

ARTICLES OF INCORPORATION
OF THE
BRAZOS MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned incorporators, whose names and addresses are as shown in Article V, along with all the members, have associated ourselves together for the purpose of forming a non-profit mutual domestic water consumers association in accordance with the provisions of Article 29, Sanitary Projects, Section 3-29-1 through 3-29-19, NMSA 1978, and do hereby make and execute and acknowledge in duplicate, these Articles of Incorporation in writing.

ARTICLE I

The corporate name of this association shall be: Brazos Mutual Domestic Water Consumers Association, Incorporated.

ARTICLE II

The association shall have perpetual existence.

ARTICLE III

The principal office of the association shall be at 1521 Cerro Vista Rd. S.W. Albuquerque, New Mexico 87105

ARTICLE IV

The objectives and purposes for which the association is formed are as follows:

Section 1.

To associate its members together for their mutual interest and benefit and, to that end, to acquire, construct, install, maintain, and operate a water and/or sewer system for the supply and distribution of water for domestic uses and/or collection of sewage for its members and to engage in any activity related thereto including, but not limited to, the acquisition of water by purchase, appropriation, lease or otherwise, and the diversion and storage thereof, the drilling, pumping and purchase, laying installation, operation, maintenance and repair of wells, pumping equipment, canals, ditches, structures, pipelines, valves and all other material and equipment necessary to the construction, repair, maintenance and operation of a complete domestic water supply distribution system and/or a sewage collection and treatment facility.

Section 2.

To borrow from any source money, goods, or services and to pledge or mortgage any of its property as security therefore in any manner permitted by law.

Section 3.

To acquire and to hold, own and exercise all rights of ownership in and to sell, transfer, or pledge shares of capital stock or memberships of any corporation or association engaged in related activities.

Section 4.

To buy, lease, hold, and exercise all privileges of ownership in and to the real or personal property as may be necessary or convenient for the conduct and operation of the association.

Section 5.

To levy assessments and make charges for water and sewer services in such manner and in such amount as may be provided in the bylaws of the association. The bylaws shall reflect that the recurring annual fees and periodic assessments will be applicable to all members and will provide funds to be used for the acquisition, construction, improvement and maintenance of its works and for the necessary operations expenses.

Section 6.

To have and to exercise all power, privileges and rights conferred on non-profit associations or corporations by the laws of the State of New Mexico, all of which are hereby expressly claimed, including all powers which may be necessary, convenient, or expedient for the accomplishment of the purposes of this association, except such powers as are inconsistent with the provisions of the Act under which this association is incorporated.

Section 7.

The principal activities and business of this association will be carried on in Rio Arriba County, State of New Mexico, but its entire business and activities will not necessarily be limited to said county.

ARTICLE V
Election of Officers

The business and affairs of this association shall be conducted and managed by a board of directors, consisting of nine (9) members, all of whom shall be members of this association. There shall be elections annually. The members of the board of directors shall be elected to three year terms. Three directors shall be elected each year, on a rotating group of three (3) basis for staggered terms, such that each position on the board of directors shall be voted on by the members over a three year period. Their names and addresses are as follows:

<u>Name</u>	<u>Address</u>
Paul Schultz, President & Director	931G Country Club Dr. SE Rio Rancho, NM 87124
J. T. McWilliams, Vice President & Director	5600 Cometa Place NE Albuquerque, NM 87111
John Cudek, Secretary/Treasurer & Director	809 Marcella NE Albuquerque, NM 87123
Ray Leverich, Director	HC 75, Box 109 Chama, NM 87520
Kevin Chafin, Director	1413 Girard SE Albuquerque, NM 87106
Bill Eberhart, Director	2436 Tramway Terrace Ct NE Albuquerque, NM 87122
Steve Dragg, Director	1201 West McGaffey Roswell, NM 88201
Rubel Martinez, Director	6028 Azure NE Albuquerque, NM 87109
Harald Sorenson	13312 Desert Flower PL NE Albuquerque, NM 87111

ARTICLE VI
Membership

This association shall have no capital stock and no shares of stock shall be issued by said association to its members. Membership in this association shall be represented and evidenced by a Membership Certificate. All persons within the association who

participate, or desire to participate, in this project, may become members of the association, as specified in the bylaws, and upon complying with the Rules and Regulations herein. Any person or persons who did not participate in the original project shall be admitted to the membership of the association upon payment to the association of a reasonable fee, as determined by the board of directors, and as specified in the Rules and Regulations.

ARTICLE VII Voting

That, notwithstanding any provision which may be made in the bylaws of this association for the issuance of more than one membership certificate to one natural person being a member of the association for the purpose of equalizing assessments against membership certificates on the basis of services rendered by the association, each person being a member shall be entitled to one and only one vote in the affairs and business of this association. There shall be no voting by proxy. Voting by mail shall be allowed only if provided for and in the manner as provided by the bylaws of this association. Mail votes shall be counted to the extent as provided in the bylaws in the computing of a quorum for the holding of a meeting of members.

ARTICLE VIII Dissolution

In the event this association shall be directed to dissolve by the members as provided by law, the members shall designate three of their number as trustees who shall, on behalf of the association and within a time fixed in their designation or within any extension thereof, liquidate the assets of this association and shall pay its debts and expenses, shall return to the members the amount of the membership fees paid for membership certificates and shall distribute any surplus among the members upon the basis of their patronage during the period of six years immediately preceding the dissolution.

ARTICLE IX Amendments

These articles may be repealed or amended by a vote of the majority of the members present at any annual meeting of the association, or at any special meeting of the association called for that purpose, except that so long as any indebtedness is held by or guaranteed by the USDA/Rural Utilities Services, the members shall not have the power to change the purposes of the association so as to decrease its rights and powers under the laws of the State of New Mexico, or to waive any requirement of bond or other provisions for the safety and security of the property and funds of the association or its members, or to amend the articles as to effect a fundamental change in the policies of the association without the prior approval of the USDA/Rural Utilities Services in writing.

IN WITNESS WHEREOF, we , the president and secretary, have set our hands and seals this 12th day of October, 1999;

Paul Schultz, President

John Cudek, Secretary/Treasurer

STATE OF NEW MEXICO
COUNTY OF BERNALILLO

The foregoing instrument was acknowledged before me this ____ day of _____, ____
By those persons signing above.

(Seal)

Notary Public

My commission expires: _____

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The total number of members of this Association is 147. The total number of dwelling units which can be served upon completion of the project is estimated at 273.

The attachment is a list of names of all members of the association.

Brazos Mutual Domestic Water Consumers Association, Inc.
1521 Cerro Vista Rd. S.W.
Albuquerque, New Mexico 87105
(505) 247-4669

Public Regulation Commission
Corporation Department
Attn. Document Division
P.O. Drawer 1269
Santa Fe, NM 87504-1269

RE: Adopted Articles of Incorporation under Article 29, Sanitary Projects Act, Section 3-29-1 through 3-29-19 NMSA 1978

The members of the Board of Directors of the Brazos Mutual Domestic Water Consumers Association, Inc. have adopted their Articles of Incorporation under Article 29, Sanitary Projects Act, Section 3-29-1 through 3-29-19, on September 12, 1999.

Please note, approve, and file the attached Articles of Incorporation, and list of members. Enclosed is the filing fee of \$25.00. Please file these items and advise us of your actions.

Thank You,

John Cudek
Secretary/Treasurer & Director
Dated: