. The share certificate must be surrendered to the Secretary and canceled before a new certificate may be issued.
2. With respect to membership shares that are appurtenant to land (i.e., Class B (Culinary) Shares, Class C (Irrigation) Shares, and Class D (Stockwatering) Shares) ("**Appurtenant Shares**"), the owner of the property to which the share is appurtenant or their duly authorized agent must present evidence of property ownership to the Secretary and must sign a Board-approved membership and water service agreement before a new certificate may be issued. Appurtenant Shares automatically transfer with the real property to which they are appurtenant. Appurtenant shares may not be transferred separate from such real property without prior written consent of the Board of Directors. Any attempted transfer of a share without Board approval shall be deemed void *ab initio*.
3. The fee charged to a shareholder for a certificate change shall be duly set by the Board of Directors. The change fee and all past due balances must be paid before a change can be made.
4. The name, address, and telephone number of the new owner must be provided and the new owner, his or her legal representative(s), or his or her duly authorized agent must sign for the receipt of the new certificate. Where an authorized agent is used, a copy of the duly executed and acknowledged power of attorney shall be deposited with the Secretary.
5. Class B (Culinary) Shares and Class D (Stockwatering) Shares may only be transferred in whole number increments. Class A (Development) Shares, Class C (Irrigation) Shares, and Class E (Common) Shares may only be transferred in whole or half number increments unless the Board approves through a written resolution transfer in some other increment.

6. No transfer shall be made upon the books of the Company within ten (10) days immediately preceding the annual meeting of the members.
7. It is the member's responsibility to bring transfers of shares to the attention of the Company. Until the above steps are taken, the owner of shares as recorded on the Company's books remains legally responsible to the Company for payment of all obligations owed to the Company. Upon transfer of property to which any membership share is appurtenant, the new owner shall promptly notify the Company and follow the process for getting a new share certificate. If a new owner fails to obtain a new certificate under this paragraph, the Company may, thirty days after mailing a written notice to the property, discontinue water service to the property until such new share certificate is issued.

- C. **DESCRIPTION OF SHARE CERTIFICATES.** The Board of Directors shall set, and may from time to time revise, the form of the Company's share certificates. The certificates shall be consecutively numbered and duly signed by the President, or such other officer authorized by law and by the Board of Directors, and countersigned by the Secretary and sealed with the seal of the Company. The certificates shall exhibit the member's name, the total number of membership shares represented thereby, any condition(s) or restriction(s) placed thereon, and any other information designated by the Board of Directors. Such information shall be perpetuated on any and all subsequent transfers of such shares.
- D. **SHARE TRANSFER BOOKS.** The name and address of the member, the number of shares, the nature and place of use, any condition(s) or restriction(s) placed thereon, and the date of issue shall be entered in the share transfer books of the Company which shall be kept at the principal office of the Company.
- E. **CONDITIONS AND RESTRICTIONS ON SHARES.** Upon written request and 15 days notice from the Company, share certificates shall be surrendered to the Company for re-issuance to the member with any reasonable condition(s) or restriction(s) written thereon.
- F. **LOST, STOLEN, OR DESTROYED CERTIFICATES.** If a member shall claim that a certificate has been lost, stolen, or destroyed, the Board of Directors may, at its discretion, direct that a new certificate be issued, upon the making of an affidavit of that fact by the person claiming the old certificate was lost, stolen, destroyed and upon the deposit of a bond or other indemnity in such form and amount and with such sureties, if any, as the Board may require. The Board is also expressly authorized to employ any procedure for issuing a replacement certificate provided in Utah Code section 70A-8-409.1.
- G. **MEMBER OF RECORD.** The Company shall be entitled to treat the holder of record according to the share transfer books of the Company of any share as the holder in fact thereof, and shall not be bound to recognize any equitable claim or other claim to, or interest in, such share on the part of any other person whether or not the Company shall

have express or other notice thereof, except as expressly provided by the laws of this State.

ARTICLE VII - MEMBERS

- A. **ANNUAL MEETINGS.** The Annual Meeting of the members of the Company shall be held in March of each year with 15 to 30 days advance written notice of the date, time, and place of said meeting. Failure to hold this meeting as appointed herein shall not impair in any way any of the Company's corporate rights and any such missed meeting may be held thereafter with 15 to 30 days advance written notice of the date, time, and place of said meeting.
- B. **SPECIAL MEETINGS.** Special Meetings of the members of the Company or the members of a certain class may be held as necessary when properly called and upon reasonable notice under the circumstances of the date, time, and place of such meetings.
- C. **CALLING SPECIAL MEETINGS.** Special meetings shall be called by written request by the President, by a majority of all directors, or by the owners of at least 10% of the issued and outstanding shares of the Company. The written request required herein shall be given to the President and shall specify the purpose(s) and a date, time, and place for the meeting that is reasonable under the circumstances.
- D. **NOTICE.** The Secretary shall provide notice by mail to all members of record as of the date that any notice is mailed to the members of the Company. The Notice shall specify the date, time, and place for the meeting, and if it is a special meeting, the general purpose(s) for which it is being called.
- E. **MAILING NOTICE.** The mailing of all required notices under the Articles of Incorporation and these Bylaws shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the Company's share transfer books, and with postage provided thereon.
- F. **WAIVER OF NOTICE.** Whenever any notice is required to be given, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of a member at any meeting shall constitute waiver of notice of such meeting except where such member attends a meeting for the express purpose of objecting to the transacting of any business at that meeting because the meeting is not lawfully called or convened, and where said purpose is duly announced on the record of the meeting.
- G. **VOTING LIST & MEMBER OF RECORD DATE.** For voting purposes, the member of record date shall be ten (10) days prior to any member meeting. The Secretary shall close and bring current the share transfer books as of such date. The share transfer books shall be subject to inspection by any member at any time during usual business hours and shall also be subject to the inspection of any member during the whole time of the meeting. The share transfer books shall be prima facie evidence as to the list of members

who are entitled to vote at the meeting. When a determination of members entitled to vote at any meeting of members has been made as provided in this section, such determination shall apply to any adjournment thereof. If, under emergency conditions, the share transfer books cannot be closed for ten (10) days prior to the meeting, the record date shall be fixed for the determination of members entitled to vote at such a meeting of members as the date on which notice of the meeting is mailed.

For the purpose of determining members entitled to receive notice of any meeting of members, or in order to make a determination of members for any other proper purpose, the Company's members as they are then listed on the share transfer books shall be the members of record and said books shall be closed for that event and the record date for that event shall be the date on which said books were closed.

H. **VOTING.** Holders of Class B (Culinary) Shares, Class C (Irrigation) Shares, and Class E (Common) Shares shall be entitled to one (1) vote for each membership share issued and outstanding in the name of such member on the books of the Company on the date of record. Class A (Development) Shares and Class D (Stockwatering) Shares shall be non-voting. In the case of fractional shares, the votes cast thereon shall be assigned the same fractional value as that of the fractional share and shall be counted accordingly. Cumulative voting shall not be allowed.

1. Class B (Culinary) members are entitled to vote in all decisions committed to the members including the election of the members of the Board of Directors and the election of the non-appointed members of the Rate Board.
2. Class C (Irrigation) members are entitled to vote in all decisions committed to the members including the election of the members of the Board of Directors and the election of the non-appointed members of the Rate Board.
3. Class E (Common) members are entitled to vote in all decisions except the election of the non-appointed members of the Rate Board.
4. Class A (Development) Shares shall be nonvoting.
5. Class D (Stockwatering) Shares shall be nonvoting.
4. Classes B, C, and E members are entitled to vote in elections pertaining to the sale, transfer, or other conveyance of the assets of the Company and the operation of the Company's water system to any other entity.

I. **PROXY.** Votes may be cast in person or by written, authorized proxy. Each proxy must be executed in writing by the member or the member's duly authorized attorney. The proxies shall be filed with the Secretary of the Company before or at the time of the meeting. No proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless its duration shall have been specified therein. Every proxy shall

be revocable at the discretion of the person executing it or of his or her personal representative(s) or assign(s).

J. VOTING BY CERTAIN TYPES OF MEMBERS. Special voting rules and procedures apply to certain types of members as follows:

1. **CORPORATE MEMBERS.** Shares held in the name of a corporation may be voted by such officer, agent, or proxy as the bylaws of such corporation may prescribe, or, in the absence of such provision, as the Board of Directors of such corporation may determine.
2. **REPRESENTATIVE MEMBERS.** Shares held by a personal representative, administrator, executor, guardian, or conservator may be voted either in person or by proxy without a transfer of such shares into his or her name. Shares held in the name of a trust may be voted by the trustee, including a successor trustee, either in person or by proxy.
3. **MEMBERS IN RECEIVERSHIP.** Shares held in the name of a receiver may be voted by that receiver, and shares held by or under the control of a receiver may be voted by that receiver without the transfer thereof into the receiver's name if authority so to do be contained in an appropriate Order of the Court by which that receiver was appointed.
4. **MEMBERS OF PLEDGED SHARES.** A member whose shares are pledged shall be entitled to vote those shares until the shares have been transferred into the name of the pledgee and, thereafter, the pledgee shall be entitled to vote the shares so transferred.
5. **TREASURY SHARES.** Membership shares in this Company belonging to this Company or held by it in a fiduciary capacity shall not be voted, directly or indirectly, at any meeting, and shall not be counted in determining the total number of outstanding shares at any given time.

