

Revised & Amended

## **BYLAWS**

### **ROOSEVELT WATER ASSOCIATION, INC.**

#### **ARTICLE I**

##### **General Purposes**

The purposes for which this corporation is formed, and the powers which it may exercise are set forth in the articles of incorporation of the corporation.

#### **ARTICLE II**

##### **Name and Location**

**Section 1.** The name of this corporation is the ROOSEVELT WATER ASSOCIATION, INC.

**Section 2.** The principal office of this corporation shall be located in the City of Snohomish, County of Snohomish, State of Washington, but the corporation may maintain offices and places of business at such other places within or outside the State as the Board of Trustees may determine.

#### **ARTICLE III**

##### **Seal**

**Section 1.** The seal of the corporation shall have inscribed thereon the name of the corporation, the year of its organization and the words, "Non-Stock Corporation, Washington".

**Section 2.** The Secretary of the corporation shall have custody of the seal.

**Section 3.** The seal may be used by causing it or a facsimile thereof to be affixed or reproduced.

#### **ARTICLE IV**

##### **Fiscal Year**

The fiscal year of the corporation shall begin the first day of January in each year.

#### **ARTICLE V**

##### **Membership**

**Section 1.** The holders of membership certificates of this corporation are its members. Any bona fide landowner or occupant of a farmstead or rural residence having a reasonable accessibility to the source of, and who are in need of having water supplied for domestic, livestock, garden, industrial, and commercial purposes from the water system constructed, maintained, and operated by the corporation will be admitted to membership upon subscribing for and otherwise acquiring a membership certificate and by signing such agreements for the

purchase of water as may be provided and required by the corporation; provided that no person otherwise eligible shall be admitted to the corporation if the capacity of the corporation's water system is exhausted by the needs of its existing members, unless a proposed new member is purchasing a property presently served by the corporation and when the seller is retaining his membership because of other property or properties he may own that are presently served by the corporation. Charter members are those who held membership certificates of record in the corporation on the date of completion of construction of the initial or primary water system, as determined by the Board of Trustees. New memberships, issued to other than charter members, will require the payment of a fee including service installation charges as determined by the Board of Trustees.

**Section 2.** There shall be three classes of memberships: Users, Members with a hookup and no meter and Members with no hookup. Each member of this corporation, regardless of class of membership, shall be entitled to one vote only at meetings of the members. Any member may own more than one membership certificate, in one or more classes of membership, in this corporation, but such multiple ownership does not give said member any greater interest in the corporation than a member owning one membership certificate.

**Section 3.** Each membership, as represented by a valid membership certificate and the service connection therefore, is to be located at a specific spot, or station, along the water distribution main line. Should the property on which a membership is located be sold or otherwise transferred from a member to any other person or party, the right of membership shall automatically pass to the new owner of the property, and, providing that the transferring member is free from indebtedness to the corporation and that the new owner executes the current form of water users' membership, agreement, the membership shall be transferred on the books of the corporation to the new owner. It will be the responsibility of the new owner to notify Roosevelt Water and give new names, address, phone number and email.

## **ARTICLE VI**

### **Membership Certificates**

**Section 1.** This corporation shall not have capital stock, but its capital shall be represented by membership certificates.

**Section 2.** The membership certificates shall be issued to each holder of a fully paid membership and shall be numbered consecutively, in accordance with the order of issue. Each membership certificate shall bear on its face the following statement:

- a) The membership certificate is issued and accepted in accordance with and subject to the conditions and restrictions stipulated in the articles of incorporation and by-laws and amendments to the same of the ROOSEVELT WATER ASSOCIATION, INC.
- b) Each member of this corporation, regardless of class of membership or the number of memberships owned by said member, is entitled to one vote at meetings of the members. Every member upon becoming a member of this corporation agrees to sign such agreement of the purchase of water from the corporation as may from time to time be provided and required by the corporation.

## **ARTICLE VII**

### **Meetings of Members**

**Section 1.** The annual meeting of the members of this corporation shall be held in the immediate Snohomish-Monroe area, County of Snohomish, State of Washington, at 7:00 o'clock P.M. during the month of February of each year.

