

West Rim Mutual Domestic Water Users Association

By-Laws

2017

**A Non-Profit Association Formed under
the Sanitary Projects Act**

Serving Western Taos County New Mexico

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Article I

Corporate Name, Objects, Purposes, Mission, Principle Place of Business, Terms

Section 1. Name. The corporate name, the objects and purposes of this Association shall be as stated and provided in the Articles of Incorporation of the Association. The West Rim MDWUA is a non-profit corporation under the NM Sanitary Projects Act [3-29-1 to 3-29-20 NMSA 1978].

Section 2. Mission: The mission of the West Rim MDWUA is to develop, facilitate legal availability of and safeguard high quality potable water that meets New Mexico drinking water standards for local citizens and communities. We aspire to provide safe, affordable, and consistent rural domestic water to those in need of water within the boundaries of our service area while engendering these principals:

- Mutual Respect, trust and cooperation among all Members in recognition of our oneness in the need for water, a fundamental shared resource;
- Participatory democratic process in decision making, seeking consensus among Membership whenever possible, and with openness and honesty in Board leadership, governance, regulation and policy;
- Inclusive representation of the area's social, cultural, economic geographical and ethnic diversity;
- Commitment to preserving, restoring, sustaining natural, cultural and human resources of the area; including historic use of the Rio Grande Spring, aka Klauer Spring;
- Commitment to sustainable water usage in keeping with environmental and ecological health and biodiversity of the area;
- Commitment to water conservation, protection of water sources, and open forums for discussion;
- Complementing rather than competing with existing water Associations and grassroots citizen groups; sharing information, resources, and ideas on sustainable water use practices; facilitation, as possible, of availability of clean water for all, and to both environmental and human justice.

Section 3. Address

The Association may have offices, within the service area, as the Board of Directors may designate or as the business of the Association may require from time to time.

Mailing Address is: PO Box 601, El Prado, NM 87529

The registered office of the Association required by the Sanitary Projects Act to be maintained in New Mexico may be, but need not be, identical with the principal office if in New Mexico, and the address of the registered office may be changed from time to time as provided by law.

Section 4. Other

Acknowledging the physical and geographical reality of the Association and its remote rural setting, all references to "drinking water service" herewith in these By-Laws do not refer to piped water to homes, but refers to "availability of water" that may be accessed and hauled.

Section 5. Conflict

If there is, at any time, conflict between the provisions of these By-Laws and the Articles of Incorporation, the provision of the Articles shall govern. Should any of the provisions or portion of the By-Laws be held unenforceable or invalid for any reason, the remaining provisions shall be unaffected by such holding.

Article II

Seal

The Seal of this Association shall be in the form of a circle and shall have inscribed in it the name of the Association in a circular fashion and the words "Non-Profit Association" in the center of the circle. The Secretary of the Association shall have custody of the seal.

Article III

Fiscal Year

The fiscal year of the Association shall begin on the first day of July in each year.

Article IV

Association Boundaries and Membership

Section 1. The GEOGRAPHICAL AREA

The geographical area is defined as follows: the line described by Latitude 36 46'45" north defines the northern boundary of the Association service area. It is bounded on the west by the shared County Line separating western Taos County from the northeastern section of Rio Arriba County. The boundary then follows the shared County Line between Rio Arriba County and Taos County until this line intersects the Rio Grande. This describes the southern boundary. The Rio Grande (from its described Latitude of 36 46'45" north) defines the eastern boundary. To accommodate Members in the Pilar community, the Association service area also includes an area on the eastern rim of the Rio Grande. This area is defined on the south by a straight line drawn from the point of intersection of the shared County Line of Rio Arriba and Taos Counties with the Rio Grande to the point described by the northwest corner of the Picuris Indian Reservation. The Boundary then follows the northern border of the Picuris Indian Reservation to its northeast corner. From the point described by the northeastern corner of the Picuris Indian Reservation, a straight line proceeding to the intersection of the Rio Grande and the Rio Pueblo describes the eastern boundary of this additional area.

Section 2. Membership Qualifications

- A. **Homeowners who are property owners within the landed limits described above and reasonably accessible to the West Rim Mutual Domestic Water User's Association (WRMDWUA) water system and in need of water for domestic purposes may become a Member of the WRMDWUA by filing a Water User's Agreement with the Association; which is a written agreement for each water service, payment of a Membership fee, payment of assessed monthly water usage fee at times and rates that shall from time to time be fixed by the Board of Directors, provided, however, that water service boundaries from Ojo Caliente and Tres Piedras Water Associations within the boundary are respected.**
- B. **In the case of a Membership where there is more than one individual property owner, each Membership shall designate in writing a single individual to act as their official representative, who shall be entitled to one (1) vote for the membership. Such designation may include alternate designated Members who may replace the initial designated Member. All actions taken by the designated member or the replacement shall be binding on all other property owners.**

- C. Provided, however, that Membership may be denied if the physical infrastructure or legal capacity—such as water rights, funding or financial capacity of the Association is inadequate to supply the needs of its existing Members or if it shall cause a financial hardship to its existing Members. In the event of a shortage of water, the Association shall take appropriate measures to provide water to meet the needs of the existing Association Members before consideration of new Membership applications.

Section 3. Additional Drinking Water Service & New Membership Applications

- A. All approved Members shall be eligible to purchase additional services upon written application to the Association. However, each Member shall be limited to one vote in all matters before the Membership which require Membership approval. A written Water User's Agreement, in a form approved by the Board of Directors, shall be executed by the Member for each additional drinking water service being requested and by the President of the Board of Directors. A Water Users Agreement shall not be approved until the Board has determined that capacity exists to add such drinking water service and payment of all required fees and related costs have been made to the Association.
- B. New application for Membership for drinking water services shall be considered by the Board, provided that the Association has (1) adequate infrastructure capacity, (2) meets the current needs of its Members, (3) has considered the revenue requirements of all Members, (4) has considered water rights permits, (5) verifies that the applicant complies with the Association Articles of Incorporation, By-Laws and Rules and Regulations.
- C. The Association shall not grant Memberships to commercial entities but it may grant them a special use permit in accordance with article VIII, section 1 of these bylaws. The association can sell or donate water to fire departments.

Section 4. Membership Application Approval

- A. All applications for Membership or transfer of Membership shall be approved by the Board of Directors. Membership application shall only be approved after the applicant has agreed to pay the minimum monthly service fee.
- B. Membership shall not be denied because of the applicant's race, creed, color, national origin or sex.

Section 5. Rights Privileges and Obligations of Members

The rights, privileges and obligations of all members of this Association shall be equal. Individual Members shall not have any legal interest or ownership in the assets of the Association, which may include land, water supplies, wells, diversion structures, well house, pumping equipment, water storage tanks, system meters, and all water system distribution lines up to the Member's property line. The Member shall be responsible for maintaining all water lines within the Member's property from the point of the tap into the Association main supply line, plumbing fixtures on the Member's property and shall promptly repair all water leaks or damaged pipes in accordance with the Rules and Regulations of the Association.

Section 6. Voting

A. Each Member shall be entitled to one vote on each matter submitted to vote at a meeting of the Members, regardless of how many memberships they own. Should a married couple or persons living in partnership own more than one qualifying membership with each designated as the voting member on one, they shall then have one vote per membership owned, not to exceed one vote per person. The second membership must be listed on a separate property with a separate deed. No Member shall be permitted to vote in any election unless their Membership has been approved by the Association Board of Directors for at least thirty (30) days prior to any election.

B. Voting shall only be in person at the public meetings designated for elections of Directors or for other questions submitted to the Members for a vote. Quorum shall be determined as set out in Article V, Section 5. Voting by written permission (proxy) shall be permitted. Proxy votes do not constitute part of the quorum. A proxy form shall be provided by the Association. Voting by mail shall not be permitted.

C. All elections and voting shall be conducted as stipulated in the Rules and Regulations.

Section 7. Form of Certificate

The Board of Directors shall determine the form of Membership Certificate. The Association may issue a new Membership Certificate in the place of any certificate previously issued if the Member named in the Certificate (a) makes proof in affidavit form that it has been lost, destroyed or stolen; and (b) satisfied any other reasonable requirements imposed by the Association. The original Membership Certificate issued to each Member must be retained in the Association Membership Record. A copy with the Association Seal will be provided to the Member.

Section 8. Membership Book Record

As part of the records of the Association, there shall be kept an official Membership Book which shall contain a list of the Certificates of Membership which have been issued, noting the number of the Certificate, the date when the Board acted on it, the number of drinking water services and the name(s), physical address of the Member(s), mailing address of the Member(s), if different; to whom issued, and a Board Member's signature.

Section 9. Transfer and Purchase of Membership

- A. Membership may be transferred to another property owner, but not to another property, provided that any required transfer fee has been paid to the Association and the transferee shall be eligible for Membership and shall be approved by the Board of Directors. Any indebtedness to the Association shall be paid in full before the transfer is processed and noted on the books of the Association. A transfer of Membership or alternate designation of a Member for a property with more than one owner shall only be approved upon receipt of a written request or a demonstration of property conveyance by appropriate instrument filed in the Taos County Clerk's office. Upon approval of such transfer, a new Membership certificate shall be issued and the prior Membership Certificate shall be terminated and void for all future uses and purposes of the Association.
- B. The Directors may buy back an existing Membership on behalf of the Association in accordance with the Rules and Regulations of the Association. In the event of the repurchase of a Membership by the Association, the proceeds shall first be applied to the payment of any indebtedness due to the Association by the Member.

Section 10. Terminating Membership

The Board of Directors shall have the authority to terminate the Membership of any Member in the event of non-payment of any water charges or assessments owing by such Member.

- A. Any property owner whose Membership has been terminated may be eligible to apply for a new Membership under Article IV, Section 1 upon payment of all previously owed monies.
- B. The Board shall not terminate any Membership until after a written notice of the delinquency has been sent to the Member by mail. The Member shall have the opportunity to pay the account in full, and if the Member shall refuse to comply, then the Board of Directors shall terminate the Membership.

Any Member may voluntarily relinquish their Membership upon compliance with the Rules and Regulations prescribed by the Board of Directors for such an action.

- C. The Secretary of the Association shall issue a written notification of the termination or voluntary relinquishment of any Member. Termination of Membership in any manner shall not release the Member or the Member's estate or successors from any debts due to the Association, which must be paid in full.

Article V

Meetings of Members

Section 1. Purpose of Annual Membership Meeting

The purpose of the annual meeting is to elect Directors, if applicable, provide reports to the Members regarding changes to and the condition of the water system, and to transact such other matters as may properly come before the Members. Failure to hold the annual meeting at the designated time shall not work as forfeiture or dissolution of the Association.

Section 2 Date and Time of Annual Membership Meeting

The meeting of the Members of this Association shall be held at the times and places designated by the Board of Directors, but at least annually in or near the unincorporated communities of the West Rim MDWUA service area, County of Taos, State of New Mexico, on or about the **first Sunday in August at about 2:00 PM.** In the event that such meeting cannot be held on this day, the meeting shall be rescheduled within thirty (30) days of the date specified above.

Section 3. Calling for a Special Meeting

Special meetings of the Members of the Association may be called at any time by the President upon a resolution of the Board of Directors, or upon a written request signed by any two Directors, or upon a written petition to the President of the Board, signed by 10% of the Members, The purpose of every special meeting shall be stated in the notice thereof, and no business shall be transacted thereat, except such as is specified in the notice.

Section 4. Notice of Meetings

Notice of all meetings shall be posted per the Open Meetings Act. Failure of any Member to receive notice of an annual or special meeting shall not invalidate any action that may be taken by the Members at such meeting.

Section 5. Quorum

Ten percent (7%) of Members present in person of the Association shall constitute a quorum at any meeting of the Membership. If a quorum is present, unless otherwise provided by law, the affirmative vote of a majority of the Members at the meeting entitled to vote on the subject matter shall be the act of the Members. After a quorum has been established at a Member's meeting, the subsequent withdrawal of Members, so as to reduce the number of Members entitled to vote at the meeting below the number required for a quorum, shall not effect the validity of any action taken at the meeting or the adjournment thereof.

If less than a quorum is present at any meeting, those present may adjourn the meeting. Provided that the proper notice is given to all Members of the Association, another meeting shall be held within thirty (30) days. At the rescheduled meeting, the Members present shall constitute a quorum for the transaction of business.

Section 6. Meeting Agenda

The order of business at the Annual Membership meeting and, as far as possible, at other association meetings should be:

1. Call to order and proof of quorum
2. Proof of notice of meeting
3. Approval of agenda
4. Reading and approval of any minutes
5. Reports of officers and committees
6. Election of Directors
7. Unfinished (old) business
8. New Business
9. Other
10. Adjournment

Section 7. Extraordinary Matters

Notwithstanding the provisions of this Article, the following actions shall require the affirmative vote or concurrence of thirty (30%) of all the Members of the Association:

- A. authorizing the sale, lease exchange or other disposition of all or substantially all of the property and assets of the Association, not in the usual and regular course of business;
- B. approving a plan of merger, consolidation, or exchange that is required to be approved by the Members;
- C. adopting a resolution submitted by the Board of Directors to dissolve the Association;
- D. adopting a resolution submitted by the Board of Directors to revoke voluntary dissolution proceedings.

Section 8. Weapons, Alcohol and Illegal Drugs

No Member or guest shall bring any weapon into a board meeting or members meeting. Likewise, no alcohol or illegal drugs may be brought into any meeting.

Article VI

Directors of the Association

Section 1. Function of the Board of Directors

A board of five (5) Directors shall manage the business affairs of this Association. The powers and responsibilities of such Board shall include those conferred or reserved to the Members by law, the Articles of Incorporation or these By-Laws. The Board has the following responsibilities:

1. Providing of leadership, dissemination of information and protection of participatory democracy, equality, and justice in the affairs of the Association, which shall be based on the Modern Edition of Roberts Rules of Order;
2. Selection of and delegation of authority to officers necessary for the management of the Association's business;

3. **Establishing policies for guidance of the management of the Association. Make and adopt such rules and Regulations, not inconsistent with the law, the Articles of Incorporation and these By- Laws as it may deem advisable for the management, administration, and regulation of the business and affairs of the Association.**
4. **Control of expenditures by authorizing budgets;**
5. **Keeping Members fully informed of business of the Association;**
6. **Causing audits to be made from time to time as is necessary or required by Federal and State Laws;**
7. **Causing audits to be made from time to time as is necessary or required by Federal and State Laws;**
8. **Studying the requirements of the Members and promoting equitable Membership Regulations;**
9. **Studying of environmental conditions and determination of policies prescribing sensible use of the water and environmental sustainability;**
10. **Prescribing the form of Membership Certificates;**
11. **Establishing water charges, penalties, fees and the levying of assessments and the enforcement and collection thereof, in accordance with the provisions of these By-Laws, equitable uniform Rules and Regulations and the Laws of the State of New Mexico.**

Section 2. Election and Term of Board Members

- A. The business and affairs of this Association shall be conducted and managed by a Board of Directors, consisting of five members, all of whom shall be Members of this Association. In Accordance with the Sanitary Projects Act, the Members of the Board of Directors shall be elected on a biennially (every two years) for staggered terms of four years each. The purpose of the election every two years is to provide a system of staggered four year terms, so that three Directors will be elected one year and two years later, the other two shall be elected.
- B. The Board of Directors shall be elected by the general Membership represented at an Annual Members Meeting where a quorum is present. Each Director shall act in accordance with and in good faith towards the Association population and shall work in harmony for the good of the entire Association.
- C. The start of a director's term shall start upon that director's election. Time served as an appointed pro-tem director shall not count as part of a directors elected term.

Section 3. Election of Officers

The Board of Directors shall meet within thirty days after the holding of the election and shall elect from among themselves a President, Vice President, Secretary, and Treasurer from among themselves, each of whom shall hold office through the next annual membership meeting and until election and qualification of his or her successor unless removed by death, resignation or other cause. The remaining director shall be designated the director at large.

Section 4. Compensation of Directors

The Members of the Board of Directors shall receive no compensation for their services as directors. However, training and related expenses that would enable a Board Member to perform more effectively on behalf of the Association shall be eligible for reimbursement. Reasonable expenses incurred on behalf of the Association, with the approval of a quorum of the Board, shall be eligible for reimbursement.

Section 5. Meetings of the Board of Directors

The Board shall hold meetings at such regular intervals as stated by the Association's Rules and Regulations and Open Meetings Act Resolution. All meetings of the Board are open to the Membership and general public as required by the Open Meetings Act of 1978. A majority of the Board at any meeting shall constitute a quorum for the purpose of conducting business and no business may be conducted in the absence of a quorum.

Special or emergency meetings of the Board of Directors may be called by the President or by any two (2) Directors, who shall fix the time and place for the holding of the meeting. The Open Meetings Act resolution shall govern the required timing, content and location of the requisite notice.

Section 6. Powers of the Board

The Board of Directors shall have the general power to act for the Association in any matter not prohibited by Statute or the Articles of Incorporation. If the Association shall at any time, borrow or receive by way of Grant and property of the United States and the State of New Mexico, through and of its agencies, the Board of Directors shall pursue such management methods, including accountings and audits, as such agency may prescribe.

Section 7. Vacancies

If the office of any Board Member becomes vacant by reason of death, resignation, retirement disqualification or otherwise except by removal from office by the Membership, the remaining directors, may, by a majority vote, appoint a board member pro-tem who may serve until the next annual members meeting at which time an election will be held for the vacated position and the elected board member will fill out the term of the vacated position. If there is more than one qualified candidate who present themselves to the board, the board may, at its discretion, call a special members meeting to elect a board member to fill the vacant position and the new board member will fill out the full term of the vacant position. In the case of multiple board vacancies where the quorum of the board is destroyed, the remaining board members may appoint board members pro-tem for a period of up to 120 days but must call a special members meeting within that period to elect a new board.

Section 8. Removal of Member of the Board of Directors

- A. Any Director or officer of the Board may be removed from office for cause, shown by a vote of not less than 2/3 (two thirds) of the Membership of the Association present at any annual meeting or at any special meeting called for that purpose, provided that a majority

of Members (51%) of the total Membership is present. A Director or officer shall be considered for removal under this section upon filing of a petition by a majority (51%) of the total Members of the Association. The Director shall be informed in writing of the charges against him or her at least ten (10) days before such meeting. The Director or officer may appear in person or by counsel, and present witnesses on his or her behalf. Employees or agents, other than Directors and officers, may be removed at any time by action of the Board of Directors. A vacancy(s) caused by the Membership by the removal from the office of a Director(s) must be filled by the Membership at the same meeting when the removal happened. Such meeting shall be advertised as removal and election of Board Members

Section B. Self Removal of Members of the Board of Directors

Any Member of the Board of Directors who fails to attend as many as three regularly scheduled consecutive meeting of the Board of Directors in a one year period and without prior notification and cause shall be deemed to have resigned from the Board.

Article VII

Duties of Board Members and Officers

Section 1. Duties of the President

The president shall preside over all meetings of the Association and the Board of Directors, shall call special meetings of the Board of Directors and perform all acts and duties usually performed by an executive and presiding officer. The President shall sign all Membership Certificates, notes, bonds, mortgages, contracts, and other instruments on behalf of the Association. The President shall be an ex-officio Member of all standing committees (can attend committee meetings, discuss issues, and vote) and shall have such powers and shall perform such other duties as may be properly required of the President by the Board of Directors. Upon the election of a successor, the former President shall turnover to the new President all books and other property belonging to the Association that he or she may have in his or her possession.

Section 2. Duties of the Vice President

The Vice President, in the absence or short term disability of the President, shall perform the duties of the President. However, in case of death, resignation, long term disability, or removal of the President, the Board of Directors may declare the office vacant and elect a successor to fill the

unexpired portion of the president's term. Upon the election of a new Vice President, the former Vice President shall turn over to the new Vice President all books and other property belonging to the Association that he or she may have in his or her possession.

Section 3. Duties of the Secretary

The Secretary, unless otherwise directed by the Board of Directors, shall:

- A. keep a complete record of all meetings of the Association and of the Board of Directors;
- B. attest the President's signature on all Membership Certificates and other papers pertaining to the Association;
- C. keep the corporate seal, complete and attest all certificates issued and affix said seal to all papers requiring seal;
- D. keep a proper Membership certificate record, showing the names of each Member of the Association and date of issuance, surrender transfer, termination, cancellation or forfeiture;
- E. prepare, serve and mail or deliver all notices required by law and these By-laws;
- F. make a full report of all matters and business pertaining to the Secretaries office at the annual meeting, or at such other time or times as the Board of directors may require.
- G. In the absence of the Secretary, a temporary secretary shall be selected for the time of the absence. Upon the election of a successor, the former Secretary shall turnover to the new Secretary all books and other property belonging to the Association that he or she may have in his or her possession.

Section 4. Duties of the Treasurer

The Treasurer shall be covered in the performance of his or her duties by a surety bond in the amount to be determined by the Board of Directors. The premium for such bond shall be paid by the Association. Unless otherwise directed by the Board of Directors, the Treasurer shall:

- A. have general charge and supervision of the financial books and records of the Association;
- B. shall maintain a record of the indebtedness of the Association and to the Association;
- C. shall maintain a record of the payments made and the current condition of all accounts;

- D. make a full report of all matters and business pertaining to the Treasurer's office to the Members at the annual meeting, or at such other time or times as the Board of Directors may require;
- E. collect all assessments and monies due the Association and deposit same in depository designated by the Board of Directors
- F. disburse funds or assure that disbursement is conducted under the Treasurers direct guidance and oversight, keep the Association current of all compliance reports and accounts payable, and shall make a report on the on the business of the association transacted by the Treasurer on a monthly basis or as requested.
- G. Upon the election of a successor, the former Treasurer shall turnover to the new Treasurer all books and other property belonging to the Association that he or she may have in his or her possession.

Section 5. Duties of the Member At Large

The Member at Large shall respond to assignments delegated by the President of the Board of Directors. The Member at Large may be requested to substitute at a meeting of the Board of Directors in any of the regular offices of the Association and to assume co-chairmanship of any committee the Board or the Membership may seek to establish. Upon election of a successor, he or she shall relinquish any and all property of the Association. However, he or she retains any and all co-chairmanships of committees which may have been assigned and which have not been terminated by completion of their work or by other action of the Board.

Section 6. Guardian and Custodian of the Records

The Guardian and Custodian shall be the Secretary of the Board of Directors. The Guardian's function is to make certain the records of the Association are maintained according to the requirements of law and the Rules and Regulations of the Association and made available upon receipt of a written request from any voting Member in compliance with the Inspection of Public Records Act of 1978 and other applicable State Laws. A written request shall provide the name, address and telephone number of the person seeking access to the records and shall identify the records sought with reasonable particularity. The Association reserves the right to charge for copying the documents requested.

Section 7. Other Employees or Agents

The Board of Directors may hire a manager, certified water operator, meter reader, bookkeeper and other agents, contractors or employees or utilize volunteers, which may be necessary to superintend the water system of the Association and its construction,

maintenance and repair. Such Agents, contractors or employees or volunteers may be authorized by the Board of Directors under its direction and pursuant to its Rules and Regulations to provide for the delivery of water service to the Members of the Association. Such agents or employees shall be paid by compensation for the performance of their duties in an amount determined by the Board of Directors and paid by the Members of the Association. Employees and agents or volunteers may be removed at any time by action of the Board of Directors.

Section 8. Performance Bond

Officers and or contractors and employees or volunteers of the Association who have authority to sign financial documents and funds of the Association shall be covered by a surety bond, in an amount to be determined by the Board of Directors. The Association shall pay the premium(s) for these bonds.

Article VIII

Water Charges, Assessments and Distribution of Drinking Water Services

Section 1. Providing Drinking Water Services

Drinking water services shall be provided to Members of the Association first. Residents in the service area shall pay a fee to become members. Should the Board determine that, after the projected use by existing members, and the potential use of water for fire suppression, there is sufficient water to sell to commercial users within the district to sell agreed upon quantities of bulk water, the board is empowered to consider this and make the sale, if deemed appropriate.

Any such water sales will require a special use permit. Permits shall not exceed twelve months in length, and shall sell for an amount greater than the current membership fee plus a per gallon charge. Any water sold in this manner will be priced at a rate above that for members and is subject to the purchaser transporting the water themselves. The buyer shall assume all liability regarding the quality of the water and its safety for drinking upon leaving the well site. The buyer shall indemnify West Rim MDWUA from all liability for any potential damages.

Section 2. Establishing Rates and Budget

The Board of Directors shall establish a rate schedule to be charged the Members for services provided by the Association. The established rate schedule shall apply to each Service by an approved rate schedule in effect.

The Board of Directors shall review the established rate schedule of charges at least annually, to assure that sufficient income shall be generated for the upcoming year to cover anticipated expenses. This determination shall be based on the previous year's actual expenses and the estimated budget for the coming year. The Board shall make a presentation of the rate structure to the Membership at a Membership Meeting.

Section 3. Assessments

If at any time prior to the end of any fiscal year, it appears, in the judgment of the Board of Directors, that the amount derived, or which shall be derived from the collection of water charges during any fiscal year shall be insufficient to pay, when due, all costs incident to the operation of the Association's system(s) and the payment of all debts of the Association, the Board shall make and levy an assessment against each drinking water service in the Association so that the total amount reasonably expected to be collected from water charges fully pay, when due, all costs of operation, maintenance, replacement and repayments on indebtedness, or other expenses of the year's operation.

Section 4. Establishing Reserve Funds

Although this Association is a non-profit cooperative Association for the mutual benefit of its Members, the Board shall establish rates at a level which provides for not less than ten (10%) percent of annual operating expenses to be placed in a fund to be used for the purpose of meeting contingent and unforeseen expenses of the Association. The Board of Directors shall determine the total amount of such contingency fund and at which amount it shall be maintained.

Section 5. Terminating the Supply of Water Service

The Board of Directors shall have the authority to terminate the delivery of water service to a Member delinquent in their payments and or other causes as stated in the Rules and Regulations of the Association. The Board shall act after a written notice of delinquency has been sent to the delinquent Member or by posting on premises of the service meter or location.

Article IX

Other

Section 1. Inspection of Association Records

Any person who is a voting Member of the Association shall have the right, for any purpose and at any reasonable time, on written request stating the purpose thereof, to examine and request copies from the relevant books and records of accounts, minutes, and records of the Members of the Association subject to review under applicable Federal and State Statutes. But at no time shall any of the records be removed from the associations office or from the control of the guardian of records. Any request for copies shall be made only at the Association business address. The cost of copies shall be a reasonable sum.

Section 2. Non-Liability for Debts of the Association

The private property of the Members of the Board of Directors shall be exempt from execution or other liability for the debts of the Association and no member shall be individually liable or responsible for any debts or liabilities of the Association.

Section 3. Waiver of Notice of all Meetings of the Association Membership or Board

Any Member or Director may waive in writing any notice of a meeting required to be given by these By-laws. The attendance of a Member or Director at any meeting shall constitute a waiver of notice of such meeting by such Member or Director, except in the case where a Member or Director shall attend a meeting for the express purposes of objecting to the transaction of any business because the meeting shall not have been lawfully called or convened.

Section 4. Parliamentary Procedures and Parliamentarian

The Association shall use the *Modern Edition of Roberts Rules of Order* as its guide for all meetings. A Member of the Association may be designated by a majority of Board Members to be a parliamentarian. The duties of the parliamentarian are to become skilled on knowing and practicing Parliamentary Procedures. The parliamentarian must advise the Board and also be accessible to others.

Section 6. Availability of Drinking Water Service

The Association is doing all things necessary to provide drinking water services to its Members. However, the possibility of not finding water, not finding water rights, not being able to afford a drinking water system, or taking several years to provide drinking water services exists.

Section 7. Miscellaneous

This Association is formed to operate on a collaborative basis for the mutual benefit of its Members following the provisions of the Sanitary Projects Act and Federal and State Laws. The Board of Directors of this association shall not be personally liable for implementing (1) By-Laws, Rules and Regulations, and policies of the Association, or (2) implementing Federal and State Law requirements.

Article X
Amendments to the By-Laws

These By-Laws 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, provided a quorum of the Membership is present. Except that so long as any indebtedness is held by or guaranteed by the USDA Rural Utilities Services or other funders, 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 so to amend the By-Laws so as to effect a fundamental change in the policies of the corporation without the prior approval of the USDA Rural Utilities Services in writing.

We the undersigned Members of the Board of Directors of the West Rim MDWUA, an Association existing under the laws of the State of New Mexico, hereby certify that the above is a true and correct copy of our By-Laws, as of this day, the 9th of November 2017 and that these bylaws were duly amended on August 4th, 2013 and August 7th, 2016 at our annual members meeting of those years.

Tom King President

Daniel Jones Vice President

W. J. ... Secretary

Diana Margolin Treasurer

Arnold Mendoc Member at Large

Seal:

