

NORTH SPRINGBANK WATER CO-OP LIMITED BYLAWS

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1 Interpretation

1(1) In these Bylaws:

- (a) **"Act"** means the Rural Utilities Act of Alberta.
- (b) **"Annual General Meeting"** means the annual general meeting of the Association held in accordance with Section 2.
- (c) **"Association"** means the North Springbank Water Co-op Limited.
- (d) **"Board"** means the board of directors of the Association.
- (e) **"Class A Share"** means one (1) Class A voting share, costing \$10.00, in the Association's share capital, the holder of which shall be entitled to receive notice of, attend at and vote at any meeting of the Association.
- (f) **"Cost Contribution"** means a Member's allocated share of the original or additional water system construction cost and any future extensions.

- (g) **"Developer"** means a Member or Non-member who: (i) is subdividing a parcel of land into five (5) or more separate lots, which will be serviced by the Association, for the purpose of transfer or sale to third parties; and (ii) has entered into a water supply agreement satisfactory to the Association for such parcel of land.
 - (h) **"Emergency Expenditure"** means an unexpected expenditure that is required, as determined by the Board, to continue to provide potable water to all Members at all times.
 - (i) **"Member"** is a person meeting the requirements set forth in Section 17.
 - j) **"Membership Agreement"** means the agreement entered into by a new Member joining the Association, as described in section 17(1)(b).
 - (k) **"Minor Developer"** means a member who is subdividing a parcel of land into no more than 4 separate lots which will be serviced by the Association, and has entered into a water supply agreement for such parcel of land.
 - (l) **"Special General Meeting"** means a meeting with the Association called in accordance with Section 3.
 - (m) **"Special Resolution"** means a resolution passed in writing by the Members of not less than sixty-six and two-thirds (66 2/3 %) of the Members.
 - (n) **"Subdivision"** means a developed area where fifty percent (50%) or more of the land parcels have separate and unique registered land owners, of whom no less than **twenty (20)** are Members of the Association, and is an area the Board has approved, in its sole discretion, for supply of water units by the Association.
 - (o) **"Unit"** means one water service line connection per registered parcel of land. Water usage is in accordance with Alberta Environment rules and regulations and those of the Association.
 - (p) **"Voting District"** means each Subdivision, as each may be increased or reduced in size in accordance with these Bylaws and any other Voting District formed in accordance with these Bylaws, as more particularly set out in the Association's Policy Manual, which may be amended from time to time by the Board in its sole discretion.
 - (q) **"Qualified to be a Director"** means an individual who: (i) is a member; (ii) is in good standing with the Association, has no outstanding fees to be paid; and (iii) agrees to adhere to the Association's Code of Conduct as stated in the Policy Manual.
- 1(2)** Words importing the singular number include the plural and vice versa; words importing gender shall be interpreted to mean any or all genders; and words importing a person include an individual, partnership, association, body corporate, trustee, executor, administrator and legal representative.
- 1(3)** Reference to the words "Appendix", "Section" or "Schedule" herein refer to an Appendix, Section or Schedule of these Bylaws.

2 Annual Meetings

- 2(1)** An Annual General Meeting of the Association must be held within one hundred and twenty (120) days after the conclusion of each fiscal year of the Association, on a day and at an hour and place decided by the Board.
- 2(2)** The primary purpose of the Annual General Meeting of the Association is to do the following:
- (j) to review and approve the annual financial statements and other pertinent reports;
 - (k) to appoint an auditor for the ensuing fiscal year; and
 - (l) to elect directors.

3 Special General Meetings

- 3(1)** A Special General Meeting of the Association may be called at any time by the Board when the Board considers it necessary or advisable.
- 3(2)** The Board must call a Special General Meeting of the Association when requested to do so by at least twenty-five percent (25%) of all Members.
- 3(3)** Subject to Section 3(4), a request under Section 3(2) must be made in writing and state clearly the nature of the business to be transacted at the meeting.
- 3(4)** Where the Board receives a request in accordance with Sections 3(2) and 3(3), the following shall apply:
- a. if the Board does not issue a call for the meeting within fourteen (14) days from the day the Board receives the request; or
 - b. if the meeting called is not to be held within sixty (60) days from the day the Board receives the request, the Members making the request, or any other group of Members constituting twenty-five percent (25%) of all Members, may call a meeting of the Association.

