

Regulations

Pike Water, Inc. operates under a strict **Code of Regulations**. To view or download the most current Amended Code of Regulations.

AMENDED CODE OF REGULATIONS OF PIKE WATER, 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 Pike Water, Inc. Section 2: The principal office of this corporation shall be located at 2277 Boswell Run Rd. Piketon, OH 45661

ARTICLE III

SEAL

Section 1: The seal of the corporation shall have inscribed thereon the name of the corporation and the words, "Corporation Not For Profit, Pike Water, Inc." Section 2: The Secretary of the corporation shall have custody of the seal.

Section 3: The seal may be used for causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE IV

FISCAL YEAR

The fiscal year of the corporation shall begin the 1st day of January in each year.

ARTICLE V

MEMBERSHIP

Section 1: Every person (which word as used herein includes any legal entity) who is a record owner of a fee or undivided fee interest, or having a substantial possessory interest, in a property served by the water system may become a member of the corporation upon signing such applications and agreements for the purchase of water

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as may be provided and required by the corporation and upon the payment of such connection fee as may be imposed by the Board of Trustees provided that only one membership at a time may be held for each property served. A single membership may be issued to all persons owning or having a substantial possessory interest in the property. Only one membership may be held with respect to property at one time. Membership shall not be denied because of the applicant's race, color, creed, or national origin. Membership may be denied if capacity of the corporation's water system is exhausted by the need of its existing members, or, if the proposed use of the applicant is such that it would interfere with existing uses previously authorized by the Board of Trustees.

A substantial possessory interest is one where the person or persons have a legal right to control occupancy of a property but do not have the legal or the equitable ownership of the property. It may be under a lease or similar right to possession.

1. Before membership is allowed to one or more persons claiming such an Interest, the corporation will endeavor to obtain the application for membership from the owner of such property.

2. Where membership is granted to one or more persons having a substantial possessory interest, the corporation as a condition to the membership may require such applicant to post such collateral or bond as the trustees determine necessary to fully protect the corporation from any additional risk that may be involved to the corporation by reason of the lack of legal ownership in the applicant.

Section 2: Each member shall have only one membership for each property served, regardless of the number of service connections he may obtain to serve his property. Each membership shall represent one vote. When more than one person holds the interest in a property served, the vote shall be exercised by the person in whose name the service is registered or by such person as the several persons may designate, but in no event shall more than one vote be cast with respect to any property. Section 3: Subject to the provisions of Section 8, below, membership shall be transferable but the transfer will be effective only when noted on the books of the corporation. Such transfer will be made only to a person who obtains a qualifying interest in the property. A member will transfer his membership in the corporation to his successor in interest as part of the transaction whereby he disposes of his interest to said property. The secretary upon request will make note of such transfer upon the records of the corporation. Section 4: When membership in the corporation is not transferred, it shall terminate upon the disposition or other termination of the member's interest in the property. Membership also may be terminated by action of the Board of Trustees where the use of the property is changed so as to materially increase the amount of water consumed to the prejudice of other existing members or to the prejudice of the orderly operation of the system.

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Section 5: The termination of the membership of any member shall not disqualify for membership any other person who has or obtains an interest in the property of the terminated member and who otherwise meets the requirements of these regulations. Section 6: In the event a member's property interest is divested other than by voluntary means, such member's membership will pass to the trustee, receiver, executor, or the like who will be entitled either in person or through a designated representative to exercise all of the rights incident to such membership, but subject to such duties and liabilities also applicable to membership. The trustee, receiver, executor, or the like, may terminate such membership by written notice to such effect delivered or mailed to the secretary of the corporation. Upon the final disposition of such property rights, the owner thereof shall be entitled to membership in like manner as if the membership had been transferred to him by the original member as set forth in Section 3, above. Section 7: Upon the transfer of a membership, the corporation will not look to the successor in interest for the payment of any past due amounts. The corporation will seek collection only from the individual who incurred such charges or assessments or from the property itself if a judgment lien had been duly perfected against such property. Section 8: A membership held by a member by virtue of such member's legal or equitable ownership of the property shall not be transferable until all indebtedness to the corporation of the person holding such membership has been paid in full. This limitation shall not apply to the transfer of a membership held by a member by virtue of such member's having only a "substantial possessory interest." As defined above in Section 1 A.

ARTICLE VI

BENEFITS OF MEMBERSHIP

Section 1: This corporation shall not have capital stock. Members shall have the right to use and enjoy the benefits of the corporation's water supply system upon the payment of necessary assessments, if any, and of reasonable charges based upon such use, provided such use and enjoyment are consistent with the rules, regulations and contracts affecting the same as may from time to time be prescribed by the Board of Trustees.

ARTICLE VII

MEETINGS OF MEMBERS

Section 1: The annual meeting of the members of this corporation shall be held at the offices of the corporation at 2277 Boswell Run Rd., Piketon (Pike County), Ohio, at 7:30 o'clock p.m., on the second Thursday in October of each year. The place, day, and time of the annual meeting may be changed to any other convenient place, day,

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and time in the county by the Board of Trustees giving notice thereof to each member not less than ten (10) days in advance thereof. 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 a least ten percent (10%) 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: Written notice of meetings of members of the corporation, both regular and special, shall be given by mail to each member of record of the corporation. Each such notice of meeting shall be addressed to the member, at his or her address as it appears on the records of the corporation, and shall be mailed not less than ten (10), nor more than sixty (60), days before the date of the meeting. Each such notice shall state the date, time, and place of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is being called. Notwithstanding the foregoing provisions of this section, no failure or irregularity of notice of any annual meeting, regularly held, shall affect any proceedings taken thereat. Section 4: The members entitled to cast votes in their own right or by proxy who are present at a meeting of members shall constitute a quorum. All proxies shall be in writing and filed with the secretary. Such proxies may be general or restrictive. Proxies shall be revocable and shall not be valid beyond eleven (11) months, nor after termination of the membership by cessation of the member's interest in the property. Section 5: Trustees of this corporation shall be elected at the annual meeting of the members as provided in Article VII, S 1. No cumulative voting shall be allowed. Section 6: The order of business at the regular meeting and so far as possible at all other meetings shall be: 1. Calling 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 trustees 6. Unfinished business
7. New business 8. Adjournment

ARTICLE VIII

TRUSTEES AND OFFICERS

Section 1: The Board of Trustees of this corporation shall consist of Seven (7) members, all of whom shall be members of the corporation. At each annual meeting of the members of the corporation, the members shall elect, for a term of two (2) years each,

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the number of trustees whose terms of office have expired. Each trustee shall hold office for the term for which he is elected, and until his successor shall have been elected and qualified. Section 2: The Board of Trustees, at the next regular meeting after the annual election of trustees, shall elect a president, vice-president, and secretary-treasurer from among themselves, each of whom shall hold office until the next annual meeting and until the election and qualification of his or her successor, unless sooner removed by death, resignation, or for cause. Section 3: If the office of any trustee becomes vacant by reason of death, resignation, retirement, disqualification, or otherwise, except by removal from office, a majority of the remaining trustees, though less than a quorum, shall, by a majority vote, choose a successor who shall hold office for the unexpired term. Section 4: A majority of the Board of Trustees shall constitute a quorum at any meeting of the Board. The affirmative vote of the majority of the trustees at a meeting at which a quorum is present shall be the act of the Board. Section 5: The corporation shall pay reasonable compensation for services to the officers and trustees of the corporation. Compensation of officers and trustees may be fixed only at any regular or special meeting of the members of the corporation. 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 them 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 (10%) 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 a majority of those voting if a quorum is present. The trustee or officer against whom such charges have been presented shall be informed, in writing, of such charges at least twenty (20) 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 Board of 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 restrictions of law, the articles of incorporation, and these regulations, shall exercise all of the powers of the corporation, and, 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 power and

