

BYLAWS  
OF  
RHODODENDRON WATER ASSOCIATION

Revised May 20, 2006: Amended and Restated May 30, 2009

ARTICLE I

Definitions

As used in these bylaws the following terms shall have the following meanings:

"Association" means the Rhododendron Water Association (RWA), a nonprofit corporation that, among other things, provides water service in the Rhododendron area of Clackamas County, Oregon.

"Member" means a person or entity that has applied for and been accepted as a member of the Association.

"Member in Good Standing" means such a Member who is current as to all fees and assessments required by this Association and who is not in violation of any of these bylaw provisions or of any other obligation required by this Association as to all Members.

"Delinquent Member" means a member who has not paid all his dues, including all dues in arrears, by March 1 of each year, or who is more than sixty (60) days in arrears in his assessments or any installment thereof.

ARTICLE II

Members and Membership

Section 1. Eligibility. Membership in this Association shall be limited to persons, firms, or associations who own or occupy property served by the Association. Membership in the Association is a requirement for taking service from the Association.

Section 2. Classes of Membership. There shall be four (4) classes of membership, to wit:

(a) ***Residential Year-Round Members***, who shall be owners whose dwellings are served by the Association on a year-round basis where the dwelling is the Owners Primary Residence. (A Primary Residence is the address listed on the owners Drivers License, State ID Card, Voters Registration Card or other suitable form of State Identification) A *Residential Year-Round Member* is also an owner of a dwelling, as listed on the Clackamas County Property Tax Records, where the dwelling is leased or rented.

(b) ***Residential Part Time Members***, who shall be owners whose dwellings are served by the Association on other than a year-round basis: A *Residential Part Time Member* is defined as an owner who never rents out the dwelling and who maintains a Primary Residence at other then the premise served by RWA and that other Primary Residence is listed on the owners Drivers License, Voter Registration Card, State ID Card or other Suitable form of Identification.

(c) ***Commercial Members***, who shall be owners of business premises served by the Association.

(d) ***Other Members***, who have paid a membership fee but who do not take service or have a water connection.

Section 3. Application for Membership and Water Service. Application for membership shall be made to the Secretary and be subject to the approval of the Board of Directors. Unless subsequently disapproved by the Board of Directors, the application shall be deemed to have been accepted upon payment by the applicant of the membership fee to the Treasurer of the Association.

Section 4. Obligation of Members. Each Member shall abide by the articles of incorporation and bylaws of this Association, and such rules and regulations as may be promulgated by the Board of Directors.

Section 5. Transfer of Membership. No membership in this Association may be voluntarily transferred or assigned by any Member to any other person or entity. In the event that any Member ceases to be an owner or occupier of premises served by the Association, a new owner or occupier of the subject premises may become an applicant for membership in this Association as provided hereinabove. The Board of Directors may from time to time impose reasonable charges upon new applicants for addition of the name(s) of the new owner(s) or occupier(s) upon the Association records and for the costs involved in terminating services for the outgoing Member(s) and initiating services for the incoming Member(s). All amounts charged for such services shall be applied uniformly.

Section 6. Delinquent Members. A Member shall be considered delinquent if dues regularly charged by the Association are not paid by a date not later than March 1 of each year or within 60 days of any special assessments imposed.

### ARTICLE III

#### Meetings of Members

Section 1. Annual Meeting. The annual meeting of Members of the Association shall be held in May of each year at such time and place as may be designated by the Board of Directors.

Section 2. Special Meetings. Special meetings of the Members may be held at any time on call of the President, the Vice President, a majority of the Board of Directors, or one-third (1/3) of the Members of this Association.

Section 3. Notices. Notice for each annual and special meeting of the Members shall be given to each Member at least fourteen (14) days prior to the time of the meeting, by mailing the same to each said person at his address as last shown on the records of the Secretary. Notices of special meetings shall state the purpose of such meeting. Each notice shall be deemed to have been given when deposited in a U.S. Post Office, with first-class postage thereon fully prepaid.

Section 4. Quorum. The Members in Good Standing present in person at the meeting of the Members or represented by written proxy shall constitute a quorum at that meeting.

Section 5. Vote. Each Member may cast one vote. Members may vote by proxy. No more than one ballot may be cast on any particular matter as to any particular separate premises.

### ARTICLE IV

#### Directors

Section 1. Number and Positions. The corporate powers of this Association shall be vested in a board of seven (7) Directors, who shall be elected from the Members of this Association.