4 Notice of Meetings

- 4(1)** The Board, or Members calling a General Meeting or Special General Meeting of the Association, must give at least fifteen (15) days' notice of a meeting:
- a. by mailing to each Member, at the Member's address last registered in the office of the Association, a notice stating the hour, date and place of the meeting; or
 - b. by advertising the hour, date and place of the meeting in a newspaper circulating throughout the Association's locality; or
 - c. by email
- 4(2)** If the addition or repeal or amendment to any provision of these Bylaws or its memorandum of association is proposed to be discussed at a meeting, the intent of any such proposed change must be included in the Meeting Notice.

5 Quorum for Association Meetings

- 5(1) Subject to Section 5(2), at any meeting of the Association, not less than ten percent (10%) of the Members shall constitute a quorum at any meeting of the Association, provided that there are at least two (2) Members present from each Voting District.
- 5(2) If the Association has a membership of more than five hundred (500) Members, not fewer than fifty (50) Members shall constitute a quorum at any meeting of the Association.
- 5(3) If a quorum, as defined in Section 5(1) or 5(2), is not present at any Special General Meeting:
 - a. in the case of a meeting called pursuant to Section 3(4), the meeting shall be dissolved; and
 - b. in the case of any other meeting, the chairperson of the meeting may call for a resolution to the effect that those Members present at that time, if there are 2 members from each voting district, shall constitute a quorum and be empowered to transact the business of such meeting.
- 5(4) If the resolution referred to in Section 5(3)(b) is passed by a majority vote of those Members then present and recorded in the minutes, the meeting may then proceed and those Members present shall constitute a quorum.

6 Voting and Order of Business at a Meeting of the Association

- 6(1) Subject to Section 5, at a Special General Meeting of the Association, a majority vote of the Members casting votes may decide upon all matters presented for resolution of the Members at such meetings, except where a Special Resolution is required.
- 6(2) Each Member in good standing is entitled to one (1) vote on any matter put before the Members at any meeting of the Members.
- 6(3) A Developer is entitled to only one (1) vote, for so long as such Developer continues to own at least one (1) parcel of land. Upon the sale of the Developer or Minor Developer's last lot or parcel in accordance with Section 20(3) herein, such Developer shall no longer have a vote with respect to such Subdivision.
- 6(4) The Association may only be dissolved or reorganized at an Annual General Meeting or a Special General Meeting by Special Resolution, and only if sixty six and two thirds percent (66 2/3%) affirmative vote is carried.
 - (a) In the event the membership votes to dissolve the Association, all funds remaining in the final account will be divided by the number of water units owned on the system. The owner(s) of said units will receive the resulting dollar amount regardless of what they may have originally paid for the unit.
- 6(5) At an Annual General Meeting or Special General Meeting, the Association may, by Special Resolution do the following:
 - a. Membership vote to accept Bylaw revisions as developed by the Board of Directors and vetted by the Director of Water and Sewer Co-operatives prior to its presentation to the membership.

(b) authorize non-Emergency Expenditures exceeding \$100,000.

6(6) At any Annual General Meeting or Special General Meeting of the Association, the order of business for any such meeting may include, but is not limited to:

- calling of the meeting to order by the chairperson;
- minutes of the preceding meeting;
- business arising from the minutes
- reports of officers and Board;
- reports of standing committees;
- reports of special committees;
- motion for approval of Board activity;
- reports of the auditor;
- nomination and appointment of auditor;
- budget presentation & approval;
- unfinished business;
- new business;
- nomination and election of directors; and
- adjournment.

6(7) Members wishing to introduce new business or a motion at an AGM must provide the Board with this information no less than 20 business days prior to the scheduled AGM. All members will subsequently be provided with this information through the distribution of the AGM Information Package.

7 Composition and Election of Board

7(1) The Board is to consist of an odd number of directors, not being fewer than five (5) and no more than nine (9).

7(2) The Board shall consist of one Member representing each Voting District. Should the creation of a new Voting District subsequently cause an even number of directors, an additional director shall be elected from the five original Voting Districts as further outlined in the Association's Policy Manual, to give an odd number of directors.

7(3) Subject to Sections 7(2) and 7(4), any Member in good standing or the representative of a corporation that is a Member in good standing is eligible to be elected as a director.

7(4) Candidates for election to the office of director must be nominated openly at an Annual General Meeting or Special General Meeting.