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authority in respect to the matters as hereinafter set forth to be exercised by resolution duly adopted by the Board: A. To approve membership applications. The Board may make binding commitment to permit the connection of properties to the system in the future in cases involving proposed construction. B. To select and appoint all agents or employees of the corporation, remove such agents or employees of the corporation, prescribe such duties and designate such powers as may not be inconsistent with these regulations, fix their compensation, and pay for faithful services. C. To borrow from any source, money, goods, or services and to make and issue notes and other negotiable or nonnegotiable instruments evidencing indebtedness of the corporation; to make any other instruments evidencing a security interest in the assets of the corporation; 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 its 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 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. Copies of such audits shall be submitted to such parties as may be required by other agreements. F. To fix and alter the charges to be paid by each member for services rendered by the corporation to the member, including connection fees where such are deemed to be necessary by the trustees, and to fix and alter the method of billing, time of payment manner of connection, and penalties for late or nonpayment of the same. All charges shall be uniform and nondiscrimination within each class of users. 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 powers to change such banks and the person or persons signing such checks and the form thereof at will. I. To levy assessments against the members of the corporation in such manner and upon such proportionate basis as the trustees deem equitable, and to enforce collection of such assessments by the suspension of water

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service or other legal methods. The Board of Trustees shall have the option to suspend the service of any member who has not paid such assessment within thirty (30) days from the date the assessment is due, provided the corporation must give the member at least five (5) days written notice at the address of the member on the books of the corporation of its intention to suspend such service if the assessment is not paid. Upon payment of such assessments, any penalties applicable thereto, and to reconnection charge, if on is in effect, service will be promptly restored to such a member.

ARTICLE X

DUTIES OF OFFICERS

Section 1: Duties of president. The president shall preside over all meetings of the corporation and the Board of Trustees, call special meetings of the Board of Trustees, and perform all acts and duties usually performed by an executive and presiding officer, and sign all 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 secretary-treasurer. The secretary-treasurer shall keep a complete record of all meetings of the corporation and of the Board of Trustees and shall have general charge and supervision of the books and records of the corporation. He shall attest the presidents' signature on all papers pertaining to the corporation unless otherwise directed by the Board of Trustees. He shall serve, mail, or deliver all notices required by law and by these regulations and shall make a full report of all matters and business pertaining to his office to the members at the annual meeting or at such other time or times as the Board of Trustees may require. He shall keep the corporate seal of the corporation, and affix said corporate seal to all papers requiring seal. He shall keep a proper membership record showing the name of each member of the corporation and date of membership. He shall make all reports required by law and shall perform such other duties as may be required of him by the corporation or the Board of Trustees. Upon the election of his successor, the secretary-treasurer shall turn over to him all books and other property belonging to the corporation that he may have in his

possession. He shall also perform such duties with respect to the finances of the corporation as may be prescribed by the Board of Trustees.

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ARTICLE XI

BENEFITS AND DUTIES OF MEMBERS

Section 1: The corporation will install, maintain, and operate a water distribution system including, main lines, hydrants, pumping stations, towers, service lines, sources of supply, and treatment. The corporation shall bear the cost of the service line to ten (10) feet within the boundary line, as finally determined by the plans and specifications of the corporation's engineer, for property owned by a member, which adjoins the corporation's easement for the main line, or upon which the corporation's easement for the main line is granted. With respect to the property of a member which does not adjoin the corporation's easement for the main line and upon which the corporation's easement for the main line is not granted, but which property is accessed by a private right-of-way easement accessing the property, as finally determined by the plans and specifications of the corporation's engineer. The corporation also may purchase and install a cutoff valve and meter in each service line from its main distribution line or lines, such cutoff valve and meter to be owned and maintained by the corporation. The corporation shall have the sole and exclusive right to use of such cutoff valve. However, the provisions of this section shall not be construed to require the acquisition or installation of meters or cutoff valves where the trustees determine under the circumstances of the system and the nature of the membership that the use of either or both of such devices is impractical, unnecessary to protect the system and the rights of the membership, and/or economically not feasible. Section 2: Each member will be required at his own expense to have dug a ditch for the connection of the service line or lines to his dwelling or other portion of his premises, and to purchase and have installed the portion of the service line or lines from his premises. The member will maintain such portion of such service line or lines which shall be owned by the member, at his own expense. In addition, each member shall pay such connection charge, if any, as may have been imposed by the Board of Trustees before such member will be entitled to receive water form the system. Section 3: Each member may be permitted to have additional service lines from the corporation's water system in the discretion of the Board of Trustees upon proper application therefore and the tender of payment not to exceed the then existing connection charge. The approval by the Board of Trustees of additional service lines to an existing member may be made conditional upon such provisions as the Board of Trustees determine necessary to protect the interests of other members and to allow for the orderly expansion and extension of the system to serve other property that may need service along the distribution lines of the system. 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 has sufficient capacity to permit the

delivery of water through a prior service line. If the corporation's water system is 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 designated by the corporation.