**Section 2.** Special meetings of the members may be called at any time by the action of the Board of Trustees and such meetings must be called whenever a petition requesting such meeting is signed by at least ten percent of the members and presented to the Secretary or to the Board of Trustees. 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 3.** Notice of meetings of members of the corporation must be given by a notice mailed to each member of record, directed to the address shown upon the books of the corporation, at least ten days prior to the meeting. Such a notice shall state the nature, time, place, and purpose of the meeting, but no failure or irregularity of notice of any annual meeting, regularly held, shall affect any proceedings taken thereat.

**Section 4.** The members present at any meeting of the members shall constitute a quorum at any meeting of the corporation for the transaction of business. The voting powers of the members of this corporation shall be equal; each member shall have one vote only. At any meeting of the members, a member entitled to vote may vote by proxy and be represented in all regards as if he or she were present in person, provided the proxy is not executed more than 30 days prior to the meeting at which it is used on the form provided by, and available from, the Secretary of the corporation. All executed proxies must be submitted to the corporation's Secretary for validation at least one hour prior to the meeting at which they are to be used.

**Section 5.** Trustees of this corporation shall be elected at the annual meeting of the members.

**Section 6.** The order of business at the regular meetings and so far as possible at all other meetings, shall be:

- a) Calling to order and proof of quorum
- b) Proof of notice of meeting
- c) Reading and action of any unapproved minutes
- d) Reports of officers and committees
- e) Election of trustees
- f) Unfinished business
- g) New business
- h) Adjournment

## **ARTICLE VIII**

### **Trustees and Officers**

**Section 1.** The Board of Trustees of the corporation shall consist of seven members, all of whom must be members of the corporation. Trustees will serve a three year term. The seven members of the Board of Trustees will be set so that one year the members will vote for three trustees, the following year vote for two trustees and then the year after that vote for two trustees. At the 2014 annual meeting members will vote for 3 Trustees to serve three years, 2 Trustees to serve 2 years and 2 trustees to serve 1 year.

**Section 2.** The Board of Trustees shall meet within fourteen days after the annual meeting and shall elect by ballot a president and vice-president and treasurer from among themselves. Also at this meeting the position of Secretary/Manger will be discussed and voted for rehire. Each of whom shall hold office until the next annual

meeting until the election and qualification of his successor unless sooner removed by death, resignation or for cause.

**Section 3.** If the office of any trustees becomes vacant by reason of death, resignation, retirement, disqualification or otherwise, except by removal from office, a majority of the remaining trustees, though no less than a quorum, shall, by a majority vote, choose a successor who shall hold office until the next regular meeting of the members of the corporation, at which time the members shall elect a trustee for the unexpired term or terms, provided that in the call of such regular meeting a notice of such election shall be given.

**Section 4.** A majority of the Board of Trustees 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 corporation. Trustees shall receive no compensation for their services as such.

**Section 6.** Officers and trustees may be removed from office in the following manner: Any member, officer, or trustee may present charges against a trustee or officer by filing such charges in writing with the secretary of the corporation. If presented by a member, the charges must be accompanied by a petition signed by ten percent of the members of the corporation. Such removal shall be voted on at the next regular or special meeting of the members and shall be effective if approved by a vote of the majority of the members. The trustee or officer against whom such charges have been presented shall be informed, in writing, of such charges five days prior to the meeting, and shall have the opportunity at such meeting to be heard in person or by counsel and to present witnesses; and the person or persons presenting such charges against him shall have the same opportunity. If the removal of a trustee is approved, such action shall also vacate any other office held by the removed trustee in the corporation. A vacancy in the Board thus created shall immediately be filled by a vote of a majority of the members present and voting at such meeting. A vacancy in any office thus created, shall be filled by the trustees from among their number so constituted after the vacancy in the Board has been filled.

## **ARTICLE IX**

### **Duties of Trustees**

**Section 1.** The Board of Trustees, subject to restriction of law, the articles of incorporation, or these Bylaws, shall exercise all of the powers of the corporation without prejudice to or limitation upon their general powers. It is hereby expressly provided that the Board of Trustees shall have, and are hereby given, full powers and authority in respect to the matters and as hereinafter set forth:

- a) To pass upon the qualifications of members in accordance with ARTICLE V and to cause to be issued appropriate certificates of membership.
- b) To select and appoint all officers, agents, or employees of the corporation or remove such agents or employees of the corporation 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 service.
- c) To borrow from any source, money, goods or services and to make and issue notes and other negotiable transferable instruments, mortgages, deeds of trust, and trust agreements, and to do every act and thing necessary to effectuate the same.
- d) To prescribe, adopt 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 corporation and the guidance and control of its officers and employees, and to prescribe adequate penalties for the breach thereof.

- e) To order, at least once each year, an audit review of the books and accounts of the corporation by a competent public auditor or accountant. The report prepared by such auditor or accountant shall be submitted to the members of the corporation at their annual meeting.
- f) To fix the charges to be paid by each member for services rendered by the corporation to that member, 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 corporation to give adequate bonds, the cost thereof to be paid by the corporation, and it shall be mandatory upon the trustees to so require.
- h) To select one or more banks to act as depositories of the funds of the corporation and to determine the manner of receiving, depositing, and disbursing the funds of the corporation 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.
- i) To levy assessments against the membership certificates of the corporation and to enforce the collection of such assessments.

## **ARTICLE X**

### **Duties of Officers**

#### **Section 1. Duties of the President.**

The President shall preside over all meetings of the corporation and the Board of Trustees, call special meetings of the trustees, perform all acts and duties usually performed by an executive and presiding officer, and sign all membership certificates and such other papers of the corporation as he may be authorized or directed to sign by the Board of Trustees, provided the Board of Trustees may authorize any person to sign any or all checks, contracts and other instruments in writing on behalf of the corporation. The president shall perform such other duties as may be prescribed by the Board of Trustees.

#### **Section 2. Duties of the Vice-President.**

In the absence or disability of the President, the Vice-President shall perform the duties of the President; provided, however, that in case of death, resignation or disability of the President, the Board of Trustees may declare the office vacant and elect his successor.

#### **Section 3. Duties of the Treasurer.**

The Treasurer is the financial voice of the Board of Trustees and the members. The treasurer is the Board's liaison to the corporation's auditor. As part of his or her position, the treasurer:

- a) Will monitor the progress of the annual review to be completed by the last day of May each year.
- b) Make sure that appropriate tax returns are filed on time.
- c) Will ensure the implementation of an annual operating budget.
- d) Will implement safeguards to protect corporation assets.
- e) Will make sure all financial procedures are in place and being implemented.
- f) Will work with the Accountant/Bookkeeper to ensure that expenses are within the budget and journalized correctly.
- g) For his or her review the Treasurer will receive on a quarterly basis "Expenses by Vendor Detail" on a per month basis.
- h) Will receive a copy of the director's report at the end of each billing cycle showing water usage, number of members, amount billed and any applicable late charges.
- i) Will receive Bank reconciliation statements on all bank accounts.

#### **Section 4. Duties of the Secretary.**

The Secretary is the corporation's administrative leader. The Secretary:

- a) Shall keep a complete record of all meetings of the corporation and of the Board of Trustees.
- b) Shall have general charge and supervision of the books and records of the corporation.
- c) Shall sign all membership certificates with the President and such other papers pertaining to the corporation as he or she may be authorized or directed to do so by the Board of Trustees.
- d) Shall serve all notices required by law and by these Bylaws and shall make a full report of all matters and business pertaining to the Secretary's office to the members at the annual meeting.
- e) Shall keep the corporation seal and membership certificate records of the corporation, complete and countersign all certificates issued and affix said corporation seal to all papers requiring seal and maintain the corporation's standing with the State of Washington.
- f) Shall keep a proper membership certificate record, showing the name of each member of the corporation and date of issuance, surrender, cancellation or forfeiture.
- g) Shall make all reports required by law and shall perform such other duties as may be required of him or her by the corporation or the Board of Trustees.
- h) Will oversee the posting of billings to accounts receivable.
- i) Oversee the handling of payments received on water accounts.
- j) Oversee the posting of collections to accounts receivable.
- k) Along with the Treasurer will handle the posting of monies and transfer of funds to money market funds or certificates of deposit.
- l) Pay bills in a timely manner.
- m) Keep books of accounts and prepare monthly balances.
- n) Oversee the preparing and mailing of delinquent notices on a monthly basis.
- o) Maintain current membership list with accurate mailing addresses and pertinent account information.
- p) Close books annually.

## ARTICLE XI

### Employees

**Section 1. Duties of Manager:** The manager is directly responsible for the corporation's water system and is accountable to the Board of Trustees. The manager is to be on call 24 hours a day for emergencies. The Manager must be certified in water works and have a Washington State Department of Health Water Distribution Manager Level 2 certification. The manager has use of the corporation's equipment and the use of the Corporation's vendor credit for the corporation's use only. The corporation will pay for any out of pocket expenses that are associated with or for the benefit of the corporation. All reimbursements sought by the Manager need to have corresponding receipts and be approved by an officer of the corporation. The Manager may keep an office in his or her home at the Manager's discretion. This office will not be funded or furnished by the corporation unless prior requests have been agreed upon with the Board of Trustees.

The Manager's specific duties are as follows:

#### 1) Management

- a) New member's information, sign-up on user agreement.
- b) Keep up with the State Health Compliance.
- c) Take order for and arrange installation of new hook-ups with contractor
- d) Take complaints and handle them.
- e) New developments information for developers
- f) New plats or extensions review plans with developer and with engineer for code compliance.
- g) Inspect installation of new plats and extensions.
- h) Supervise leakage test of new lines

- i) Handle paperwork for corporation's acceptance
- j) Seek system improvements design and implement of them
- k) Purchase materials and supplies
- l) Handle correspondence
- m) Keep maps and system design for entire system updated.
- n) Make sure all repairs are supervised by an RWA employee.
- o) Present to the Board with qualifications of any new hires for approval.
- p) Give a report to the board monthly on current activity and changes.

**2) Annual Maintenance:**

- a) Flush Hydrants
- b) Operate all valves
- c) Paint posts, hydrants and above ground appurtenances as needed
- d) Soil sterility place around hydrants and posts
- e) Clean and adjust PR stations and or other operating parts of the system
- f) Tanks, etc PRV, Filters and drain

**3) General Maintenance:**

- a) Maintain condition of and or make minor repairs to hydrants, valve boxes and lids, posts, meter, meter boxes ARV's

**4) Emergencies:**

- a) Line breaks find, shut-down flow, arrange for and supervise repairs, or the Manager to repair when possible
- b) Hydrants turned on and stabilize line

**5) Meter Reading:**

- a) All members meters will be read on the billings month which is every other month
- b) Master meters read every Monday.

**Section 2. Assistant Manager or Manager in Training**

- a) In the absence or disability of the Manager, the Assistant Manager shall perform the duties of the Manager
- b) The assistant manager shall, in a timely manner, pass all requirements to qualify to be the Manager. This includes, but is not limited to being certified in water works and obtaining a Washington State Department of Health Water Distribution Manager Level 2 certification.

**ARTICLE XII**

**Benefits and Duties of Members**

**Section 1.** The corporation will install, maintain, and operate a main distribution pipeline or lines from the source of the water supply and service lines from the main distribution pipeline or lines to the property line of each member of the corporation. At the property line, the corporation will install meters that are owned and maintained by the corporation. The cost of the service line from the main distribution pipeline or lines of the corporation to the property line of each charter membership has been paid by the corporation. The corporation will also purchase and install a cut-off valve in each service line from its main distribution line or lines. Such cut-off valve will be owned and maintained by the corporation and will be installed on some portion of the service line owned by the corporation. The corporation shall have the sole and exclusive right to use such cut-

off valve to turn water service on and off. The cost of all service lines installed from the corporation's meter on the member's property shall be paid and serviced by the member. Service line connections shall be ¾" diameter unless the member requests and pays for the extra cost of larger service.

**Section 2.** Each member shall be entitled to purchase from the corporation, pursuant to such agreements as may from time to time be provided and required by the corporation, such water for domestic, livestock, garden, industrial, and commercial purposes as a member may desire, subject, however, to the provisions of the Bylaws and such rules and regulations as may be prescribed by the Board of Trustees.

**Section 3.** No new service line or change in an existing service line may be made which will interfere with an existing line or the delivery of water therein. Each service line shall connect with the corporation's water system at the nearest available place to the place of desired use by the member if the corporation's water system shall be of sufficient capacity to permit the delivery of water through a service line at the place without interfering with the delivery of water through a prior service line. If the corporation'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 may be designated by the corporation. Each member will be required to provide and maintain the necessary and desired plumbing connections from the individual service meter (corporation delivery points) to point of water use.

**Section 4.** In the event the total water supply shall be insufficient to meet all of the needs of the members, or in the event there is a shortage of water, the corporation may prorate the water available among the various members on a schedule of hours covering the use of water and require adherence thereto, provided that if at any time the total water supply shall be insufficient to meet all of the needs of the members for domestic, livestock, garden, industrial, and commercial purposes, the corporation must first satisfy all of the needs of the members for domestic purposes before supplying any water for livestock purposes, and must satisfy all the needs of the members for both domestic and livestock purposes before supplying water for garden, industrial, or commercial purposes.

**Section 5.** The Board of Trustees shall, during the month of January, determine the flat minimum monthly rate to be charged each user member during the following calendar year for a specified quantity of water and the amount of additional charges, if any, for additional water which may be supplied the members. Such flat minimum monthly rate is to be payable irrespective of whether any water is used by a member during a month if service facilities are installed for such member. The Board shall also fix the dates for the payment of such charges, and shall notify each member of the amount of such charges and the dates for the payment thereof. A member to be entitled to delivery of water shall pay such charges at the office of the corporation at or prior to the dates fixed by the Board of Trustees. The failure to pay water charges duly imposed shall result in the automatic imposition of the following penalties:

- a) All current water fee's and penalty fee's will be posted on RWA's web site.  
[www.RooseveltWater.com](http://www.RooseveltWater.com)
- b) Water fees are determined by operating budget, need for capital improvements and the water charged to RWA from Everett Water.
- c) Non-payment charges, fees and how it will be handled is established by the Board of Trustees. All bills are due within 30 days of billing.
  1. For forty five days from billing date a late fee is added to the bill
  2. For sixty days from billing date: The water shall be cut off from the property served by the delinquent member until such time as payment is made of any charges due plus a penalty fee.
  3. For ninety days from billing date: Membership in the corporation will be terminated. Membership may be reinstated in good standing, with all the rights and privileges in



effect upon payment in full of all unpaid monthly assessments, plus interest and a penalty fee and any additional fees incurred as established by the Board of Trustees, by any person or party who holds vested interest in the property served by said membership.

- d) The Board of Trustees shall be authorized to require each member to enter into water users agreements, which shall embody the principles set forth in the foregoing sections of this ARTICLE.

## **ARTICLE XIII**

### **Distribution of Surplus Funds**

**Section 1.** It is not anticipated that there will be any net income of the corporation. If there should be any, then at the end of the fiscal year, after paying the expenses of the corporation for operation and otherwise, and after setting aside reserves for depreciation on all buildings, equipment, and office fixtures, and such other reserves as the Board of Trustees may deem proper, and after providing for payments of interest and principal of obligations and amortized debts of the corporation, and after providing for the purchase of proper supplies and equipment, the net earnings shall be accumulated in a surplus fund for the purpose of replacing, enlarging, extending and repairing the system and property of the corporation, and for such other purposes as the Board of Trustees may determine to be for the best interests of the corporation. There shall be no distribution of the net earnings, or said surplus fund, to the members of the corporation.

## **ARTICLE XIV**

### **Amendments**

Section 1. These Bylaws may be repealed or amended by a vote of a majority of the members present at any regular meeting of the corporation, or at any special meeting of the corporation called for the purpose, except that the members shall not have the power to change the purposes of the corporation 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 corporation so to amend the by-laws as to effect a fundamental change in the policies of the corporation. Notice of any amendment to be made as a special meeting of the members must be given at least ten days before such meeting and must set forth the amendments to be considered.