Section 2. Qualification of Directors. To be eligible for office, a Director must:

- (a) Be a Member in Good Standing with the Association at the time of election; and
- (b) Be current in the matter of payment of all dues and assessments properly owing to the Association; and
- (c) Have attended, according to the records of the Association, at least two (2) regularly called previous meetings of the Association Members, whether annual or special.
- (d) Members regularly elected to the Board of Directors to continue in office shall continue to qualify as Members in Good Standing.

Section 3. Election of Directors. Directors shall be elected by the Members at the annual meeting of the Members. The term of office for regularly elected Directors shall be three (3) years. The term of each Director shall begin at the conclusion of the meeting at which the Director shall have been elected and shall end at the conclusion of the meeting at which the successor shall have been elected. The election of Directors shall be by written ballot. As soon as the votes shall have been counted, the President shall declare the persons receiving the highest number of votes to be elected Directors of the Association. Such declarations shall be entered upon the minutes of the meeting.

Section 4 Removal of Directors. The Board may initiate removal action against a sitting Director who has not attended at least one (1) out of the preceding four meetings of the Board of Directors by sending to such Director a notice by certified mail, return receipt requested, informing such Director of the proposed action and informing such Director that the question of removal will be on the agenda of the next regular Board meeting. The Director receiving such notice may attend the next regular Board meeting and shall be given an opportunity to explain his or her absence. Following such discussion the Board of Directors (including the targeted member of the Board of Directors) shall vote on the question of removal. Such director shall be removed from office if at least 2/3 of the members of the Board of Directors present and voting, vote in favor of such removal.

## ARTICLE V

### Meetings of Directors

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly subject to call of the President.

Section 2. Special Meetings. Special meetings of the Board of Directors may be held at any time on call of the President or any two (2) Directors.

Section 3. Notice. Notice of all meetings of the Board shall be given to the Members of the Board of Directors at least seven (7) days prior to the time of the meeting. Any board Member may waive such notice by filing a waiver in writing with the Secretary or by attending the meeting.

Section 4. Quorum. Four (4) Directors shall constitute a quorum.

## ARTICLE VI

### Vacancies in the Board of Directors

Section 1. Vacancies in the Board of Directors. Vacancies in the Board of Directors shall be filled by appointment by the President of the Board and that appointment must receive an affirmative vote of a majority of the remaining Directors.

Section 2. Duration of Service. The duration of service by a Director so appointed to fill a vacancy shall serve for the unexpired term of the predecessor in office. The Director so appointed shall continue to serve in such position if the Membership present at the annual meeting following the appointment ratifies the appointment.

## ARTICLE VII

### Power and Duties of the Board of Directors

The Board of Directors shall have the following power and duties:

- (a) To call special meetings of the Members of the Association whenever the Board deems it necessary or advisable to do so.
- (b) To appoint and remove, at the pleasure of the Board, all officers, agents, and employees of the Association; to prescribe their duties; to fix their compensation; and to require and obtain such security as the board deems proper for the faithful performance of the duties and obligations of any officer, agent, or employee of or person under contract with the Association.
- (c) To conduct, manage, and control the business and affairs of the Association, and to make rules and regulations not inconsistent with the laws of the United States or the state of Oregon or the bylaws of the Association, for the guidance of the officers in the management of the business and affairs of the Association.
- (d) To cause correct and complete minutes to be kept of all meetings of the Members and of the Board; to supervise the acts of the officers, agents, and employees of the Association; to require the Treasurer to cause to be kept full and accurate books of account; and to prescribe the mode and form for keeping the books.
- (e) To establish rates for service to each separate class of Members.
- (f) To enter into agreements with providers and other distributors of water for the sale and purchase of water.
- (g) To cause the monies of the Association to be safely kept, directing from time to time where the same shall be kept and deposited and prescribing the method for the withdrawal thereof.
- (h) To terminate the water supply or any other facility or service provided by the Association to any Member if such Member is not current in the payment of dues, assessments, or other charges lawfully imposed or otherwise is in violation of these bylaws or of any rule or regulation adopted by the Board of Directors of the Association. Such service shall not be recommenced until the delinquency or violation shall have been cured and all provisions of Sections 1, 2, and 3 of Article X of these bylaws have been fully performed by such Delinquent Member.

- (i) To cause liens to be placed upon property belonging to Delinquent Members.
- (j) To do any and all other acts and make any and all determinations that the board of a nonprofit corporation may lawfully do or make under the laws the State of Oregon.

## ARTICLE VIII

### Officers

Section 1. Designation and Qualifications. The officers shall consist of a President, Vice President, Secretary, and Treasurer. All officers shall be elected by the Directors from their membership as soon after the annual meeting of Members as may be practical.

Section 2. President. The President shall preside at all meetings of the Members and of the Directors. Subject to the direction of the Board of Directors, the President shall be the executive head of the Association and its business, and the President shall call meetings of the Board of Directors whenever the President deems it necessary to do so.