7(5) Should the Board of Directors create a new Voting District, Members of such Voting District shall nominate a director to the Board at the next Annual General Meeting.

7(6) The term of office of a director is three (3) years.

7(7) Election of director shall take place at each Annual General Meeting and all the directors then in office whose three (3) year term expires within the next year shall retire but, if qualified, shall be eligible for re-election. Subject to Section 7(11) hereof, the number of directors to be elected at any such meeting shall be the number of directors retired at

such meeting, unless the directors otherwise determine. The election shall be by resolution. If an election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected.

7(8) A director ceases to hold office when he dies; his office is declared vacant by the Board pursuant to Section 12 hereof; he ceases to be qualified for election as a director; or his written resignation is sent or delivered to the Association, or, if a time is specified in such resignation, at the time so specified, whichever is later. When a director ceases to hold office, the Association may, by resolution passed at a Special General Meeting specifically called for such purpose, fill such vacancy, or failing which such vacancy may be filled by the Board with such individual as the Board approves of in their discretion, but always subject to the requirements of Section 7(2) hereof, to hold such office until the next annual meeting.

7(9) **Rescinded 2022**

7(10) A candidate nominated for the office of director must agree to candidacy for director.

7(11) At the Annual General Meeting of the Association, each retiring director shall be replaced by a director elected by the Members of the specific Voting District represented by such retiring director.

7(12) A director may serve three (3) consecutive terms before retiring for the minimum of one (1) term.

8 Powers and Duties of Board

8(1) The Board is to direct and manage the business of the Association, and may exercise all the powers of the Association that are not required to be exercised by the membership in an Annual General Meeting or Special General Meeting, as set out in section 2(2) and section 6, including without limitation:

- (a) the Board may appoint an executive committee, from time to time, from among its number and prescribe such committee's duties;
- (b) the Board shall ensure that all provincial and municipal statutes and regulations for the operation of a water co-operative and a water system, and these Bylaws are complied with;
- (c) the Board may review and approve a Member or non-Member's application to become a Developer on the terms and conditions set forth in a water service agreement that is negotiated and entered into to the satisfaction of the Board;
- (d) the Board may, at its sole discretion, approve the inclusion of a new Subdivision;
- (e) approve the inclusion of a new Subdivision to the Association and approve what Voting District the new Subdivision will be included into, or whether the new Subdivision will form a new Voting District, all as recommended by the Board;
- (f) the Board shall receive applications for new Member(s) and if approved, allocate the proposed Member to a particular existing Voting District if conditions for a new Subdivision have not been met;

- (g) notwithstanding Section 6(5)(b), the Board shall have the power to take whatever measures are deemed necessary in an emergency to ensure the integrity of the water system;
- (h) the Board shall have the power to determine and impose conditions for new Members in the Membership Agreement on an individual case-by-case basis;
- (i) the Board, subject to ratification at an Annual General Meeting or Special General Meeting, may decide to offer remuneration for services rendered by Members of the Board or other non-elected officials; and
- (j) the Board may create and amend statements of policy, including without limitation the Association's Policy Manual and the Association's Conditions to Supply Water Policy.

9 Protection of Directors and Others

- 9(1)** Every director and contracted personnel of the Association, in exercising his power and discharging his duties, shall act honestly and in good faith with a view to the best interests of the Association, and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, no director or contractor, for the time being of the Association, shall be liable for the acts, receipts, neglects or defaults of any other director or contracted employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Association through the insufficiency or deficiency of title to any property acquired for or on behalf of the Association or for the insufficiency or deficiency of any security in or upon which any of the monies of the Association shall be placed out or invested or for any loss, conversion, misapplication or misappropriation of or any damage resulting with any monies, securities or other assets belonging to the Association or for any loss, damage or misfortune whatever which may in the execution of the duties of his respective office or trust or in relation thereof; provided that nothing herein shall relieve any director or contracted employee from the duty to act in accordance with the Act and the regulations or from liability for any breach thereof. The directors and contractors of the Association shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of the Association.
- 9(2)** The Association shall indemnify a director or contractor, former director or contracted employee, or a person who acts or acted at the Association's request as a director of a body corporate of which the Association is or was a shareholder or creditor, and his heirs, administrators, and other legal representatives, from and against all costs, charges and expenses that are reasonably incurred by him in respect of any action, suit or proceeding that is proposed or commenced against him, for or in respect of anything done or permitted by him in respect of the execution of the duties as director of the Association or as contracted employee, so long as: (a) he acted honestly and in good faith with a view to the best interests of the Association; and (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.
- 9(3)** The Association may also indemnify such person in such other circumstances as the Act or law permits or requires. Nothing in this Bylaw shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this Bylaw.