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Section 4: Each member may be permitted to purchase from the corporation, pursuant to such agreement as may from time to time be provided and required by the corporation, such water as is needed by him for domestic, commercial, agricultural, industrial, or other purposes as a member may desire, subject, however, to the provisions of these regulations and to such rules and regulations as may be prescribed by the Board of Trustees. Each member shall be entitled to have delivered to him through his service lines only such water as may be necessary to supply the needs of each member, including his family, business, agricultural, or industrial requirements. The water delivered through each service line may be metered separately and the charges for such water may be determined separately, irrespective of the number of service lines owned by a member. Section 5: 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 such basis as is deemed equitable by the Board of Trustees, and may also prescribe a schedule of hours covering use of water for commercial, agricultural, or industrial purposes by particular members and require adherence thereto or prohibit the use of water for commercial, agricultural, or industrial purposes, provided, that if at any time the total water supply shall be insufficient to meet all of the needs of all of the members for domestic, livestock, commercial, agricultural, or industrial purposes, the corporation must first satisfy all of the reasonable needs of the members for domestic purposes before supplying any water for livestock purposes and must supply all of the needs of all of the members for domestic and livestock purposes before supplying any water for commercial or industrial purposes, and, provided further, that where a member has more than one service line, the corporation may cut off the flow of water to the non domestic service lines until such time as the supply of water from the system is sufficient to meet the needs of all of the members for domestic, livestock, and garden purposes. During such periods of shutoff of additional service lines there shall be no minimum fee charges to the members having such additional service lines and the cost, if any, of resuming the flow of water to such additional service lines shall be borne by the corporation. Section 6: The Board of Trustees, with the consent of the Rural Development, so long as the Rural Development shall either hold any obligations or insure any financing of the system, may at any time determine the flat minimum monthly rate to be charged each member during the following calendar 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, the amount of additional charges, if any, for additional water which may be supplied the member, and the amount of penalty for late payments, and shall fix the date for the payment of such charges. A member to be entitled to the delivery of water shall pay such charges at the office designated by the

corporation at or prior to the date 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. Non payment within one (1) day from the due date will be subject to a penalty of ten percent (10%) per month of the delinquent account, which percent may be changed at the discretion of the Board of Trustees. B. Non payment within fifteen (15) days from the due date will result in the water being shut off from the member's property without any notice thereof to such delinquent member. Upon the payment by the delinquent member of past due water charge, penalties thereon, any reconnection charge, such member shall be entitled to resumption of the water supply. During the time of such suspension of water to a member, such member shall have no right to vote in the affairs of the corporation. Section 7: 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 provisions of these regulations.

ARTICLE XII

DISTRIBUTION OF SURPLUS FUNDS It is not anticipated that there will be any surplus funds or net income to the corporation at the end of the fiscal year after provisions are made for the payment of the expenses of operation and maintenance and the funding of the various reserves for depreciation, debt retirement, and other purposes, including those required by the terms of any borrowing transaction. In the event that there should exist such surplus funds or net income, they may be placed in an existing or new reserve account to be used for the early retirement of any outstanding indebtedness or be used for the improvement and/or extension of the corporation facilities as the Board of Trustees may determine to be in the best interest of the corporation and to the extent not otherwise provided for by any contractual arrangement. The occurrence in subsequent fiscal year of surplus funds or net income above the requirements of the corporation as above mentioned, including, if any, a reserve for improvements and extension of the facilities shall be taken into consideration by the Board of Trustees in determining the water rates to be charged the members.

ARTICLE XIII

AMENDMENTS

The regulations 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 that purpose, except that so long as any indebtedness is held by

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or guaranteed by Rural Development, 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 or its members, or so to amend the regulations as to effect a fundamental change in the policies of the corporation without the prior approval of Rural Development in writing.

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We certify the foregoing amendments were duly adopted by the corporation and that the same are in full force and effective with these bylaws unto this date.

Given under our hands and the seal of the corporation this _____ day of _____, 2006.

Wilcher Berlin Caudill _____ Secretary/Treasurer President Judy