K. QUORUM. The members present in person or by proxy at any duly called meeting of the members shall constitute a quorum and, except as otherwise provided for herein or in the Articles of Incorporation, a majority vote of such quorum shall be a majority vote of the members and shall be the action of the members on that matter, to the maximum extent allowed by law.

L. PRESUMPTION OF ASSENT. A member who is present at a meeting of the members at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless that member's dissent is entered in the minutes of the meeting or unless he or she shall file written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent, by registered or certified mail, to the Secretary of the Company immediately after the

adjournment of the meeting. Such right to dissent shall not apply to a member who voted in favor of such action.

M. **ORDER OF BUSINESS.** The order of business at all annual meetings of the members, and at all special meetings as applicable, shall be as follows:

1. Roll Call.
2. Reading of the notice of the meeting.
3. Reading of the minutes of the preceding meeting and approval thereof.
4. Secretary's report on the number of membership shares present in person or by proxy.
5. President's Business Report.
6. Presentation of the Annual Report on Financial Condition of the Company.
7. Unfinished business.
8. New Business.
9. Elections.

ARTICLE VIII - BOARD OF DIRECTORS

A. **APPOINTMENT OF DIRECTORS.** The Board of Directors shall consist of between three and seven directors elected by the Company's members. Pursuant to the Company's Articles, if the Company is granted an exemption from rate regulation by the Public Service Commission, there shall be a Rate Board which shall consist of five members. The Board of Directors shall appoint one member to the Rate Board. The Class B (Culinary) members and Class C (Irrigation) members shall elect the remaining four members of the Rate Board. Elections for directorships, for both the general Board and the Rate Boards, shall be held at the annual meeting of the Company. The person receiving the highest number of votes for each position open shall be elected thereto. If there shall be a failure to elect the necessary director(s) at the annual meeting, or if there is a vacancy in the general Board or Rate Boards, the Board or President shall call and give notice of a special meeting of the members for the purpose of electing the necessary director(s).

B. **TENURE & QUALIFICATIONS OF DIRECTORS.** Each director shall hold office for a term of five years and thereafter until a successor shall have been duly elected and qualified. Each member of the Rate Board shall hold the office for a term of four years. The initial appointment or election of a member of the Board and the Rate Board shall be staggered such that at least one member will be subject to election each year. The qualifications for a member of the Rate Board, other than the member appointed by the Board of Directors, include ownership of at least one Class B (Culinary) Share as shown on the books of the Company.

C. **POWERS & DUTIES OF DIRECTORS.** The Board of Directors shall have the control and general management of the affairs and business of the Company. The directors shall in all cases act as a regularly convened Board and may adopt such rules and regulations for the conduct of meetings and the management of the Company as may

be deemed proper, so long as they are not inconsistent with these Bylaws, the Company's Articles of Incorporation, and the laws of the State of Utah. If impaneled, the Rate Board shall have authority to set the assessments on Class B (Culinary) Shares and Class C (Irrigation) Shares and rates for culinary water service. The rates for culinary water service and assessments set by the Rate Board must be at least sufficient to pay for the operation, maintenance, reasonably necessary improvements or expansions, and management of the culinary water system. In addition to setting the culinary water service rates and assessment amounts, the Rate Board may also make recommendations to the general Board in regards to the management of the culinary water system.

- D. **RESIGNATION OF DIRECTORS.** A director or member of the Rate Board may resign at any time by giving written notice to the Board of Directors. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the Board, regardless of whether or not it is accepted by the Board.
- E. **REMOVAL OF DIRECTORS.** Any or all of the directors or members of the Rate Boards may be removed for cause by a majority vote of the members at a duly called meeting of the members where a quorum is present or by a majority vote of the Board of Directors at a duly called Board meeting. A director may be removed without cause only by a majority vote of all members at a duly called meeting of the members.
- F. **VACANCIES.** A vacancy caused by the resignation, removal, or death of a director or member of a Rate Board shall be filled by a director or Rate Board member appointed and approved by a majority vote of the Board of Directors at a duly called Board meeting. The director so elected shall hold office for the unexpired term of his or her predecessor. The Board of Directors shall have authority, by majority vote at a duly called Board meeting, to appoint all initial members of the Rate Boards, and these initial members shall hold office until the next annual meeting when an election can be held.
- G. **HANDLING OF FINANCIAL MATTERS.** No contract, loan, or other such obligation shall be executed in the name of, or on behalf of, the Company by any officer or agent of the Company unless specifically authorized to do so by a resolution of the Board of Directors, which authorization may be general or limited to specific conditions or circumstances. All contracts, loans, checks, notes, evidences of indebtedness, and other such documents shall be signed by the officers as specified in these Bylaws or by such persons as the Board of Directors may from time to time designate in such manner as shall be determined by the Board. All funds of the Company not otherwise employed shall be regularly deposited to the credit of the Company in such financial institution(s) as the Board of Directors shall designate.
- H. **VOTING.** At all meetings of the Board of Directors, each director is to have one (1) vote. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. At all meetings of the Rate Board, each member of the Rate Board is to have one (1) vote. The act of a majority of the Rate Board members present at a meeting at which a quorum is present shall be the act of the Rate Board.

- I. **QUORUM.** A majority of the directors on the Board shall constitute a quorum of the Board. A majority of the members on the Rate Board shall constitute a quorum of the Rate Board. If a quorum shall not be present at any meeting of the Board of Directors or either of the Rate Boards, those present may adjourn the meeting, from time to time, until a quorum shall be present.
- J. **REGULAR BOARD MEETINGS.** A regular meeting of the Board of Directors or the Rate Board may be held without any notice, other than that given by this Bylaw, immediately following and at the same location as the annual meeting of the members. The directors may provide by resolution, the time and place for additional regular meetings without any notice other than that given by such a resolution.
- K. **SPECIAL BOARD MEETINGS.** Special meetings of the Board of Directors or Rate Board may be called by the President or by the written request of any two directors given to the President. The President shall fix a time and place for the meeting that is reasonable under the circumstances.
- L. **ELECTRONIC MEETINGS.** Any meeting of the Board may be called and held electronically provided that all directors participating are able to hear each other during the meeting.
- M. **NOTICE OF BOARD MEETINGS.** Meetings of the Board of Directors, regular or special, may be held upon such notice as the Board may prescribe by resolution. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting.
- N. **WAIVER OF NOTICE.** Whenever any notice is required to be given, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of a director at any meeting shall constitute waiver of notice of such meeting except where such director attends a meeting for the express purpose of objecting to the transacting of any business at that meeting because the meeting is not lawfully called or convened.
- O. **PRESUMPTION OF ASSENT.** A director who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless that director's dissent is entered in the minutes of the meeting or unless he or she shall file written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent, by registered or certified mail, to the Secretary of the Company immediately after the adjournment of the meeting. A Rate Board member who is present at a meeting of the Rate Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless that member's dissent is entered in the minutes of the meeting or unless he or she shall file written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent, by registered or certified mail, to the Secretary of the Company immediately

ARTICLE IX - OFFICERS

- A. **ELECTION OF OFFICERS.** The Board of Directors shall elect a President, a Vice-President, a Secretary, and a Treasurer. The President and Vice-President need not be members of the Board of Directors. The Secretary and the Treasurer need not be members of the Board of Directors and may be the same person if so designated by the Board of Directors, but cannot be the same person as the President. The Board of Directors may also require the President, Vice-President, Secretary, Treasurer, or any other officer or employee of the Company to give to the Company such security or bond for the faithful discharge of his or her duties as the Board may direct.
- B. **DUTIES OF OFFICERS.** The duties and powers of the Officers of the Company shall be as follows:
1. **PRESIDENT.** The President shall be the principal executive officer of the Company and, subject to the direction of the Board of Directors, shall supervise and control all of the business and affairs of the Company. The President shall preside at all meetings of the members and of the Board of Directors. The President shall: present a report of the condition of the business of the Company at each annual meeting of the members and directors; cause to be called regular and special meetings of the members and directors in accordance with these Bylaws and the Company's Articles of Incorporation; appoint and remove, employ and discharge, and fix the compensation of all employees and agents of the Company other than the duly appointed officers, subject to the approval of the Board of Directors; sign and make all contracts and agreements in the name of the Company, subject to the approval of the Board of Directors; see that the books, reports, statements and certificates required by the statutes are properly kept, made, and filed according to law; sign all share certificates, notes, drafts, or bills of exchange, warrants or other orders for the payment of money duly drawn by the Secretary and/or Treasurer; and enforce these Bylaws and perform all the duties incident to the position and office and which are required by law.
 2. **VICE-PRESIDENT.** During the absence or inability of the President to render and perform the President's duties or exercise the President's powers, as set forth in these Bylaws or in the statutes under which the Company is organized, the same shall be performed and exercised by the Vice President and, when so acting, the Vice-President shall have all the powers and be subject to all the responsibilities hereby given to or imposed upon such President. The Vice-President shall also perform such other duties as are from time to time assigned by the President or the Board of Directors.

