

By Laws adopted by vote of the Members
At the Annual Membership Meeting
January 9, 2023

THE ROGERS MESA DOMESTIC WATER COMPANY

MISSION OF THE COMPANY

Ever mindful of the foresight and generosity of the farmers and ranchers of Rogers Mesa who donated valuable shares of irrigation water to endow Rogers Mesa Domestic Water Company, it is the mission of RMDWC to:

Be careful stewards of the resources and assets of the Company;

Provide our Members with safe, reliable, and sufficient domestic water at reasonable rates;

Be a constructive member of the Rogers Mesa community by supporting the traditional agricultural economy, human health and wellbeing, and rural lifestyle.

As a not-for-profit, membership organization RMDWC has discretion, but no obligation, to provide water service connections in addition to those already issued.

BY LAWS

ARTICLE I

Name, Objects, Purposes and Principal Place of Business

The corporate name, the objects and purposes and the principal place of business of this company shall be as stated in and provided by the Certificate of Incorporation of the Company heretofore filed in the office of the Secretary of State of Colorado and the office of the Clerk and Recorder of Delta County, Colorado, as required by the laws of the State of Colorado. The purpose of these By Laws is to carry out the mission as stated above, and as amended. The Company is charged to provide water for single family residential, and, at the discretion of the Board of Directors, agricultural, purposes.

ARTICLE II

Seal

The seal of this Company shall have inscribed thereon the name of the Company and the words "Corporate Seal" and "State of Colorado."

ARTICLE III

Membership and Certificates

Section 1. **Eligibility.** Any Rogers Mesa Domestic Water Company Member, or any owner of land containing an existing residence within the Rogers Mesa Domestic Water Company service area, is eligible to apply for membership in the Company by completing an application form for a domestic water service connection to serve a single family residence that is not already served by an RMDWC service connection.

Section 2. **Agricultural Water Use.** The Board of Directors may, at its sole discretion, permit a landowner to apply for a Membership and service connection for a valid, traditional agricultural use by complying with the application process applicable to domestic water users.

Section 3. **New Memberships.** The Board of Directors shall from time-to-time, and in advance of offering any new Memberships, set the number of new Memberships to be offered and the Membership application fee.

A. The number of new Memberships to be offered shall not jeopardize the ability of the Company to provide for the water needs of existing Members, shall not result in excessive demand on any part of the Company infrastructure, and shall not exceed the number of new service connections that RMDWC staff can install during the periods of the year that new installations can be made.

B. The water meter associated with a service connection shall, at all times, remain the sole property of the Company.

C. Installation of a new service connection, and associated water meter, shall be installed only by the Company, at the sole expense of the member, in addition to the Membership Application Fee.

D. Installation, connection, and maintenance of the water line from the meter to the residence shall be the sole responsibility of the Member.

Section 4. **Service Connection.** Each Membership is entitled to one service connection, which is to serve one single-family residence at the address specified on the application. A member may not apply for an additional membership and service connection for a period of at least three years after obtaining a new Membership.

Section 5. **Rights, Privileges, and Obligations.** All rights, privileges, and obligations shall be equal. Each Membership is entitled to one vote at any Membership meeting. Voting may be done in person or by proxy.

Section 6. **Approval by the Board of Directors.** Any Application for Membership is subject to approval by the Board of Directors. The Board may reject an application for reasons that may include, but are not limited to, that a new service connection in that location would produce undue hardship, inconvenience, or expense for existing members; or if it determines that there is not adequate water supply to serve the applicant.

Section 7. **Membership Certificate.** Each Membership shall be represented by a Membership Certificate to be issued by the Company and to the Member. The Company shall also maintain a book listing of Member names, the address served by each service connection, the amount of the Membership fee paid, and the date the Membership was approved by the Board, and such additional information as the Board deems relevant.

- A. The Membership or its Certificate has no monetary value and does not represent an ownership share in the assets of the Company.
- B. A Member may offer to surrender the Membership and Certificate to the Company. The Board will set the amount the member shall be reimbursed, if it decides to accept such an offer. Any amounts owed to the Company plus a reasonable administrative fee will be deducted from the amount paid.
- C. The Board of Directors may vote to terminate a Membership and revoke a Membership Certificate for violation of any provision of these By Laws, the Membership Application, or for any other valid reason under the same terms as Paragraph B, above.