10 Meetings of Board

- 10(1)** At the first meeting of the newly elected Board held after the Annual General Meeting of the Association, the Board is to meet and elect from its own number:
- (a) a chairperson; and
 - (b) a vice-chairperson.
- 10(2)** At each meeting at which a chairperson is elected, the Board must also appoint
- (a) a secretary and a treasurer; or
 - (b) a secretary treasurer having the duties of both secretary and treasurer.
- 10(3)** The secretary and the treasurer or, where there is a secretary treasurer, the secretary treasurer, may, but need not, be a director or a Member.
- 10(4)** The Board must hold a meeting not less than once every three (3) months as required by the Act and, subject to section 10(1), the Board may hold other meetings on days and at places and times decided on by the Board.
- 10(5)** The chairperson must call a Special Meeting of the Board on the written request of a majority of the directors or if the chairperson considers it to be necessary.
- 10(6)** The secretary must give each director written notice of a Special Meeting:
- (a) stating the time and place at which it is to be held; and
 - (b) stating, in general terms, the nature of the business to be transacted at the meeting.
- 10(7)** A notice given under Section 10(6) must be given to each director:
- (a) by mailing or e-mailing the notice to the director's address at least five (5) days before the day on which the Special Meeting is to be held; or
 - (b) by personally delivering the notice to the director, or in the director's absence from the directors residence, to any adult person there, not less than twenty four (24) hours prior to the meeting.
- 10(8)** Notwithstanding anything else in this section, if all the directors are present at a director's meeting, it is deemed to have been properly called whether or not the notice of the meeting has been given or properly given.
- 10(9)** A director or any other person entitled to attend a meeting of the Board may participate in the meeting by means of telephone or other communication facilities, and all persons participating in such a meeting by telephone or other communication facilities is deemed to be present at the meeting.

11 Proceedings at Board Meetings

- 11(1)** A majority of the elected directors shall constitute a quorum for a Board of directors meeting provided that one (1) of the directors in attendance is either the chairperson or vice chairperson of the Board.
- 11(2)** The chairperson may vote on any question, but having done so, the chairperson does not have a casting vote in the event of a tie.
- 11(3)** If there is not a majority in favor of a motion, the motion is lost.
- 11(4)** At the last meeting of the Board held before the Annual General Meeting of the Association, the directors are to adopt a report covering all the activities of the Association for the preceding year for presentation at the Annual General Meeting.
- 11(5)** All directors are expected to attend all meetings of the Board with full knowledge of the agenda and meeting procedure.
- 11(6)** All directors must adhere to the Code of Conduct as outlined in the Policy Manual during meetings of the Board.

12 Vacating Director's Office

- 12(1)** Where a director fails to attend three (3) consecutive meetings of the Board of which the director has been duly notified, the director's office may be declared vacant by the Board if the director's absence has not been explained to the satisfaction of the Board.
- 12(2)** Where a director ceases to be a member of the Association, the office of that director is to be declared vacant by the Board.
- 12(3)** Where a director's office is vacated under this Section 12, the Board may forthwith fill the vacancy with any Member from the same Voting District, with the exception of the individual who held the office immediately prior to such vacancy.

13 Corporate Seal

- 13(1)** The Association is to have a corporate seal in a form approved by the Board.
- 13(2)** The seal is not to be affixed to any documents except those kinds of document that are authorized by resolution of the Board as documents to which the seal is to be affixed.
- 13(3)** The use of the seal must be authenticated by the signature of a director, the secretary, Secretary Treasurer or some other person authorized by the Board.

14 Execution of Certain Documents

The Board may authorize by a motion of the Board the persons who have signing authority for the cheques, notes, bills of exchange and other financial documents of the Association

15 Fiscal Year

The fiscal year of the Association is the year beginning on January 1 and ending on the following December 31.