3. **SECRETARY.** The Secretary shall see that accurate minutes are kept of the meetings of the Board of Directors and of the members in appropriate books; shall give and serve all notices of the Company; and shall be custodian of the records and of the corporate seal and affix the latter when required. In addition, the Secretary shall keep the records of the names and addresses of each member and such other information as is appropriate; and keep such records open daily during the business hours of the office of the Company, subject to the inspection of any member of the Company, and permit such member to make copies of said records to the extent prescribed by law. The Secretary shall also present to the Board of Directors at their meetings all communications addressed to the Secretary officially, by the President, or any officer or member of the Company; and shall attend to all correspondence and perform all duties incident to the office of Secretary. The Secretary shall also perform such other duties as are from time to time assigned by the President or the Board of Directors. The Company may contract for commercial/professional services to assist the Secretary in any of these duties.

4. **TREASURER.** The Treasurer shall be responsible for: (1) the care and custody of all the funds and securities of the Company; (2) the deposit of all such funds in the name of the Company in such bank or banks, trust company or trust companies, or safe deposit vaults as the Board of Directors may designate; (3) exhibiting at all reasonable times the Company's books and accounts to any director or member of the Company upon application at the office of the Company during business hours; (4) rendering a statement of the conditions of the finances of the Company at each regular meeting of the Board of Directors and at such other times as shall be required, as well as a full financial report at the annual meeting of the members; (5) keeping, at the office of the Company, correct books of account of all its business and transactions and such other books of account as the Board of Directors may require; and (6) doing and performing all duties appertaining to the office of Treasurer. The Treasurer shall also perform such other duties as are from time to time assigned by the President or the Board of Directors. The Company may contract for commercial/professional services to assist the Treasurer in any of these duties.

C. **RESIGNATION OF OFFICERS.** An Officer may resign at any time by giving written notice to the Secretary, or to the President in the case of the Secretary. Unless otherwise specified in the notice, the resignation shall take effect upon receipt of said notice, regardless of whether or not it is accepted by the Company.

D. **REMOVAL OF OFFICERS.** Any or all of the Officers may be removed by a majority vote of the Board of Directors whenever the Board determines it is in the best interests of the Company. The removal of an Officer shall not prejudice any contract rights of the removed Officer. However, election or appointment as an Officer, of itself, shall not create any contract rights. (Utah Code Ann. § 16-6a-821.)

- E. **VACANCIES.** A vacancy caused by the resignation, removal, or death of an Officer shall be filled by a majority vote of the Board of Directors.

ARTICLE X - COMPENSATION

- A. **COMPENSATION OF DIRECTORS.** By resolution of the Board of Directors, the directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors. No such payment shall preclude any director from serving the Company in any other capacity and receiving compensation therefore.
- B. **COMPENSATION OF OFFICERS.** By resolution of the Board of Directors, the Officers may be paid a reasonable stipend for their services. No such payment shall preclude any Officer from serving the Company in any other capacity and receiving compensation therefore.
- C. **COMPENSATION OF EMPLOYEES.** By resolution of the Board of Directors, the Company may hire employees and/or contract with independent contractors and may authorize the payment of appropriate compensation to the same.

ARTICLE XI - SERVICE AREA

The Board of Directors shall establish, and may from time to time change, enlarge, or reduce, the territory that is to be serviced by the Company, i.e., the Company's service area. Without the written approval of the affected member, no reduction of the service area may be made that would cause the discontinuance of water service to a member who is presently being served with water and who is current on all accounts with the Company.

ARTICLE XII - WATER DELIVERY

Deliveries of water to Company customers shall be on such terms and conditions as the Board of Directors may from time to time establish, except in limited circumstances evidenced by special written agreements approved by the Board of Directors. It is the responsibility of the members to provide or arrange for the conveyance of water from the Company owned and operated delivery facilities to their respective places of use.

ARTICLE XIII - EXPANSION OF WATER SYSTEM

The Company has sufficient facilities and water rights to service the number of membership shares in the Company currently issued. The issuance of new shares to provide additional water service can only occur if the following requirements are met: (1) the Board of Directors must determine that there is sufficient capacity in the system to provide the requested additional service; (2) the Board of Directors must determine that the provision of the requested additional service will not be detrimental to the interests of the Company and/or its members as a group; (3) title to sufficient water rights to cover the requested additional service, with approved points of diversion and places of use that are consistent with the Company's system and service

area, must be conveyed to the Company; and (4) a fee representing a proportionate share of the value of the existing facilities must be paid to the Company. Upon compliance with these requirements and upon resolution of the Board of Directors approving the same, the appropriate number of new membership shares of the appropriate class shall be issued. The appropriate number of new shares shall be determined in a manner that maintains the right to the same quantity of water per share that existed before the issuance of the new shares and the addition of the new water rights. The new members must bear the cost of any additions or changes to the Company's facilities needed to provide the additional service.

ARTICLE XIV - CHANGE APPLICATIONS

- A. **APPLICATIONS.** Any member proposing to change the point of diversion, the place of use, the period of use, and/or the nature of use of the water right supporting their membership share must complete and submit a Request for Change Form to the Secretary of the Company and pay a Change Fee set by Board of Directors. The form will be reviewed and approved or denied by the Board of Directors at a duly called Board Meeting. In considering any change request, the directors shall consider all relevant facts, circumstances, and impacts and shall impose any and all reasonable conditions necessary to protect the Company and its members, including but not limited to, a specific condition that the member requesting the change bear all losses and expenses caused by the change through evaporation, percolation, or other shrinkage, and such other anticipated losses as the directors shall reasonably determine. The Company has adopted a more detailed Change Application Policy detailing this procedure. If the application is approved, the member shall execute a Change Application Approval Agreement with the Company, with such special conditions and requirements as the Board may impose. After the Board has made its initial decision, the member requesting the change or any director may, by written request to the Secretary, ask that the initial decision be reconsidered at another duly noticed and called meeting. The decision of the Board upon reconsideration shall be final on the issue.
- B. **APPLICATIONS TO THE STATE ENGINEER.** If a change request approved by the Board requires the filing of a change application with the State Engineer's Office, the change application shall be filed by and in the name of the Company, and shall be prosecuted by the Company, with the member requesting the change paying all associated costs and providing all of the necessary information and evidence. The Company shall not be obligated to pursue any requests for reconsideration or appeals. If the member pursues a request for reconsideration or an appeal, it shall do so at its own cost and shall pay all Company costs incurred by the Company's involvement in that proceeding.

ARTICLE XV – ASSESSMENTS AND FEES

- A. **ASSESSMENTS.** The membership shares of this Company may be assessed in such amounts and at such times and in such manner and for such uses and purposes pertaining to Company business, including the operation and maintenance of the water system, as the Board of Directors or the Rate Board may from time to time determine.

- B. **WATER SERVICE FEES.** If the Company is granted an exemption for PSC rate regulation, the Rate Board shall set water service fees for use of the culinary system by Class B (Culinary) Shareholders and Class C (Irrigation) Shareholders. Water service fees may be charged to members on a monthly basis or any other increment authorized by the Board of Directors. To promote conservation of water, the culinary water rates shall consist of a base water rate to be paid by each member for an initial quantity of water as determined by the Rate Board (i.e., the base rate) and an increasing water usage fee to be paid by each member for water used in excess of the initial quantity (i.e., overages).
- C. **NOTICE OF ASSESSMENT.** The notice of assessment may be given either personally to each member and/or by mail addressed to the address of record for each member. It is the express duty of each member to timely notify the Company of any address changes. No other means of providing notice is required. The notice of assessment should contain substantially the following information:

WILLOW CREEK WATER COMPANY

_____, Utah 84____

NOTICE OF ASSESSMENT

At a meeting of the Board of Directors held on (date), an assessment of (amount) per share was levied on the (here insert the description of the class or classes of shares assessed) of the Company, payable (when, to whom, and where). Any shares upon which this assessment may remain unpaid on the (day fixed) will be delinquent and advertised for sale at public auction, and unless payment is made before will be sold on the (day appointed) to pay the delinquent assessment and all accrued interest at the rate of 18% per year from the date of delinquency, together with the cost of advertising and expense of sale.