Section 3. Vice-President. In the absence of the President, the Vice President shall perform the duties of the President.

Section 4. Secretary. The Secretary shall cause to be kept minutes of the meetings of the Members and of the Board of Directors and a record of the Board of Directors and a record of the names and addresses of all the Members.

Section 5. Treasurer. The Treasurer shall cause to be kept safely all monies belonging to the Association by depositing the same in one or more Insured Accounts. The Treasurer shall make disbursements on order of the Board of Directors, and shall make such reports as the Board of Directors may require. The Treasurer shall perform such other duties pertaining to the office of Treasurer as may be prescribed by the Board of Directors.

## ARTICLE IX

### Nominations

Section 1. Nominations by Board of Directors. Not less than one hundred twenty (120) days prior to each annual meeting of the Members, the Board of Directors nominate candidates for the offices of Director and shall report its nominations to the Members in Good Standing.

Section 2. Written Nominations by Members in Good Standing. Within sixty (60) days following receipt of the nominations made by the Board of Directors, any Member in Good Standing may nominate any other Member meeting the qualifications as set forth in Article IV, Section 2, to serve as Director by written nomination addressed to the Executive Secretary or any member of the Executive Board.

## ARTICLE X

### Fees, Dues, and Assessments

Section 1. Membership Fee. The membership and water service fee shall be fixed by the Board of Directors. Each applicant for membership shall pay the membership fee to the Treasurer as a prerequisite to becoming a Member. One membership fee shall be charged as to each of the premises served by the Association.

Section 2. Annual Dues. The annual dues payable to the Association shall be fixed by the Board of Directors. They shall be due and payable on the 1st day of January of each year and shall be delinquent after March 1 of the same year. Dues, as fixed at any one time by the Board of Directors, shall be uniform as within each of the classes of membership served by the Association.

Section 3. Assessments. Special assessments may be levied by the Board of Directors for the purpose of paying the cost of construction, improvement, maintenance, or operation of any facilities for the benefit of the Members and shall be payable in such amounts and at such times and places as the Board of Directors may provide. All special assessments shall be prorated among the Members of this Association and paid to the Treasurer. Special assessments to be valid must be approved in advance by at least a majority of the Members at an annual or special meeting called for such purpose.

Section 4. Shut Off/Restore Service Fees. A Shut Off Fee in an amount as may from time to time be fixed by the Board of Directors shall be charged to any Member in the case where the member's water service has been terminated by action of the Board on account of the members delinquency. The payment of such fee, in addition to payment of a Restore Service Fee, as well as all dues and assessments in arrears, shall be a prerequisite to having the delinquent members water service restored. In addition, the Board of Directors reserves the right to charge any additional fees, should access to the water service be encumbered in any way so as to prevent water service from being shut off or restored. The Board of Directors also reserves the right to place a Lien against the delinquent members property until such time as all dues, fees, and assessments have been paid in full. At any one period of time the fees for such services fixed by the Board of Directors shall be uniform as to all of the property subject to permits or leases.

Section 5. Transfer Fee. In the event that any Member of this Association is terminated or transferred for any reason according to the records of the Association, water service of this Association may not be resumed at the location of the premises served by the Association unless and until the new or replacement Member has paid to the Association such transfer fee as may be fixed by the Board of Directors. The transfer fee so charged by this Association at any given time shall be uniform as to all such transferees at said time. Transfer between husband and wife shall not be subject to a Transfer Fee, but any other transfer, including those among other family members, shall be subject to such fee.

## ARTICLE XI

### Status as Special District

The Rhododendron Water Association intends to be a special district as defined in ORS 198.180(3) that is organized as a non-profit corporation of Oregon under the provisions of ORS 554.005 through 554.340 with all the rights and privileges of a public corporation.

## ARTICLE XII

### Books and Papers

The books and records of the Association, and such papers as may be placed on file by vote of the Members or Directors, shall at all times, at reasonable hours, be subject to the inspection of any Member.

### ARTICLE XIII

#### Contracts

No contracts made or entered into by any of the officers of the Association shall be valid without the previous authorization or subsequent ratification of the Board of Directors.

### ARTICLE XIV

#### Amendments

The bylaws may be altered, amended, revoked, or suspended at any annual meeting of the Members, or at any special meeting of the Members called for that purpose, upon a majority vote of the Members present or represented by written proxy at said meeting.

### ARTICLE XV

#### Rules of Order

The meetings of the Association shall be conducted according to parliamentary usage as laid down in Roberts Rules of Order, Newly Revised, where such usage does not conflict with the bylaws of the Association.