16 Auditor

- 16(1)** No person holding office in or employed by the Association is eligible to be appointed as the auditor of or to perform any of the duties of the auditor of the Association.
- 16(2)** The auditor is to be appointed, each year, by resolution passed at the Annual General Meeting of the Association or at a Special General Meeting of the Association called for that purpose.
- 16(3)** The auditor must be a member in good standing with the CPA Canada (Chartered Professional Accountants of Canada) and the CPA Alberta (Chartered Professional Accountants of Alberta).

17 Membership

- 17(1)** On the approval of the Board, a person may become a Member of the Association if that person:
- (a) owns or has an interest in land, which is located in a Voting District or could reasonably be allocated to a Voting District;
 - (b) enters into a contract with the Association, in a form, and on terms and conditions satisfactory to the Board, for the provision of water service to such land and for the payment of the required contribution to construction and extension of works costs, if any; and
 - c. purchases a Class A Share.
- 17(2)** Subject to Section 20(1), a person who is sixteen (16) years of age or older may become a Member as provided for under the Act.
- 17(3)** Notwithstanding any of the provisions of this Bylaw, unless otherwise determined by the Board, no person shall be entitled to be a Member of the Association unless he is at that time the beneficial owner of a parcel of land which is or is to be serviced with water from a pipeline owned, managed or operated by the Association.
- 17(4)** Subject to Section 17(1), two (2) or more persons who own or have an interest in land, jointly or in common, may jointly become a Member, and in that case:
- (a) the rights of a Member to receive notices, to attend meetings of the Association and to be a director is vested in only one (1) of those persons; and
 - (b) those persons must, in accordance with subsection 17(7), furnish the Association with a designation of one (1) of themselves as the person who is to have those rights of membership.
- 17(5)** Subject to Section 20(1), a corporation may be a Member of the Association.

17(6) Where a corporation becomes a Member of the Association, the corporation must, in accordance with Section 17(7) furnish the Association with a designation of a person who is to be the corporation's representative with the right to attend meetings of the Association, to vote and to be a director.

17(7) A designation under Sections 17(4) and 17(6):

- (a) must be in a form acceptable to the Association;
- (b) must be furnished to the Association at the time the water service contract pursuant to Section 17(1)(a) is executed; and
- (c) may be changed from time to time by a like designation.

17(8) The number of Units purchased by a Member who is subdividing a parcel of land for transfer or sale shall determine whether such Member is a Developer.

17(9) A Developer shall continue to be a Member, subject to and as provided for in this Bylaw, until the sale of the last lot or parcel of land in the Subdivision to a third party purchaser, such that the Developer no longer owns a lot or parcel of land in such Subdivision.

17(10) A Member withdrawing from the Association is entitled to be repaid the amount paid for such Member's Class A Share, but any contribution by the Member toward construction and extension of works costs becomes and remains the sole property of the Association.

18 Share Capital and Contingency Fund Contribution

18(1) A Class A Share shall be purchased by each Member. Each Member shall only be entitled to one (1) Class A Share. Notwithstanding the foregoing, a Developer shall only be entitled to one (1) Class A Share.

18(2) Unless otherwise determined by the Members at an Annual General Meeting or Special General Meeting of the Association, any costs or expenses incurred by the Association that require a Cost Contribution shall be levied on the Members based on the number of water units held by each Member.

18(3) A Member is responsible for the cost of water and other services provided to the Member or to the parcel of land owned by the Member. Water service or connections shall not be sold or transferred separately from the property to which they were established.

19 Funds Not Designated to Finance Operations and Capital Projects

19(1) Earnings of the Association, including surplus earnings resulting from contributions to construction and extension of water pipeline costs, remaining with the Association at the end of any fiscal year may, at the sole discretion of the Board, be utilized or distributed as follows:

- (a) by funding necessary maintenance, repairs, alterations or improvements to the water pipeline or other plants, property and equipment of the Association as determined by the Board;
- (b) by setting aside such earnings, or a portion thereof, to be placed in a reserve fund, in such amount as determined by the Board; or
- (c) NSWC is a Not-for-Profit Association and members may only receive consideration by reducing the base monthly fee for water usage at the sole discretion of the Board.

19(2) Rescinded – Covered in 20 (3) (c)

20 Voluntary Termination of Membership and Transfer of Property

20(1) A Member wishing to terminate his membership and withdraw from the Association shall make written application to the Board who shall have the right to accept such withdrawal upon the condition that the Member shall be and remain liable for the cost of water and other services provided to the Member or the parcel owned by the Member to the date of withdrawal and the Member shall comply with any terms of the Membership Agreement relating to the termination of his membership and such other terms as the Board deems reasonable.