(Signature of Secretary)

- D. **DELINQUENCY.** If any portion of the assessment mentioned in the notice of assessment remains unpaid on the day specified therein as to when the shares shall be delinquent, the shares are hereby declared to be delinquent as of that day. Additionally, if a shareholder fails to pay the water service fee set by the PSC or Rate Board within thirty days of the due date for payment of such fee, the shares supporting delivery of water are hereby declared to be delinquent as of that day. If the shares are Appurtenant Shares, the remedy available to the Company shall include immediate termination of water deliveries based on the delinquent shares and the recording of a notice of lien on the property to which the shares have been tied or dedicated in the amount of the delinquency and associated collection costs. Other than the bill seeking payment of water service fees that was mailed or delivered to the member's address of record, there shall be no requirement that the Company provide any notice to the member before terminating water deliveries. In addition to terminating water deliveries, the Company may pursue the sale of the

delinquent shares. If so directed by the Board of Directors, the Secretary shall give notice that the shares are delinquent either personally to each member and/or by mail addressed to the address of record for each member. The notice of delinquency should contain substantially the following information:

WILLOW CREEK WATER COMPANY

_____, Utah 84__

NOTICE OF DELINQUENCY

The assessment levied by the Board of Directors on (date) on certain membership shares in the Company for which you are the owner of record has not been paid in full by the due date of (date) and therefore said shares are delinquent. More specifically, the (no. of shares) Class __ Shares represented by Share Certificate No. __ are delinquent in the amount of \$(amount), plus accrued interest. Therefore, in accordance with the applicable laws of the State of Utah and the Company's Articles and Bylaws, as many shares as are necessary will be sold at (place of sale) on the ___ day of _____, __, at the hour of _____, in order to pay the above-referenced delinquent assessments and all accrued interest thereon at the rate of 18% per year from the date of delinquency, together with the cost of advertising and expense of sale, unless such amounts are paid in full by the close of business on the day prior to said sale.

(Signature of Secretary)

- E. **NOTICE OF SALE.** The notice of the sale when published in a daily newspaper must be published for ten days previous to the day of sale; when published in a weekly or semiweekly paper it must be published in each issue thereof for two weeks previous to the day of sale. The first publication of all delinquent sales must be at least fifteen days prior to the day of sale. The notice of delinquency should contain substantially the following information:

WILLOW CREEK WATER COMPANY

_____, Utah 84__

NOTICE OF SALE OF DELINQUENT SHARES

The assessments on the following described membership shares in the Company are delinquent in the amount indicated, exclusive of accrued interest and costs of advertising and sale.

<u>Name</u>	<u>Certificate No.</u>
<u>No. of Shares</u>	<u>Amount</u>

Therefore, in accordance with the applicable laws of the State of Utah and the Company's Articles and Bylaws, so many shares as may be necessary will be sold to the highest qualified bidder over the minimum bid at the (particular place) on the _____ day of _____, ____, at the hour of _____, to pay the delinquent assessments thereon and all accrued interest thereon at the rate of 18% per year from the date of delinquency, together with the cost of advertising and expense of sale, unless such amounts are paid in full by the close of business on the day prior to said sale. Bidders must be able to utilize the water represented by these shares in accordance with the Articles and Bylaws of this Company.

(Name of Secretary)

- F. **JURISDICTION TO SELL SHARES.** By giving the notices of delinquency and sale as required by these Bylaws, the Company acquires jurisdiction to sell and convey a perfect title to all of the membership shares described in said notices upon which any portion of the assessment, any accrued interest, or any expenses of advertising remains unpaid at the close of business on the day before the sale, along with any assessments subsequently levied. But the Company shall not sell any more membership shares than is necessary to pay the assessments due and expenses of advertising and sale. The sale of such shares shall be in increments of full shares first and then a pre-existing fractional share, if any.
- G. **PURCHASE OF DELINQUENT SHARES BY COMPANY.** The Company, through any officer or director, may make an opening minimum bid at the sale of shares in the amount of the assessment, the accrued interest, and the expenses due. Thereafter, the Company, if authorized by the Board of Directors, may enter higher bids as so authorized. If the Company is the highest bidder, the amount of the assessment, interest, and expenses shall be credited as paid in full on the Company's books and entry of the transfer of the shares to the Company shall be made on the books thereof. While the shares remain the property of the Company, it is not assessable, nor shall any dividends be declared thereon, but all assessments and dividends shall be apportioned upon the shares held by the members of the Company. Such shares may be subsequently sold at fair market value to a qualified buyer or buyers in accordance with the Company's Articles and Bylaws.
- H. **EXTENSION OF TIME SPECIFIED IN NOTICES.** The dates set forth in any notice of assessment, notice of delinquency, or notice of sale served or published according to the provisions hereof may be extended from time to time by motion and order of the Board of Directors entered on the records of the Company for any period or periods aggregating not more than six months, but no order extending the time for the performance of any act specified in any notice shall be effective unless a new notice is timely served or published reflecting the extension.
- I. **ERRORS OR OMISSIONS IN PROCEEDINGS.** No assessment is invalidated by a failure to give the notices provided for herein, nor by the nonperformance of any act

required in order to enforce payment of the same, but in case of any substantial error or omission in the course of proceedings for collection, the defective proceedings, except the levying of the assessment, are void and notice must be begun anew for that proceeding and all subsequent proceedings.

- J. **ACTIONS TO RECOVER SHARES SOLD.** No action shall be sustained to recover shares sold for delinquent assessment upon the ground of irregularity or defect of the notice of the sale or defect or irregularity in the sale, unless the person seeking to maintain such action first pays or tenders to the Company or to the person holding the shares sold the sum for which the same was sold, together with all subsequent assessments which may have been paid thereon, or in the case of shares sold to the Company, all subsequent assessments levied upon the outstanding shares of the Company, and interest on such sums from the time they were paid or payable; and no such action shall be sustained unless the same is commenced by the filing of a complaint within six months after such sale was made.
- K. **AFFIDAVIT OF NOTICE PROVIDED.** Affidavits made by the Secretary of personal service or of the mailing of notices shall be prima-facie evidence thereof. The publication of notices relating to assessments may be proved by the affidavit of the printer foreman or principal clerk of the newspaper in which the same were published; and the affidavit of the Secretary or auctioneer shall be prima-facie evidence of the time and place of sale, of the quantity and particular description of the shares sold, and to whom and for what price, and of the fact of the purchase money being paid. The affidavits shall be filed in the office of the Company and copies of the same certified by the Secretary thereof shall be prima-facie evidence of the facts stated therein.

ARTICLE XVI – INSPECTION OF RECORDS

In accordance with Utah Law, any member desiring to inspect or copy Company records shall submit to the Secretary a completed Demand to Inspect and/or Receive Copies of Company Records (“Records Request”) in substantially the same form as that attached hereto as Attachment “A” or such other form adopted by the Board of Directors. Review of the Records will be conducted only during regular business hours and at the Company’s principal office.

ARTICLE XVII - INDEMNIFICATION

Any person made a party to or involved in any civil, criminal, or administrative action by reason of the fact that this person or his or her testator or intestate is or was a director, officer, or employee of the Company, or of any other Company where such service was at the request of the Company, shall be indemnified by the Company against expenses reasonably incurred by him or her or imposed on him or her in connection with or resulting from the defense of such action and in connection with or resulting from any appeal thereon, except with respect to matters as to which it is adjudged in such action that such officer, director, or employee was liable to the Company, or to such other corporation, for negligence or misconduct in the performance of his or her duty. As used herein, the term "expense" shall include all obligations incurred by such

person for the payment of money, including without limitation attorney's fees, judgments, awards, fines, penalties, and amounts paid in satisfaction of judgment or in settlement of any such action, except amounts paid to the Company or such other corporation by him or her.

A judgment or conviction whether based on plea of guilty or nolo contendere or its equivalent, or after trial, shall not of itself be deemed an adjudication that such director, officer or employee is liable to the Company, or such other corporation, for negligence or misconduct in the performance of his or her duties. Determination of the rights of such indemnification and the amount thereof may be made at the option of the person to be indemnified pursuant to procedure set forth, from time to time, in the Bylaws, or by any of the following procedures: (a) order of the Court or administrative body or agency having jurisdiction of the action; (b) resolution adopted by a majority of the quorum of the Board of Directors without counting in such majority any directors who have incurred expenses in connection with such action; (c) if there is no quorum of directors who have not incurred expense in connection with such action, then by resolution adopted by a majority of the committee of members and directors who have not incurred such expenses appointed by the Board of Directors; (d) resolution adopted by a majority of the quorum of the directors entitled to vote at any meeting; or (e) Order of any Court having jurisdiction over the Company. Any such determination that a payment by way of indemnity should be made will be binding upon the Company. Such right of indemnification shall not be exclusive of any other right which such directors, officers, and employees of the Company and the other persons above mentioned may have or hereafter acquire, and without limiting the generality of such statement, they shall be entitled to their respective rights of indemnification under any Bylaw, Agreement, vote of members, provision of law, or otherwise in addition to their rights under this Article. The provisions of this Article shall apply to any member of any committee appointed by the Board of Directors as fully as though each person had been a director, officer or employee of the Company.

ARTICLE XVIII - INSURANCE

The Company shall maintain reasonable amounts of errors and omissions liability insurance on the officers, directors, and employees of the Company. The Company shall also maintain a reasonable amount of general liability insurance on its real property and all water distribution facilities, with a minimum coverage level of one million dollars.

ARTICLE XIX - ANNUAL BUDGET & FINANCIAL REPORT

The President and the Board of Directors shall prepare an annual budget prior to, or at the beginning of, each fiscal year. The President and the Board of Directors shall also prepare, or cause to be prepared by a qualified accountant, an annual report on the financial condition of the Company at the end of each fiscal year. The President or his designee shall present this report to the members at the annual meeting. Any member, at its own expense, may cause an independent audit of the financial records of the Company.

