



THREE LAKES WATER ASSOCIATION

2026 Annual Meeting Ballot Items

Tuesday, October 6, 2026

“Deliver safe drinking water, efficiently and reliably, to our members at a reasonable cost.”

A member-owned, nonprofit water utility • Snohomish County, Washington

Voting and Ballot Initiatives Agenda Items

1 Ballot Items and Voting Instructions

2 Trustee Nominees

3 2026 Bylaw Amendment

4 Trustee and Manager Report

What Is On the Member Ballot – How to Vote



Trustee Election for 2 positions

Two Three Year Terms



2026 Bylaw Amendment Choice

Regarding the threshold for Member Approval of Sale [et al].

Voting In Person

- We will capture nominations and put on a slide
- Fill out the ballot and place in drop box after ballot items discussed

Voting Remotely

- Members registered and attending the meeting will be sent a link to an online voting tool after trustee nominees are named and have spoken
- Members will need to answer certain qualifying questions verifying their registration information and attendance
- Voting will be done by electronic ballot

Trustee Nominees

Names

- X
- X
- X
- X



Eligibility / Qualifications

Section 1 — Eligibility Requirements Per the Three Lakes Water Association Bylaws and Washington State nonprofit corporation law (RCW 24.03A), a candidate for the Board of Trustees must meet all of the following requirements at the time of nomination and throughout their term of service:

- Is an active member of Three Lakes Water Association in good standing.
- Has no delinquent accounts, unpaid assessments, or outstanding fees owed to the Association.
- Is a natural individual (not a corporation, trust, or other entity).
- Is not currently serving in any role that would create a structural conflict of interest with Board service.
- Agrees to abide by the Association's Bylaws, Board policies, and Code of Conduct if elected.

2026 Bylaws Amendment

The Question: How much member approval should be required before the Association can be sold, merged, or have assets sold to a new or existing municipal corporation?

In plain terms: this vote sets the bar for how much member support is needed before the Association could ever be sold or transitioned to another entity. A higher threshold makes a sale harder to complete; a lower threshold makes it easier. **Choose ONE of the two options below:**

CHOICE 1 Original 2014 Language — Two-Step Vote, 60% Threshold	CHOICE 2 Alternative New Language — One-Step Vote, Majority Threshold
PROPOSED BYLAW LANGUAGE <i>“Prior to any sale of the corporation, 60% of the members must vote to validate the sale. There must also be a 60% majority vote of those 60% to validate the ballot.”</i> Interpretation: In plain terms: 60% of all members must vote to approve a sale, then another 60% vote is required to validate that the first vote was properly conducted.	PROPOSED BYLAW LANGUAGE <i>“Prior to the sale of the corporation, merger with another entity, or a sale of the corporation's assets to a new or existing municipal corporation, a majority of members must vote to approve the specific proposed sale terms and conditions of any final agreement.”</i> Interpretation: In plain terms: a majority of members must approve the specific terms of a sale, merger, or asset transfer — in a single vote.
PROS •Sets a very high bar, making an unwanted sale extremely difficult. •As with Choice #2, Guards against a small group of members approving a sale.	PROS •Simple, one-step process that is easier to understand and to achieve. •Specifically calls out merger and municipal corporation •Members still have final say over any deal's terms. •Gives the Board a more realistic path to act if a major infrastructure crisis makes a sale necessary.
CONS •Very hard to reach given typical member participation — could block even a sale that benefits members. •Two separate votes •Language is difficult to understand.	CONS •Some members may feel a simple majority is too low a bar for a decision this significant. •No separate step to double-check that the vote was properly conducted.
Bottom line — Choice 1: Harder to sell, harder to reach.	Bottom line — Choice 2: Easier to act on, but still requires majority support, a difficult requirement to meet.

Open for Voting

Meeting Password for Remote Voting: ??????????????