

Glide Water Association

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By-Laws of the Glide Water Association

Revision: March 8, 2022

ARTICLE I

General Purpose

The purpose for which this association is formed and the powers which it may exercise are set forth in the Articles of Incorporation of the Glide Water Association

ARTICLE II

Name and location

Section 1: The name of this association is the Glide Water Association

Section 2: The principal office of this association is in the village of Glide, County of Douglas, state of Oregon, but the association may maintain offices and places of business within or without the state as the Board of Directors determine.

ARTICLE III

Fiscal Year

The fiscal year of the association shall begin the first day of October in each year.

ARTICLE IV

Membership

Section 1: Any bona fide owner of a farmstead or rural residence having reasonable accessibility to the source of and who is in need of having water supplied for domestic, livestock and garden purposes from the water system operated by the association and who receives the approval of the Board of Directors may be admitted to membership by signing such agreements for the purchase of water as may be provided and required by the association; provided that no person otherwise eligible shall be permitted to subscribe for or acquire membership of the association if the capacity of the association's water system is exhausted by the needs of the existing members.

Section 2: When mortgagees on farms or rural residence of members, which farms or rural residences are served by the association give notice in writing to the association for the existence of such mortgages, then the mortgagees shall receive copies of all communications sent by the association to the members on whose farm or rural residence the mortgage exists. If the mortgagees by purchase at a foreclosure sale or through voluntary conveyance by the member obtain title to the farm or rural residence, they shall be admitted to membership in the association provided they agree to purchase water from the association. Persons who purchase a farm or rural residence from mortgagee who have thus acquired title to the farm or rural residence shall be entitled to become a member of the association if he/she signs the above-mentioned agreement. If a farm or rural residence is sold in more than one parcel, the Board of Directors shall determine which parcel shall entitle the owner thereof to membership in the association.

Section 3: In the case of the death of a member, or if a member ceases to be eligible to hold membership as provided in Section 1, or willfully fails to comply with these by-laws and other requirements, or willfully obstructs the purpose and proper activities of the association, the association, through the Board of Directors, may elect to terminate his/her membership upon tender to him/her or heirs or legal representative the fair value of his/her membership, less any indebtedness

then due from him/her to the association. Any member whose membership is terminated for cause other than that of ceasing to be eligible may appeal from the action of the Board of Directors to a vote of the members at the next regular meeting of members or a special meeting of the members called for such purpose.

ARTICLE V

Membership Fees

Section 1: Payment of membership fee is required to become a member of the association and membership in the association is required to purchase water from the association. Existing members may purchase water for additional qualifying properties under their existing membership.

(a) Transfers of membership shall be made only upon the books of the association, only to persons eligible to become members, only with the approval of the Board of Directors and only when the member transferring is free from indebtedness to the association.

(b) No member of this association shall be entitled to more than one vote at meetings of the members of the association. Every member upon becoming a member of this association agrees to sign such agreement for the purchase of water from the association as may from time to time be provided and required by the association.

(c) Each member agrees to sign such water user agreement as the association shall from time to time provide and require.

ARTICLE VI

Meetings of Members

Section 1: The annual meeting of the members of this association shall be held at the village of Glide, County of Douglas, State of Oregon, at 6:00PM on the second Tuesday in February of each year, if not a legal holiday, or if a legal holiday, on the next business day following.

Section 2: Special meetings of the association may be called at any time by the secretary upon request of the Board of Directors or upon the filing of a petition with the secretary, which is signed by at least 10 percent of the members of the association. The purpose of every special meeting shall be stated in the notice thereof and no business shall be transacted thereat except such as specified in the notice.

Section 3: Notice of all meetings of members of the association shall be given by a notice mailed to each member of record, directed to the address shown upon the books of the association, at least 10 days prior to the meeting. Such a notice shall state the nature, time, place and purpose of the meeting.

Section 4: Members present at any meeting of the members shall constitute a quorum at any meeting of the association for the transaction of business. The voting powers of the members of this association shall be equal, each member shall have one vote only, and no voting by proxy shall be allowed.

Section 5: Directors of this association shall be elected at the annual meeting of the membership.

Section 6: The order of business at the regular meetings and to the extent practical at all other meetings shall be:

1. Call to order and proof of quorum.
2. Proof of notice of meeting.
3. Reading and action on any unapproved minutes.
4. Reports of officers and committees.
5. Election of directors.
6. Unfinished business.
7. New business
8. Adjournment.

ARTICLE VII
Directors and Officers

Section 1: The Board of Directors of this association shall consist of a minimum of five members, all of whom shall be members of the association. At the first meeting of the members, the members shall elect five directors who shall serve until the next regular meeting of the members at which time the members shall elect three directors for a term of two years and two directors for a term of one year. Thereafter each director shall be elected for a term of two years. Each director shall hold office until his/her successor has been elected and qualified and entered upon the discharge of his/her duties.

Section 2: The Board of Directors shall meet within ten days after the annual election of directors and shall elect by ballot a president and vice-president from among themselves and appoint a secretary/treasurer each of who shall hold office until the next annual meeting and until the election and qualification of his/her successor unless sooner removed by death, resignation or for cause.

Section 3: If the office of any director becomes vacant by reason of death, resignation, disqualification or otherwise, except by removal of office, a majority of the remaining directors, though less than a quorum, shall, by a majority vote, choose a successor who will hold office for the unexpired term of the director whose place he/she fills. The disqualification of a director as a member of the association shall operate to disqualify him/her as a director and to create a vacancy in the office of directors.

Section 4: A majority of the Board of Directors shall constitute a quorum at any meeting of the board.

Section 5: Compensation of officers may be fixed at any regular or special meeting of the members of the association. Directors shall receive no compensation for their services as such.

Section 6: Any member bringing charges against an officer or director shall file them in writing with the secretary of the association; and the secretary shall immediately notify the officer or director of the charges filed against him/her. The officer or director may then file with the secretary a statement giving concisely his/her defense against the charges made. The board of directors shall take the matter up at its next meeting and take such actions as it deems for the good of the association. If the charges are accompanied by a petition requesting the removal of the officer or director, signed by ten percent of the members, and are filed with the secretary at least 14 days prior to any general or special meeting, the secretary shall prepare and mail to each member a notice calling for the removal of the officer or director. Accompanying the notice of meeting, the secretary shall enclose a statement giving the charges against the officer or director, the secretary shall enclose with this statement a copy of the written defense as filed. By a vote of the majority of the membership present the association may remove the officer or director and fill the vacancy.

ARTICLE VIII
Duties of Directors

Section 1: The board of directors, subject to restrictions of law, the articles of incorporation, or these by-laws, shall exercise all of the powers of the association and without prejudice to or limitations upon their general powers, it is hereby expressly provided that the board of directors shall have and are hereby given full power and authority (to be exercised by resolution adopted by a majority vote of all members) in respect to the matters and as herein after set forth:

A) To pass upon the qualifications of members

B) To select and appoint all officers, agents, or employees of the association for just cause, prescribe such duties and designate such powers as may not be inconsistent with these bylaws, fix their compensation and pay for faithful services.

C) To borrow from any sources money, goods or services, and to make and issue notes and other negotiable and transferable instruments, mortgages, deeds of trust and trust agreements, and do every act and thing necessary to effectuate the same.

D) To prescribe, adopts and amend, from time to time, such equitable uniform rules and regulations as, in their discretion, may be deemed essential or convenient for the conduct of the business and affairs of the association and the guidance and control of its officers and employees, and to prescribe adequate penalties for the breach thereof

E) To order an audit review every year and once every five-years conduct a full audit of the books and accounts of the association by a competent public auditor. The association will endeavor to use the same auditor for as long as the auditor is willing to provide this service. If any suspicious or out of ordinary activity is discovered during an audit review, then a full audit shall be requested and immediately conducted. The report prepared by the auditor shall be submitted to the members of the association at the annual meeting.

F) To fix the charges to be paid by each member for services rendered by the association to him/her, the time of payment and the manner of collection.

G) to require all officers, agents and employees charged with responsibility for the custody of any of the funds of the association to give adequate bonds, the cost of thereof to be paid by the association, and it shall be mandatory upon the directors to so require.

H) To select one or more banks to act as depositories of the funds of the association and to determine the manner of receiving, depositing and dispersing the fund of the association and the form of checks and the person or persons by whom the same shall be signed, with the power to change such banks and the person or persons signing such checks and the form thereof at will.

ARTICLE IX

Duties of the Officers

Section 1: Duties of the president. The president shall preside over all meetings of the association and the board of directors, call special meetings of the board of directors, perform all acts and duties usually performed by an executive and presiding officer of the association as he may be authorized or directed to sign by the board of directors, provided the board of directors say authorizes any person to sign any or all checks or other instruments in writing on behalf of the association. The president shall perform other such duties as may be prescribed by the board of directors.

Section 2: Duties of the vice-president. In the absence or the disability of the president, the vice-president shall perform the duties of the president, provided however, that in the case of death, resignation or disability of the president, the board of directors may declare the office vacant and elect his/her successor. Section 3: Duties of the secretary-treasurer. The secretary-treasurer shall keep a complete record of all meetings of the association and of the board of directors and shall have general charge and supervision of the books and records of the association. He shall sign all papers pertaining to the association as he/she may be authorized or directed to do so by the board of directors. He/she shall serve all notices required by law and by these by-laws and shall make a full report of all matters and business pertaining to his/her office to the members at the annual meeting. He/she shall keep the corporate seal, records of the association and affix said corporate seal to all papers requiring a seal. He/she shall keep a proper membership record, showing the name of each member of the association and date and cost of issuance, surrender, cancellation or forfeiture. He shall make all reports required of him/her by the association or board of directors. Upon the election or appointment of his/her successor, the secretary-treasurer shall turn over to him/her all books and other property belonging to the association that he/she may have in his/her possession. He shall also perform such duties with respect to the finances of the association as may be prescribed by the board of directors.

ARTICLE X
Benefits and Duties of Members

Section 1: The association will install, maintain and operate lines from the main distribution pipeline, at which points, designated as delivery points, meters to be purchased, installed, owned and maintained by the association and shall be placed. The association will also purchase and install a cut-off valve to be owned and maintained by the association and to be installed on some portion of the service line owned by the association. The association shall have the sole and exclusive right to use such cut-off valve and to turn it off and on.

Section 2: If a member shall desire more than one service, the member shall be required to pay an additional fee equal to the service connection charge then in effect for the size of service meter for each service line in excess of one. No new service line or change in an existing service line may be made which will interfere with an existing service line or the delivery of water therein. Each service line shall connect with the association's water system at the nearest available place to the location of desired use by the member if the association's water system shall be of sufficient capacity to permit the delivery of water through a service line at that place without interfering with the delivery of water through a prior service line. If the association's water system shall be inadequate to permit the delivery of water through a service line installed at such place without interfering with the delivery of water through a prior service line, then such service line shall be installed at such place as designated by the association. Each member will be required to dig or have dug a ditch for the connection of the service line or lines from the property line of the member to his/her dwelling or other portion of his/her premises and will also be required to purchase and install the portion of the service line or lines from his/her property line to the place of use on his premises and to maintain such portion of such service line or lines which shall be owned by the member at his/her own expense.

Section 3: Each member shall be entitled to purchase from the association, pursuant to such agreement as may from time to time be provided and required by the association, such water for domestic, livestock and garden purposes as a member may desire, subject however, to the provisions of these by-laws and to such rules and regulations as may be prescribed by the board of directors. Each member shall be entitled to have delivered to him/her through a single service line only such water as may be deemed necessary to supply the needs of the persons residing in a single dwelling and of the livestock owned by such persons and to irrigate a garden not to exceed ½ acre. The water delivered to each service shall be metered and the charges for such water shall be determined separately, irrespective of the number of services owned by the member.

Section 4: In the event the total water supply shall be insufficient to meet all the needs of the members or in the event there is a shortage of water, the association may prorate the water available among the various member on such basis as is deemed equitable by the board of directors, and may also prescribe a schedule of hours covering use of water for garden purposes by particular members and require adherence thereto, or prohibit the use of water for garden purpose; provided that if at any time the total water supply shall be insufficient to meet all the needs of all the members for domestic, livestock and garden purposes, the association must first satisfy all needs of all members for domestic purposes before supplying any water for livestock purposes and must satisfy all of the needs of all the members for both domestic and livestock purposes before supplying any water for garden purposes.

Section 5: The board of directors shall, prior to the beginning of each fiscal year, determine the service connection charge and membership fee and the flat minimum monthly rate to be charged each member during the following fiscal year for a specified quantity of water, such flat minimum monthly rate to be payable irrespective of whether any water is used by a member during any month, and the amount of addition water which may be supplied to members , shall fix the date for the payment of such charges and shall notify each member of the amount of such charges and the dates

for payment thereof. A member entitled to the delivery of water shall pay such charges at the office of the association on or prior to the dates fixed by the board of directors. The failure to pay water charges duly imposed shall result in the automatic imposition of the following penalties: A) Non-payment for thirty days after due: The water may be cut-off from the delinquent member's property. B) Non-payment for sixty days: Membership in this association may be terminated.

Section 6: The board of directors shall be authorized to require each member to enter into water user's agreements which shall embody the principles set forth in the foregoing sections of this article.

ARTICLE XI

Non-Profit Corporation

Section 1: The association shall always be operated on a cooperative non-profit basis for the mutual benefits of its members.

Section 2: The members of the association by dealing with the association acknowledge that the terms and provisions of the Articles of Incorporation and the by-laws shall constitute and be a contract between the association and each member, and both the association and the members are bound by such contract as fully as though each member had individually signed a separate instrument containing such terms and provisions. Each member of the association shall be furnished a copy of these by-laws if desired.

ARTICLE XII

Dissolution/Liquidation

Section 1: Members have the right to receive service substantially at cost, to receive a return of any excess payments over losses and expenses and to share in any assets upon dissolution. Any excess income not retained in reasonable reserves for future losses and expenses, belongs to the members in proportion to their patronage or business done with the organization.

Section 2: Records shall be kept as are necessary to determine at any time each member's rights and interests in the assets of the organization.

Section 3: A former member's rights and interests will not be forfeited upon withdrawal or termination of membership.

Section 4: Upon dissolution, the assets of the organization, after the payments of all debts and obligations, will be distributed to all members and former members in proportion to their business done with the organization, in so far as practicable.

ARTICLE XIII

Amendments

Section 1: These by-laws may repealed or amended by a vote of a majority of the members present at any regular meeting of the association, or at any special meeting of the association called for that purpose, except that 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, or to waive any requirement of bond or other provision for the safety and security of the property and funds of the association or its members, or to deprive any member of rights and privileges, then existing, or so to amend the bylaws as to effect a fundamental change in the policies of the association. Notice of an amendment to be made at a special meeting of the members must be given at least ten (10) days before such meeting and must set forth the amendments to be considered.

Revision History: Date of Revision, Changes Made, and Approval

March 8, 2022: Change made to paragraph E of Section VIII (Duties of Directors). Due to increasing costs of conducting a Full Audit, the Association, based on the recommendation of the current Auditor (Umpqua Valley Financial), has changed from a full Audit every year to a Full Audit every five years and an Audit Review on other years. Approved by a vote of the Association Members at the Annual Membership Meeting held on February 8, 2022.

February 11, 2020: A committee of Association Members updated the By-Laws to better fit current operations and to improve readability. Article III describing the Association Seal was removed. Article VI "Membership Share" was removed as Shares had not existed for many years. Approved by a vote of the Association Members at the Annual Membership Meeting held on February 11, 2020.

December 1987: Previous Revision