ARTICLE XX - TAX PROVISIONS

The rights and interests of members in the annual savings of the Company shall be determined in proportion to the quantity of services purchased from the Company. Funds in excess of those needed to meet current losses and operating expenses may be retained to meet the Company's reasonable needs for normal business purposes such as retiring indebtedness, expansion, or maintaining reserves. The Company shall keep records that show each member's rights and interests in the funds which it retains.

Upon dissolution, the members' and former members' interests in retained savings shall be distributed on a pro rata basis. Gains from the sale of an appreciated asset upon dissolution shall be distributed, to the extent practicable, on a pro rata basis to all persons who were members during the period when the asset was owned by the Company. Notwithstanding this provision, no asset of the Company shall be distributed to the members upon dissolution if such dissolution occurs as part of a plan approved by the members to convert the Company into a governmental entity. Under such circumstances, the members' shares shall be surrendered without consideration, except that (1) the governmental entity shall continue to provide water service to members receiving water service from the company at the time of dissolution, and (2) Class A members shall receive a credit from the governmental entity towards any impact fee, water dedication requirement, or other requirement in an amount equal to the Class A member's contributions to the Company.

ARTICLE XXI – SHAREHOLDER LIABILITY

The private property of the shareholders shall not be liable for the obligations of the Company.

ARTICLE XXII - AMENDMENTS TO THE BYLAWS

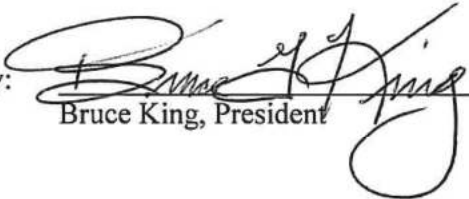
These bylaws may be amended as set forth in Article XVI of the existing Articles of Incorporation.

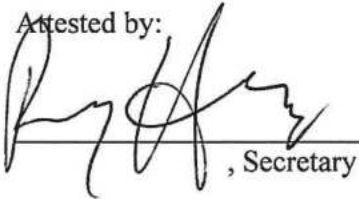
ARTICLE XXIII - SEVERABILITY CLAUSE

If any provision of these bylaws, or the application of any provision to any person or circumstance, is held invalid, the remainder of the bylaws shall be given effect without the invalid provision or application.

DULY ADOPTED by a two-thirds vote of the Board of Directors of the Company at a duly noticed meeting of the Directors held this 18 day of August, 2011.

Willow Creek Water Company

By: 
Bruce King, President

Attested by: 
, Secretary

CERTIFICATE OF SECRETARY

I do hereby certify:

1. That I am the duly elected and acting Secretary of the Willow Creek Water Company, a Utah nonprofit corporation; and
2. That the foregoing Amended and Restated Bylaws of the Willow Creek Water Company, comprised of 23 numbered pages (excluding the cover page, the table of contents, and Attachment A, but including this page), constitute the Bylaws of this Company as duly adopted and amended by its Board of Directors at a meeting held on the 18 day of August, 2011.


, Secretary

Attachment A

**Demand to Inspect
and/or Receive Copies
of Company Records**

**Willow Creek
Water Company**

Pursuant to Utah Code Annotated § 16-6a-1602(1) & (2), written demand for inspection or copying of Company records must be made at least five days in advance.

Records may be inspected, and copies will be made available, at the Company offices at _____, during the Company's regular business hours.

Contact Information

Name:	Telephone:
Address:	Fax:
	E-mail:

- Are you requesting (Check One)**
- INSPECTION of Records?
 - COPIES of Records (20¢ per page)? or
 - BOTH?

- Please check this box if you wish to receive by mail a copy of the Company's most recent annual financial statements (if any) and its most recently published financial statements (if any). Utah Code Ann. § 16-6a-1603(3) & -1606. (Free of Charge)*

<p><i>If you wish to inspect and/or receive copies any of the records listed at right, please check the appropriate boxes, and fill in the requested information.</i></p> <p><i>If you wish to inspect and/or receive copies of any other records, please fill out the reverse side.</i></p>	<ul style="list-style-type: none"> <input type="checkbox"/> The Articles of Incorporation. <input type="checkbox"/> The Bylaws. <input type="checkbox"/> Names and Addresses of Current Directors and Officers. <input type="checkbox"/> Membership Resolutions. Which?: <input type="checkbox"/> Our Most Recent Annual Report to the Division of Corporations. <input type="checkbox"/> Minutes of Members' Meetings Within the Last 3 Years. Dates?: <input type="checkbox"/> Records of Actions Taken Within the Last 3 Years Without a Meeting. Which?: <input type="checkbox"/> Written Communications to the Members Within the Last 3 Years Which?: <input type="checkbox"/> Financial Statements Prepared for Periods <i>Ending</i> During the Last Three Years. Which Years?:
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SENSITIVE & PROTECTED RECORDS

**Demand to Inspect
and/or Receive Copies
of Company Records**

<p><i>Please describe the purpose of your demand to inspect and/or receive copies</i></p> <p><i>Please note that the purpose of record access must be reasonably related to your interest as a member or director of the Company. Utah Code Ann. § 16-6a-1602(4)(b)</i></p>	
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<p><i>Please describe the records to be inspected or copied.</i></p> <p><i>Please be as specific as possible. Note that the records you request must be directly connected with your above-described purpose. Utah Code Ann. § 16-6a-1602(3)(c)</i></p>	
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After your Demand to Inspect and/or Receive Copies of Sensitive and Protected Company Records has been duly reviewed by the Company's custodian of records, you will be notified whether inspection or receipt of copies may be permitted.

Inspection or receipt of copies will usually take place within five business days of presentation of this completed demand at the Company offices.

NOTE: *Any director or member obtaining information from or copies of sensitive and protected Company records may not use such information or copies for any purpose except the purpose given above.*

	Signature of Requesting Member		Date
<input type="checkbox"/> Approved <input type="checkbox"/> Denied	Signature of Director		Date



CROSS CONNECTION CONTROL ORDINANCE

For

Willow Creek Water Company

System, No. 02062

The purpose of this ordinance is to protect the water supply of Willow Creek Water Company from contamination or pollution from any cross connections existing or potential; and to assure that approved backflow prevention assemblies are tested when put into service and at least on an annual basis thereafter. This ordinance is in compliance with Section R309.105.12 of the Utah Public Drinking Water Rules (UPDWR) and the Plumbing Code as adopted by the State of Utah.

The installation or maintenance of any unprotected cross connection which would endanger the water supply of Willow Creek Water Company is prohibited. Any such cross connection now existing or hereafter installed is hereby declared unlawful and shall be immediately protected or eliminated.

The control or elimination of cross connections and the criteria for determining degree of hazard and prescribing appropriate levels of protection shall be in accordance with the Plumbing Code as adopted by the State of Utah and the UPDWR. Water service to any premise shall be contingent upon the customer providing appropriate cross connection control if determined necessary. Determinations and enforcement shall be the responsibility of the Water Master. Water service may be refused or terminated to any premises where and unprotected cross connection may allow contamination or pollutants to backflow into the public drinking water system.

Authorized employees or contractors of Willow Creek Water Company with proper identification, shall have free access at reasonable hours of the day, to all areas of a premise or building to which drinking water is supplied for the purpose of conducting hazard assessment surveys. Water service may be refused or terminated, or maximum backflow protection may be required, to the premise where access to perform surveys is denied, where unprotected cross connections are located, or in the event that installed assemblies are not test and maintained as required by State and local regulations.

Before any water service is terminated, a due process of notifying the customer and providing a reasonable time for compliance to be achieved will be observed according to the operating procedures of Willow Creek Water Company. However, in the event of an actual backflow incident which endangers the public health, water service may be terminated immediately and not be restored until the cross connection is either eliminated or adequately protected.



ORDINANCE

For the

CONTROL OF BACKFLOW AND CROSS CONNECTIONS

SECTION 1. CROSS CONNECTION CONTROL –GENERAL POLICY

1.1 Purpose of Ordinance:

1.1.1 To protect the Public drinking water supply of Willow Creek Water Company from the possibility of contamination or pollution by requiring compliance with the Utah State Rules for Public Drinking Water Systems and the Plumbing Code as adopted by the State of Utah, that require a cross connection control protection of all public drinking water systems in the State of Utah. Compliance with these minimum safety codes will be considered reasonable diligence for the prevention of contaminants or pollutants which could backflow into the public drinking water system; and,

1.1.2 To promote the reasonable elimination or control of cross connection in the plumbing fixtures and industrial piping system(s) of the consumer, as required by the state and plumbing regulations to assure water system safety; and,

1.1.3 To provide for the administration of a continuing program of backflow prevention which will systematically examine risk and effectively prevent the contamination or pollution of the drinking water system.

1.2 Responsibility: Drinking Water Purveyor

1.2.1 Willow Creek Water Company shall be responsible for the protection of the drinking water distribution system from the foreseeable condition leading to the possible contamination or pollution of the drinking water system due to the backflow of contaminants or pollutants into the drinking water supply.

1.2.2 Drinking water system surveys/inspections of the consumer's water distribution system(s) shall be conducted or caused to be conducted by individuals deemed qualified by and representing Willow Creek Water Company. Survey records shall indicate compliance with the State of Utah Regulations. All such records will be maintained by Willow Creek Water Company.