Section 8. **Member Responsible for Charges.** The Member is responsible for paying for water charges accrued by the service connection attributable to that Membership whether or not the Member resides at the address of the water connection. If some other person resides at the address, the Member must provide the Company with contact information for the resident.

Section 9. **Termination of Membership.** If the Member, for any reason, ceases to be the owner of the property served by the service connection, the Membership is automatically terminated and, upon application and payment of a reasonable administrative fee by the property's successor owner, a new Membership Certificate shall be issued in the name of the successor owner, as determined by the Board.

ARTICLE IV Membership Meetings

Section 1. **Annual Meetings.** Annual meetings of the Members for the election of Directors and for other business which may properly come before said meeting shall be at a designated place on Rogers Mesa, County of Delta, State of Colorado, on the second Monday of January at 2:00 o'clock P.M. of each year. Public notice of the time and place of said meeting shall be given by the Secretary by publication in one or more newspapers published in Delta County, Colorado, such notice to be published at least once not more than thirty (30) days, or less than ten (10) days prior to the date fixed for said meeting, and by giving at least fifteen (15) days' written notice of said meeting by mailing a copy of said notice to each Member at his place of residence as the same appears on the records of the Company, or by delivering such notice personally to each Member.

Section 2. **Special Meetings.** Special meetings of the Members may be called at any time by the President or by a majority of the Directors. The President or, in his absence, the Vice-President shall call a special meeting upon the written petition of one-third of the Members of the Company. Notice of a special meeting shall be given as in Section 1 of this Article.

Section 3. **Quorum.** A Quorum shall consist of that portion of the Membership

who is present in person or by written proxy at any regularly called general or special meeting of the Membership.

Section 4. **Order of Business.** All Membership Meetings of the Company shall be governed by Robert's "Rules of Order." The order of business at all membership meetings shall include, as far as possible:

1. Roll call, appointment of a proxy committee, and determination of quorum.
2. Proof of due notice,
3. Approval of previous meeting's minutes.
4. Report of Board of Directors by President or Vice-President
5. Report of Secretary.
6. Report of Treasurer.
7. Unfinished business.
8. New business.
9. Nominations for vacancies on the Board of Directors.
10. Election.
11. Adjournment.

Section 5. **Voting Rights.** Each Member shall be entitled to one vote for each Membership Certificate held. Voting by proxy will be permitted. Cumulative voting shall be prohibited.

ARTICLE V Directors

Section 1. **Functions of the Board of Directors.** The business and affairs of the Company shall be managed by a Board of five (5) Directors. Its functions shall include the (a) selection of and delegation of authority to management; (b) determination of policies for guidance of management; (c) control of expenditures by authorizing budgets; (d) keeping of members fully informed of the business of the Company; (e) causing audits to be made at least once each year, or oftener, and reports thereof to be made directly to the board; (f) studying the requirements of members and promoting good membership relations; (g) prescribing the form of membership certificates; and (h) the establishing of water charges and the levying and collecting assessments and enforcing the collection thereof in accordance with the laws of the State of Colorado.

Section 2. **Terms of Office.** The Board of Directors shall serve staggered 2-year terms. Directors shall be elected at the annual Membership Meeting to fill seats of Directors whose terms have expired.

Section 3. **Election of Officers.** The Board of Directors shall elect one of its members to be President and one Vice-President, and shall also appoint a Secretary who needs not be a member of the Board or of the Company and a Treasurer who needs not be a member of the Board or of the Company. The offices of Secretary and Treasurer may be combined and held by one person if deemed appropriate by the Board.

Section 4. **Compensation of Directors and Officers.** The Board of Directors and officers, including the Secretary and the Treasurer, may be paid a reasonable remuneration for services rendered.

Section 5. **Meetings of the Board of Directors.** Meetings of the Board of Directors shall be held at such regular intervals as the Board shall determine and shall have its annual meeting immediately succeeding the annual meeting of the members at which time the officers of the Board are elected. A majority of the Board of Directors present in person at any meeting of the Board shall constitute a quorum for the conduct of business thereat.

Section 6. **Powers of the Board.** The Board of Directors shall have the general power to act for the Company in any manner not prohibited by statute, or by the Certificate of Incorporation. If the Company shall at any time borrow or receive by way of grant any property from the United States, through any of its agencies, the Board of Directors shall pursue such management methods, including accounting and audits, as such agency may prescribe.