20(2) When a Member ceases to be the owner of a parcel serviced with water by the Association his membership automatically ceases and terminates, however, the Member continues to remain liable to the Association for all debts he owes to the Association, including all fees for water and other services provided to the Member or to the parcel owned by the Member.

20(3) When a Member of the Association (including Developers and Minor Developers) transfers, sells or assigns one or any of the parcels being serviced by the Association to a new owner, the new owner, prior to becoming eligible to receive water service from the Association must:

- (a) become a Member of the Association;
- (b) deliver to the Association an executed assumption agreement of the Membership Agreement entered into by the Association and the Member from whom the new owner purchased such parcel, in a form prescribed by the Association;
- c) purchase one (1) Class A Share in the Association.

20(4) Subject to the Membership Agreement entered into with the Member, upon withdrawal from the Association, the Member shall be repaid the cost to purchase his Class A Share. Any payment by a Member in respect of the construction, expansion or repair of the water pipeline or other plants, property and equipment of the Association shall become and remain the sole property of the Association.

21 Member's Responsibilities

21(1) Each Member:

- (a) shall grant to the Association any and all easements, rights-of-way, etc. over the property that the Association may require to install, enlarge, equip, repair or replace its water system at no cost or charge whatsoever, provided however, that the Association shall be responsible for all costs and expenses for such operation, unless such work is done at the request of the Member;
- (b) shall: (i) install all tie-ins to the Association's water system in accordance with the laws and regulations in force in the Province of Alberta governing such procedures, as amended from time to time; (ii) shall ensure that there is an air-gap separation between existing

private water supplies and the Association's water system; and (iii) shall, prior to any work being conducted that is necessary to tie-in to the Association's water system, receive written approval from the Association for the contractor and/or person that will perform the work required to tie-in to the Association's water system;

- c) shall, concurrently with tying in to the Association's water system, install a water meter as directed by the Association and sealed by the Association;
- (d) shall commence payments to the Association for water service once the building on the property is connected to the Association's water system, whether or not such building is occupied or under construction;
- (e) shall pay the cost of water as set by the Board from time to time, and shall pay any additional fees or costs imposed by the Board from time to time
- (f) shall pay for all fixed costs and contingency fund payments to the Association through automatic debiting from a bank account designated by the Member to the Association's bank account;
- (g) shall permit free and unencumbered access to the Association or its representatives to the property for the purposes of:
 - (i) reading the water meter and/or surface readouts;
 - (ii) testing the Member's water meter and further agrees to permit the Association's representative to remove the water meter for testing at an approved commercial repair facility or government test facility;
 - (iii) shutting off or turning on the water supply at the Association's curb stop;
 - (iv) repairing, replacing, equipping or enlarging the Association's water system; or
 - (v) any other matter that the board deems necessary for the efficient functioning of the Association's water system;
- (h) shall keep his service connection(s) in good working order and will operate said service connections in accordance with the Bylaws and Membership Agreement; and
- (i) shall comply with the Association's Bylaws, procedures and any other orders, directives or motions of the Board.

22 Expulsion of Members

- 22(1)** The Board may expel any Member from the Association for actions that in the Board's opinion are harmful to the Association.
- 22(2)** Before ordering the expulsion, the Board must invite the Member to attend a board meeting at which the reasons for the expulsion are to be discussed and the Member allowed to present the Member's arguments against expulsion.

- 22(3) The Board must forthwith give written notice of an expulsion order to the Member.
- 22(4) A Member whose expulsion has been ordered may, within fourteen (14) days from the day of receiving notice of the expulsion, give written notice to the Board of the Member's intention to appeal the expulsion to the next Annual General Meeting of the Association.
- 22(5) Where an expulsion is appealed to an Annual General Meeting of the Association, the Association may confirm the expulsion or order the reinstatement of the former Member.
- 22(6) If an expulsion order by the Board is revoked by the membership at an Annual General Meeting, the membership of the Association must decide at that meeting if any compensation is payable to the Member, and if so how much.
- 22(7) If a Member becomes in arrears of payment for service, a caveat may be placed on his property.

23 Operating Cost Distribution

- 23(1) The base monthly fee is established by the Board.
- 23(2) The Board has the right to set an accelerated fee for water usage.