1.2.3 Willow Creek Water Company shall schedule and notify in writing, all consumers of the need for the periodic system survey to insure compliance with exiting applicable minimum health and safety standards.

1.2.4 Selection of an approved backflow prevention assembly for containment control required at the service entrance shall be determined from the results of the system survey.

1.3 Responsibility: Consumer

1.3.1 To comply with this ordinance as a term and condition of water supply and consumer's acceptance of service is admittance of his/her awareness of his/her responsibilities as a water system user.

1.3.2 It shall be the responsibility of the consumer to purchase, install, and arrange testing and maintenance of any backflow prevention device/assembly required to comply with this ordinance. Failure to comply with this ordinance shall constitute grounds for discontinuation of service.

1.4 Responsibility: Plumbing Official

1.4.1 The plumbing official's responsibility to enforce the applicable sections of the plumbing code begins at the point of service (downstream or consumer side of the meter) and continues throughout the length of the consumer's water system.

1.4.2 The plumbing official will review all plans to ensure that unprotected cross connections are not an integral part of the consumer's water system. If a cross connection cannot be eliminated, it must be protected by the installation of an air gap or an approved backflow prevention device/assembly, in accordance with the Plumbing Code as adopted by the State of Utah.

1.5 Responsibility: Certified Backflow Technician, Surveyor, or Repair Person

1.5.1 Whether employed by the consumer or a utility to survey, test, repair, or maintain backflow prevention assemblies the Certified Backflow Technician, Surveyor, or Repair Person will have the following responsibilities:

- a.** Insuring that acceptable testing equipment and procedures are used for testing, repairing or overhauling backflow prevention assemblies.
- b.** Make reports of such testing and/or repairs to the consumer and the water purveyor on form approved for such use by the water purveyor within time frames as described by the Division of Drinking Water.
- c.** Include the list of materials or replacement parts being used of the reports.



- d. Insuring that replacement parts are equal in quality to parts originally supplied by the manufacturer of the assembly being repaired.
- e. Not changing the design, material or operational characteristics of the assembly during testing, repair or maintenance.
- f. Performing all test of the mechanical devices/assemblies and shall be responsible for the competence and accuracy of all test and reports.
- g. Insuring that his/her license is current, the testing equipment being used is acceptable to the State of Utah, and is in proper operating condition.
- h. Being equipped with, and competent to use, all necessary tools, gauges, test tags, and other equipment necessary to properly test, and maintain backflow prevention assemblies.
- i. Tagging each double check valve, pressure vacuum breaker, reduced pressure backflow assembly and high hazard air gap, showing the serial number date tested and by whom. The certified technician's license number must also be on the tag.

1.5.2 Responsibility: Repair of backflow assemblies

In the case of a consumer requiring an assembly to be tested, any currently Certified Backflow Technician is authorized to make the test and report the results to the consumer and the water purveyor. Any installation repair or relocation shall be done with individuals having appropriate licensure from the department of licensing.

SECTION 2. DEFINITIONS

2.1 Water Purveyor: The person designated to be in charge of the Water Department of Willow Creek Water Company is invested with the authority and responsibility for the implementation of an effective cross connection control program and for the enforcement of the provisions of this ordinance.

2.2 Approved Backflow Assembly: An assembly accepted by the Utah State Department of Environmental Quality, Division of Drinking Water, as meeting and applicable specification or as suitable for the proposed use.

2.3 Auxiliary Water Supply: Any water supply on or available to the premises other than the purveyor's public water supply will be considered as an auxiliary water supply. These auxiliary waters may include water from another purveyor's public potable water supply or any natural source(s) such as a well, spring, river, stream, etc., or "used waters" or "industrial fluids". These



waters may be contaminated or polluted or they may be objectionable and constitute an unacceptable water source over which the water purveyor does not have authority for sanitary control.

2.4 Backflow: The reversal of the normal flow of water caused by wither back-pressure or back siphonage.

2.5 Back-Pressure: The flow of water or other liquids, mixtures, or substances from a region of high pressure to a region of lower pressure into the water distribution pipes of a potable water supply system from any source(s) other than the intended source.

2.6 Back-Siphonage: The flow or water or other liquids, mixtures, or substances under vacuum conditions into the distribution pipes of a potable water supply system from any source(s) other than the intended source, caused by the reduction of pressure in the potable water system.

2.7 Backflow Prevention Assembly: An assembly or means designed to prevent backflow. Specifications for backflow prevention assemblies are contained within the Plumbing Code as adopted by the State of Utah and in the Cross Connection Control Program for Utah maintained by the Division of Drinking Water.

2.8 Cross Connection: Any physical connection or arrangement of piping or fixtures which **may** allow non-potable water or industrial fluids or other material of questionable quality to come into contact with potable water inside a water distribution system. This would include temporary conditions, such as swing connections, removable sections, four way plug valves, spools, dummy sections of pipe, swivel or change-over devices or sliding multiport tubes or other plumbing arrangements.

2.9 Contamination: Means a degradation of the quality of the potable water supply by sewage industrial fluids or waste liquids, compounds or other materials that may create a health hazard.

2.10 Cross Connection-Controlled: A connection between a potable water system and a non-potable water system with an approved backflow prevention assembly properly installed and maintained so that it will continuously afford the protection commensurate with the degree of hazard.

2.11 Cross Connection-Containment: The installation of an approved backflow assembly at the water service connection to any customer's premises where it is physically and economically infeasible to find permanently eliminate or control all actual or potential cross connection within the customer's water distribution system; or, it shall mean the installation of an approved backflow



prevention assembly on the service line leading to and supply a portion of a customer's water distribution system; or, it shall mean the installation of a portion of a customer's water system where there are actual or potential cross connections which cannot be effectively eliminated or controlled at the point of the cross connection (isolation).

SECTION 3. REQUIREMENTS

3.1 Policy:

3.1.1 No water service connection to any premises shall be installed or maintained by the Water Purveyor unless the water supply is protected as required by State laws, regulations, codes, and this ordinance shall be discontinued by the water purveyor after due process of written notifications of violation and an appropriate time suspense for voluntary compliance, if:

- a.** A backflow prevention assembly required by this ordinance for the control of backflow and cross connections is not installed, tested, and maintained, or
- b.** If it is found that a backflow prevention assembly has been removed or by-passed, or
- c.** If an unprotected cross connection exists on the premises, or
- d.** If the periodic system survey has not been conducted.
- e.** Service will not be restored until such conditions or defects are corrected.

3.1.2 The customer's system(s) shall be open for inspection at all reasonable times to authorized representatives of the water purveyor to determine whether cross connections or other structural or sanitary hazards, including violation of this ordinance exist and to audit the results of the required survey (R309.105.12 of the Utah Administrative Code).

3.1.3 Whenever the public water purveyor deems a service connection's water usage contributes a sufficient hazard to the water supply, and approved backflow prevention assembly shall be installed on the service line of the identified consumer's water system, at or near the property line or immediately inside the building being served; but, in all cases, before the first branch line leading off the service line.

3.1.4 The type of protective assembly required under subsection 3.1.3, shall depend upon the degree of hazard which exist at the point of cross connection (whether direct or indirect), applicable to local and state requirements or resulting from the required survey.



3.1.5 All presently installed backflow prevention assemblies which do not meet the requirements of this section but were approved assemblies for the purposes described herein at the time of installation and which have been properly maintained, shall, except for the inspection and maintenance requirements under subsection 3.1.6, be excluded from the requirements of these rules so long as the water purveyor is assured that they will satisfactorily protect the public water system. Whenever the existing is moved from the present location or requires more than minimum maintenance or when the water purveyor finds that the operation or of this assembly constitutes a hazard to health, the unit shall be replaced by an approved backflow prevention assembly meeting all local and state requirements.

3.1.6 It shall be the responsibility of the consumer at any premises where backflow prevention assemblies are installed to have certified surveys; inspections, and operational test made at least once per year at the consumer's expense. In those instances where the Public Water Purveyor deems the hazard to be great, he may require certified surveys/inspections and test at a more frequent interval. It shall be the duty of the purveyor to see that these tests are made according to the standards set forth by the State Department of Environmental Quality, Division of Drinking Water.

3.1.7 All backflow prevention assemblies shall be tested within ten (10) working days of installation.

3.1.8 No backflow prevention assemblies shall be installed so as to create a safety hazard. (Example: Installed over and electrical panel, steam pipes, boilers, or above ceiling level).

3.2 Violation of this Policy:

If violation of this ordinance exists if there has not been any corrective action taken by the consumer within ten (10) days of the written notification of the deficiencies noted within the survey or test results, then the water purveyor shall deny or immediately discontinue service to the premises by providing a physical break in the service line until the customer has corrected the condition(s) in conformance with all State and local regulations and statutes relating to plumbing, safe drinking water suppliers, and this ordinance.