Section 7. **Hiring of Staff.** The Board of Directors may hire administrative staff including a Superintendent who will be in charge of the work of construction, maintenance and repair of the system of the Company and of the distribution of water. The compensation to be paid for the performance of duties of staff including the Superintendent and any additional workers shall be determined by the Board of Directors.

Section 8. **Vacancies.** When any vacancy shall occur among the members of the Board of Directors by death, resignation, or because such vacating Director has ceased to be a Member of the Company, such vacancy shall be filled by the remaining directors by the selection of a Member of the Company, who shall serve out the unexpired term of the vacating Director.

ARTICLE VI Officers

Section 1. **Duties of the President.** The president shall preside at all meetings of the Board of Directors. He shall execute Membership Certificates, notes, bonds, mortgages, contracts, and other instruments on behalf of the Company. He shall be ex-officio a member of all standing committees and he shall have such powers and perform such other duties as may be properly required of him by the Board of Directors.

Section 2. **Duties of the Vice-President** The Vice-President shall, in the absence or disability of the President, or in the event of his death, resignation or removal from office, perform and discharge the duties and exercise the powers of the President.

Section 3. **Duties of Secretary.** The Secretary shall keep a record of the proceedings of the Board of Directors and shall keep the books and records of the Company and the seal of said Company and shall attest the signatures of the officials of the Company executing documents on behalf of said Company; and shall do and perform such other duties and functions as may be required by the Board of Directors or the President.

Section 4. **Duties of Treasurer.** The Treasurer shall manage investments for the company, shall review financial statements and other documents presented by the company's accountant. The Treasurer shall also review monthly expenditures and business transactions on a regular basis and perform such other duties and functions as may be required by the Board of Directors or President. The Treasurer shall be covered in the performance of his or her duties by a surety bond in an amount to be determined by the Board of Directors and paid by the Company.

ARTICLE VII

Assessments and Charges

Section 1. **Water Charges.** The Board of Directors shall, from time-to-time, establish a schedule of charges for Membership and for water delivered. The amount of water delivered shall conclusively be the amount registered on the water meter for each service connection. Such schedule of charges may:

- A. Set a periodic fee to apply to all Memberships regardless of water delivered and a maximum volume of water to which the Member is entitled during the period in return for that fee; and
- B. Set a rate or rates for amounts of water delivered in excess of the amount described in A., above.

Section 2. **Membership Assessments.** If, for any reason, the total amount collected by the Company from water charges in any year is insufficient to pay all costs and expenses in connection with Company operations and debt retirement payments, then at the next annual meeting the Members of the Board of Directors shall recommend that the Members approve, by majority vote, a financial assessment in an amount necessary to maintain the solvency of the Company. Such assessment shall be the same for each Membership. However, should the Members fail to make or authorize such assessments by the first Board meeting after the annual meeting in any year, then the Board shall have the power to make the assessment.

Section 3. **Enforcement of Payments of Water Charges and Assessments.** The Board of Directors is authorized and directed to refuse to deliver water to any Member who is delinquent in the payment of any water charge, or any assessment levied as provided in Sections 1 and 2 of this Article after at least fifteen (15) days' notice of such delinquency by mail properly addressed to the Post Office address of such member.

- A. In the event of payment of water charges or assessments after service of

water has been discontinued, the resumption of service may be made only upon the additional payment of such charges or penalty as the Board of Directors may have determined in the provisions made for the management of the affairs of the Company.

- B. The Board is authorized to buy back the Membership of any Member who remains delinquent in the payment of water charges or assessments for a period of sixty (60) days after notice of such delinquency is given, as provided above.
- C. If a Membership is terminated or bought-back by the Company, a new or resumed water service connection to that location may only be secured through the new Membership application process applicable to all new Membership applicants.

**ARTICLE VIII
Amendments**

These By-Laws, or any section or Article thereof, may be changed, amended or repealed at any regular Membership meeting, or any special meeting of the Members held for that purpose, provided notice of such proposed change has been incorporated in the call for such meeting.

CERTIFICATION

I, _____, Secretary of THE ROGERS MESA DOMESTIC WATER COMPANY, do hereby certify that the above and foregoing is a true and correct copy of the By-Laws adopted by The Rogers Mesa Domestic Water Company at a meeting duly held near Lazear, Colorado on the ____ day of _____, _____ at ____ o'clock ____M.

Secretary
(CORPORATE SEAL)