24 Security

- 24(1) This section only applies where the Association owns works.
- 24(2) The Association shall at all times maintain theft insurance or fidelity insurance against loss or damage by officers, contracted personnel and directors who carry out the function of employees.
- 24(3) The Association shall at all times maintain general liability insurance in an amount not less than \$2,000,000 inclusive per occurrence insuring against bodily injury, personal injury and property damage, including loss of use of property.
- 24(4) In this section, "theft insurance", fidelity insurance" and "general liability insurance" have the meaning given to them by the *Classes of Insurance Regulations (AR 121/2000)*.

25 Subdivision Rights - Rescinded 2022

As Approved 2013 Annual General Meeting Held April 17, 2013
As Approved 2022 Annual General Meeting Held April 26, 2022



SUPPLEMENTAL BY LAW

Add

At a general meeting of the North Springbank Water Co-op LTD held on the 23rd day of February, 2021 it was regularly moved and seconded that:

The North Springbank Water Co-op LTD **ADD** to its Supplemental By Laws the following By Law# 2021 - 01:

General

- (1) Any member of the **North Springbank Water Co-op LTD** who is in good standing shall have the right to vote at any general meeting of the association by mail-in ballot or electronic means according to association policy and procedures for alternative methods of voting.
 - (a) each member in good standing has one vote, regardless of the number of utility service contracts held by the member;
 - (b) no member may vote by proxy;
 - (c) members will be verified through a unique member number only; votes will be gathered in a manner that ensures anonymity of the member;
 - (d) an impartial scrutineer, publicly identified by the association board, will be responsible for securely receiving, counting, and recording all ballots received by alternative voting means; and
 - (e) tallied votes will be presented to membership without the identity of the members and how the members voted being disclosed.

Mail-in Voting

- (2) For mail-in voting, members must:
 - (a) pre-register in advance of the general meeting in order to receive a declaration form and a numbered paper ballot or ballots detailing the vote or votes to be held at the meeting,
 - (b) the ballot or ballots will be identified by a unique member number only.
- (3) A valid ballot shall be processed if:
 - (a) the separate declaration form is signed only by a member eligible to vote, and
 - (b) received within 10 business days of the date of the general or special meeting of the association.
- (4) Mail-in ballot(s) may be returned either by mail to the address provided in the voting package or in person at the association's registered office.

Electronic Voting

- (5) Members wanting to participate virtually and cast votes by electronic means must pre-register with the association to do so.
- (6) The virtual platform used for electronic voting will:
 - (a) be moderated by either the meeting chair or an individual appointed such duties by the meeting chair,
 - (b) permit all members to communicate freely with each other during the meeting, and
 - (c) permit members to cast votes anonymously to polls presented on screen.
- (7) The Association will:
 - (a) create policies and procedures for general meetings that are in line with the selected virtual platform and make these available to membership prior to the meeting,
 - (b) ensure pre-registered members are verified as being members eligible to vote prior to entering the meeting,
 - (c) communicate with all members regarding access and use of the selected platform for the general meeting,
 - (d) allow sufficient time for members to prepare adequately for the general meeting to ensure members are able to access and test the functionality of the selected virtual platform prior to the meeting, and

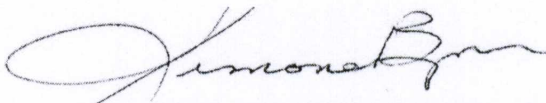
- (e) ensure each registered email address receives only one vote per log in for each question that appears on screen. All votes will be kept anonymous.
- (8) A verified member participating in a meeting by such means is deemed present at the meeting.

On being put to the meeting, the motion was carried.

AFFIDAVIT OF EXECUTION

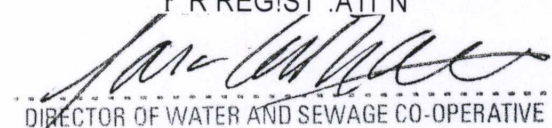
The association having given at least ten days written notice to the membership of such a motion, the above amendment was passed by the required majority of those members present at the general meeting.

Dated at the County of Rocky View in the Province of Alberta this 24th day of February, 2021.



Chairperson, NSWC

EXAMINED AND RECOMMENDED
FOR REGISTRATION



DIRECTOR OF WATER AND SEWAGE CO-OPERATIVE

DATE Mar 9 2021