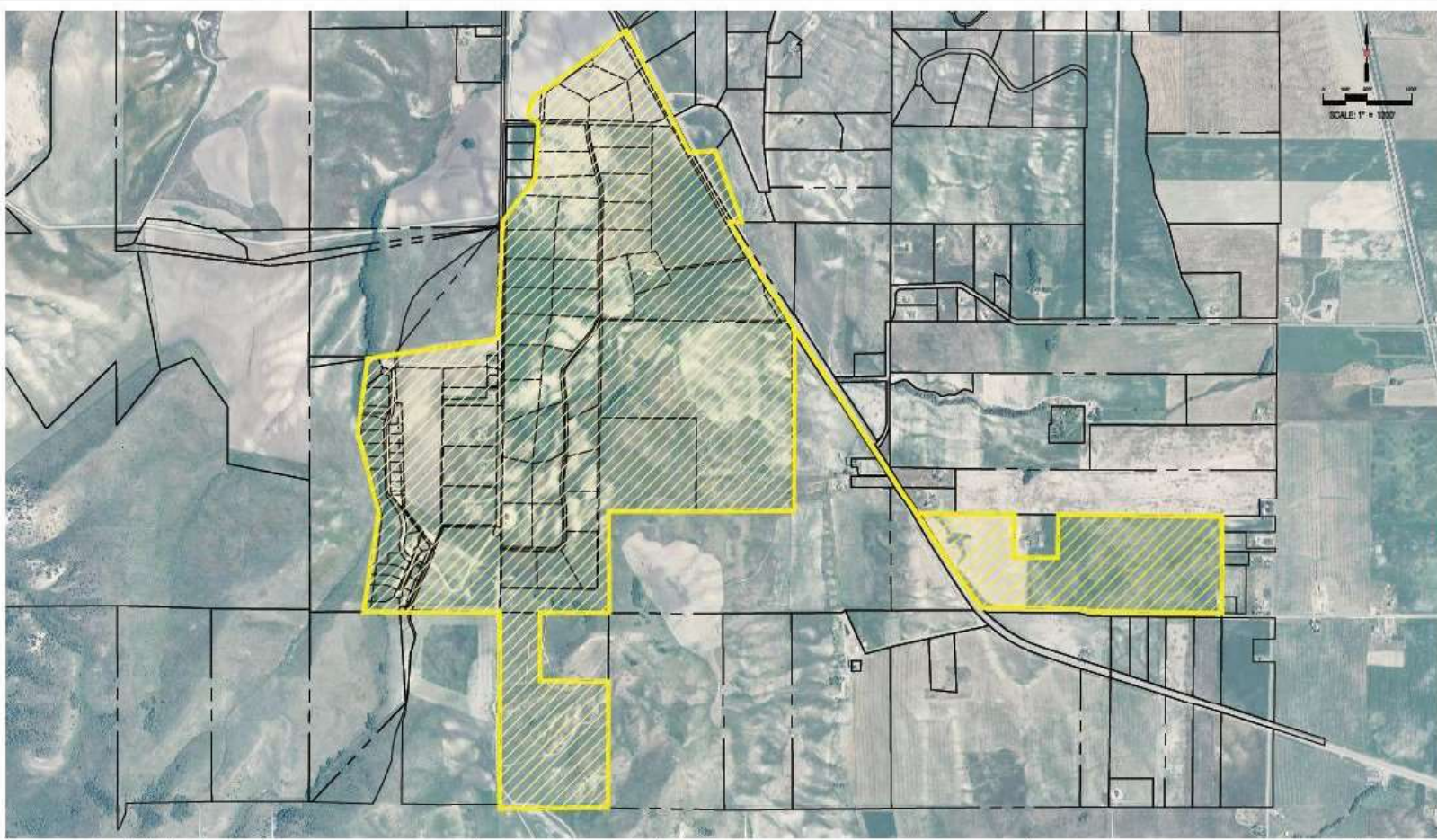
The foregoing Cross Connection Control ordinance was passed and approved by Willow Creek Water Company of Beaver Dam, Box Elder County, Utah on the 21 day of November, 2019 .

Approver:

David Bishop President

Exhibit F

Location Map and Project Map



NO.	PROJECT	BY	DATE

DRAWN _____
DESIGNED _____
APPROVED _____
QA _____

FORSYGREN
Associates, Inc.
 85 WEST 100 SOUTH, SUITE 100, BEAVER DAM, UTAH
 PH: 435.227.2282 FAX: 435.227.2284

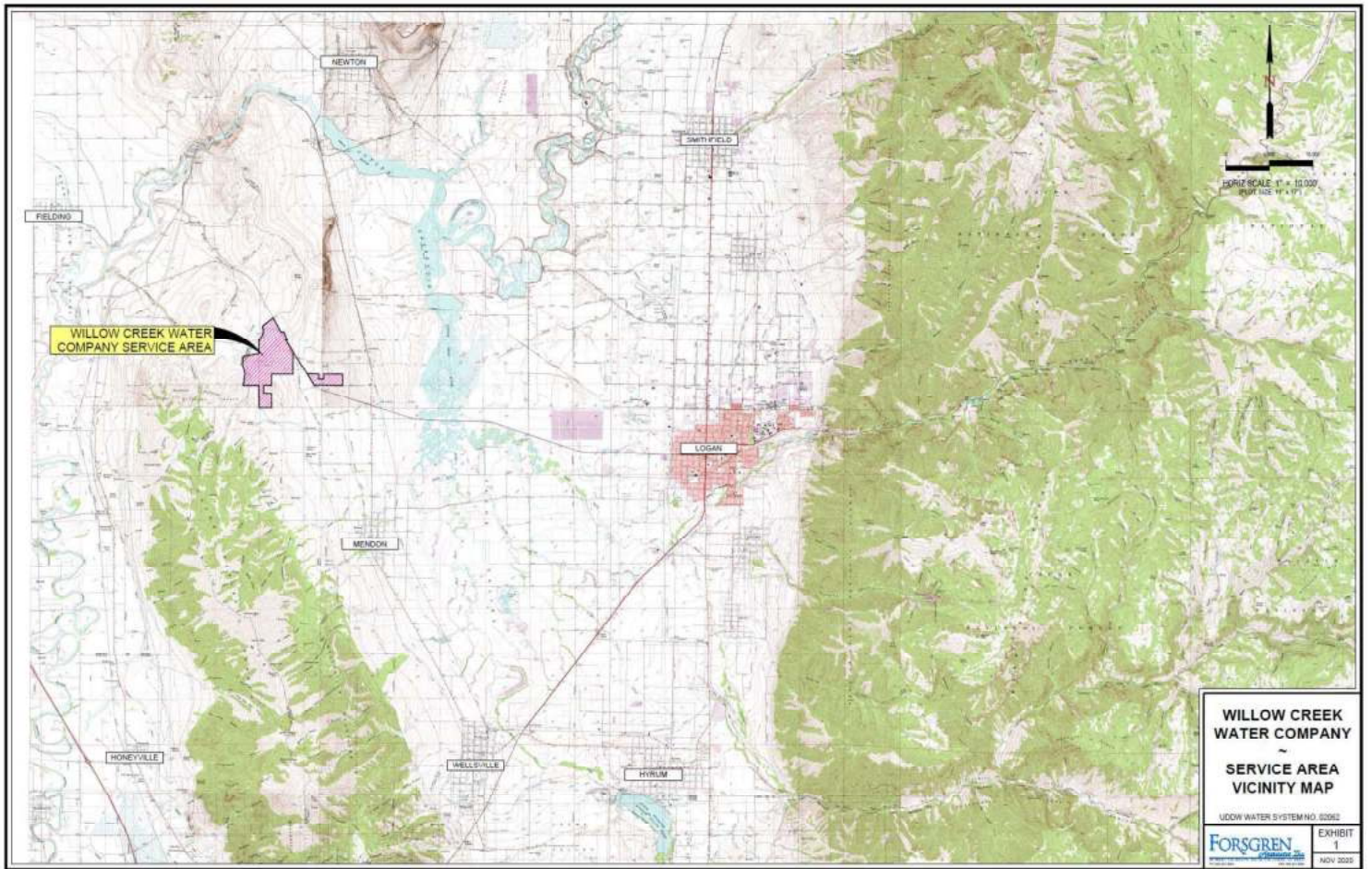
ATTENTION
 LINE IS 1/8" THICK
 AND 1/8" HIGH
 (IF NOT TO SCALE ACCORDING)



WILLOW CREEK WATER COMPANY
 14014 NORTH 400 WEST
 BEAVER DAM, UTAH 84306

**WATER SYSTEM
 SERVICE AREA**

EXHIBIT
 2-1
 DATE:
 JULY 2014

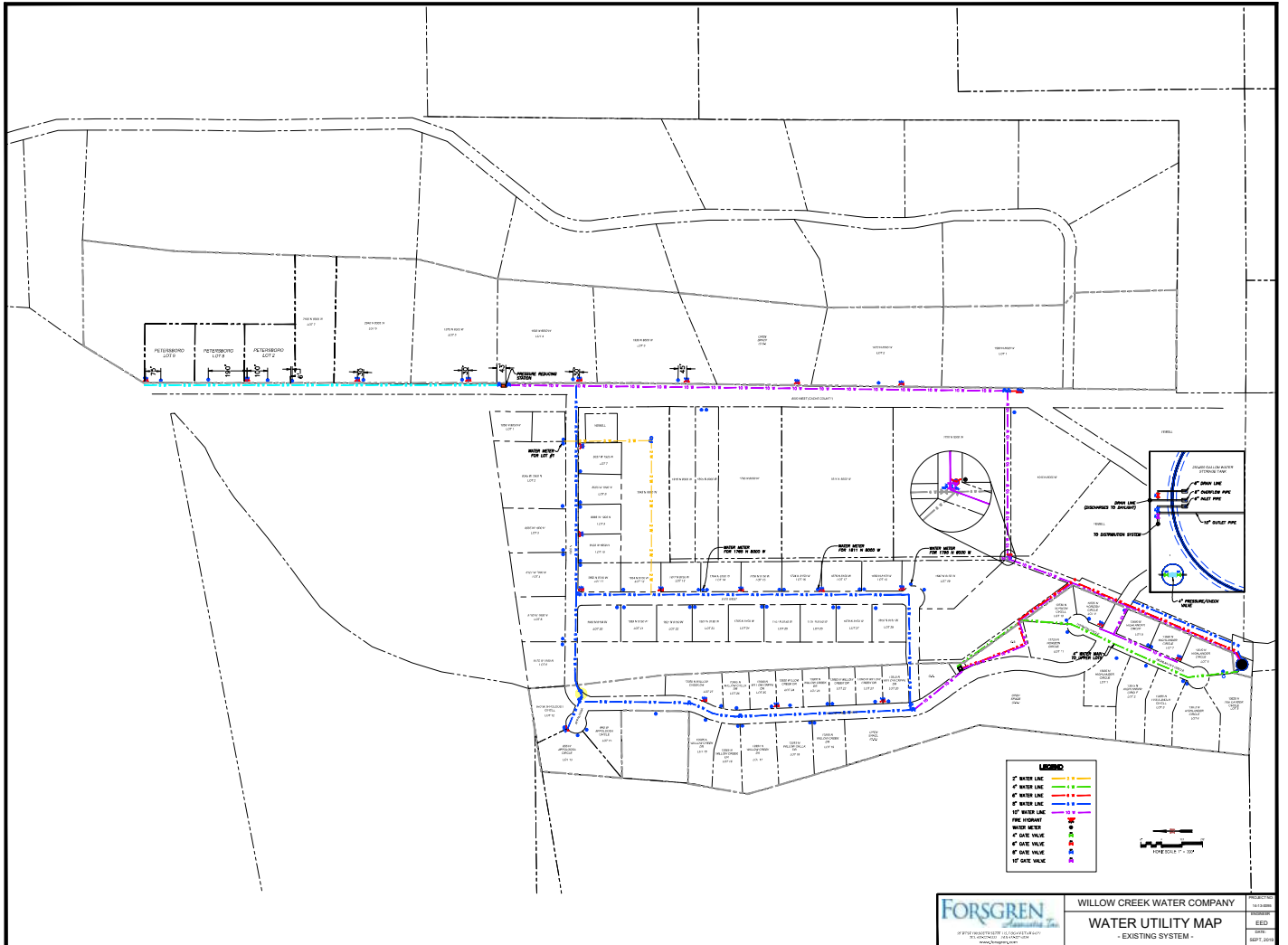


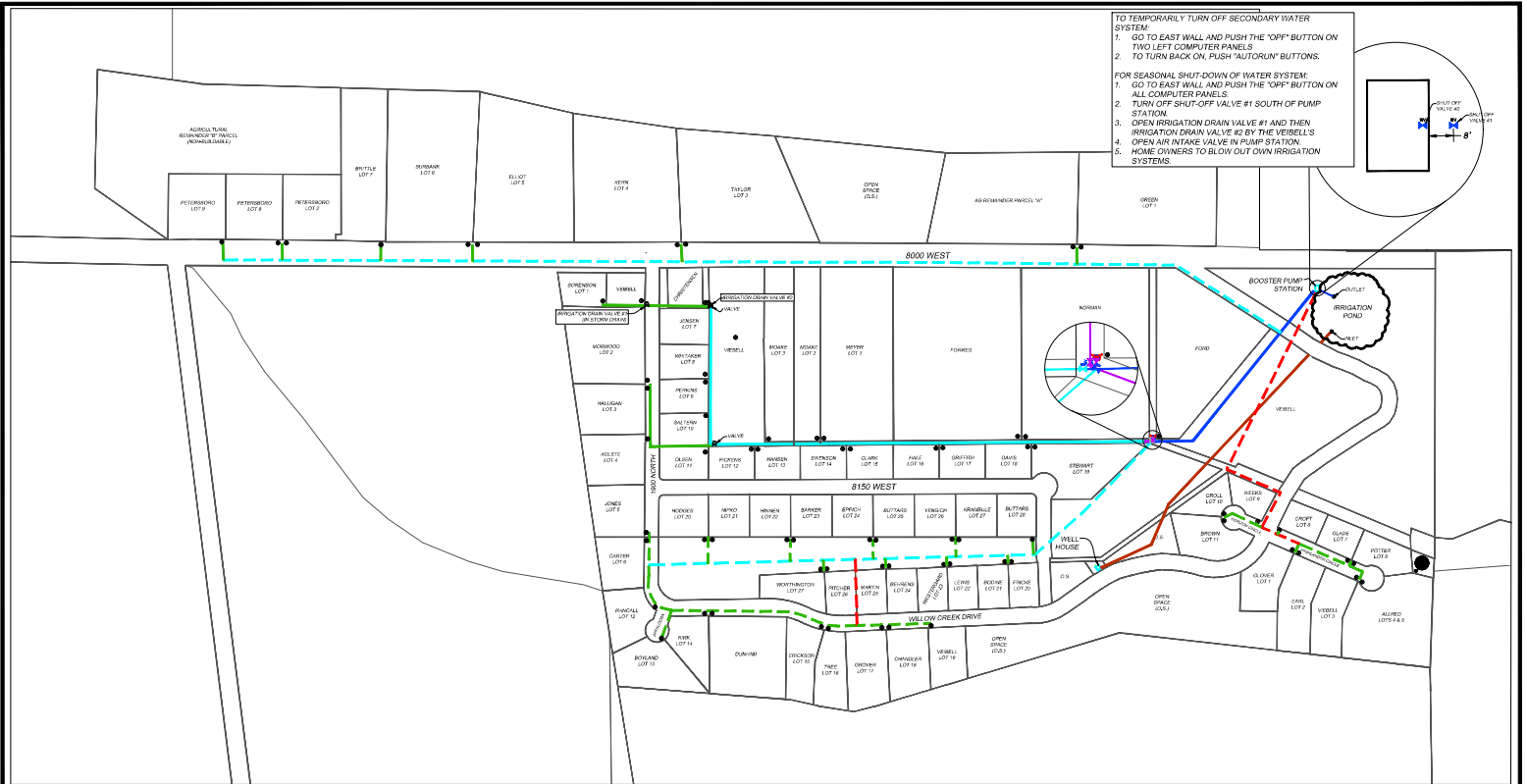
**WILLOW CREEK
WATER COMPANY**
~
**SERVICE AREA
VICINITY MAP**

UDDW WATER SYSTEM NO. 02062

FORSQREN
CONSULTANTS

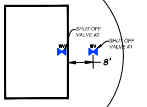
EXHIBIT
1
NOV 2023





TO TEMPORARILY TURN OFF SECONDARY WATER SYSTEM:
 1. GO TO EAST WALL AND PUSH THE "OFF" BUTTON ON TWO LEFT COMPUTER PANELS
 2. TO TURN BACK ON, PUSH "AUTORUN" BUTTONS.

FOR SEASONAL SHUT-DOWN OF WATER SYSTEM:
 1. GO TO EAST WALL AND PUSH THE "OFF" BUTTON ON ALL COMPUTER PANELS
 2. TURN OFF SHUT-OFF VALVE #1 SOUTH OF PUMP STATION
 3. OPEN IRRIGATION DRAIN VALVE #1 AND THEN IRRIGATION DRAIN VALVE #2 BY THE VERBELLS
 4. OPEN AIR INTAKE VALVE IN PUMP STATION
 5. HOME OWNERS TO BLOW OUT IRRIGATION SYSTEMS



SERVICE CONSTRUCTION NOTE

2-INCH SERVICE LINE FROM IRRIGATION WATER MAIN TO WATER METERS SHALL INCLUDE AN "AY MCDONALD" 2" FIP X FIP BALL VALVE CURB STOP ON 3-INCH TEE BRANCH PRIOR TO PIPELINE RUNS TO WATER METERS; CURB STOP SHALL HAVE A 2-INCH SCH-40 PVC STAND PIPE FROM VALVE TO SURFACE GRADE WITH HDPE INSERT PLUG

LEGEND

	EXISTING	FUTURE
2-INCH WATER MAIN		
4-INCH WATER MAIN		
6-INCH WATER MAIN		
8-INCH WATER MAIN		
WATER SERVICE METER		

WILLOW CREEK SECONDARY WATER SYSTEM MAP



FORSGREN
 EXHIBIT 1
 SEPT. 2019