BY-LAWS ROBIN HOOD WATER USERS' ASSOCIATION

Amended September 10, 2022

The Robin Hood Water Users' Association shall hereinafter be referred to as "the Association".

ARTICLE I DIRECTORS

SECTION 1. NUMBER AND QUALIFICATIONS

The affairs of the Association shall be governed by the Board of Directors composed of seven members of the Association. The Directors shall be members in good standing of the Association; shall be elected by the members of the Association at the Annual Meeting; and shall serve for a one-year, two-year, or three-year term, as established 1 September 2007. Upon election of each new Board Member, the retiring Board Members shall be invited, but not required, to serve for one additional month in an advisory capacity. Directors shall be elected to serve terms of either one year, or two years, or three years in duration in order to provide continuity of experience on the Board. New Directors will be elected each year at the Annual Meeting to replace or re-elect those Directors whose term(s) have expired.

SECTION 2. POWERS AND DUTIES

Under Article IX of the Articles of Association, the Board of Directors shall have the authority to exercise powers and perform duties necessary for the proper administration of the affairs of the Association. The Board of Directors shall be subject to the lawful decisions of a majority of the members of the Association, and none of the Board's acts shall conflict with actions taken by the Association in accordance with these by-laws. The Board of Directors shall appoint the following:

a. WATER SYSTEM OPERATOR: In accordance with U.S. EPA and New Mexico Environment Department rules and regulations, it is unlawful to operate or allow the operation of a community water supply system unless the system or facility is operated by or under the supervision of a certified operator who meets or exceeds the appropriate certification level. For the Robin Hood Water Users' Association water system, the Water System Operator must hold an SW (Small Water) System or higher level of certification. The Water System Operator or certified designee will be responsible for performing the water sampling. In addition, the Water System Operator. In addition, the Water System Operator will assist the Water Master and the Assistant Water Master to ensure the Association will be in compliance with U.S. EPA and New Mexico Environment Department rules and regulations.

The Water System Operator may or may not be a permanent resident of Robin Hood Park or Robin Hood Estates. The Water System Operator may or may not be a member of the Board of Directors. The Water System Operator shall be provided monthly compensation at a rate established by the Board of Directors and reimbursement for expenses incurred while performing duties of the Water System Operator for the Association, as deemed appropriate by the Board of Directors.

b. WATER MASTER: Under the direction and supervision of the Water System Operator, the Water Master shall exercise general operational supervision and control over the water system of the

Association. The Water Master shall periodically inspect all water lines, tanks, and other water system components. The Water Master shall make or cause to be made all necessary repairs and ensure that all water system assets are maintained in a fully functional condition. Either the Water Master or the Assistant Water Master must be a permanent resident of Robin Hood Park or Robin Hood Estates in order to maximize service availability. The Water Master may or may not be a member of the Board of Directors. The Water Master shall be provided monthly compensation at a rate established by the Board of Directors, and reimbursement for expenses incurred while performing duties of the Water Master for the Association as deemed appropriate by the Board of Directors.

c. ASSISTANT WATER MASTER: The Assistant Water Master shall assist the Water Master and shall be under the direct supervision of the Water Master. Either the Water Master or the Assistant Water Master must be a permanent resident of Robin Hood Park or Robin Hood Estates in order to maximize service availability. The Assistant Water Master may or may not be a member of the Board of Directors. The Assistant Water Master shall be provided monthly compensation at a rate established by the Board of Directors, and reimbursement for expenses incurred while performing duties of the Assistant Water Master as deemed appropriate by the Board of Directors.

d. ADOPTED POLICIES & PROCEDURES: The Board of Directors shall adopt policies and procedures required to ensure water conservation and the functional operation and protection of the water system. Directors shall recommend, for adoption by the membership at the Annual Meeting, a Schedule of Approved Fees and Charges to which all members and prospective members shall be subject. All policies and procedures adopted by the Board of Directors shall be provided to all members in writing as expeditiously as possible after adoption.

SECTION 3. VACANCIES ON THE BOARD OF DIRECTORS

Vacancies on the Board of Directors resulting from any cause shall be filled by a vote of the majority of the remaining Directors, and each person so elected shall be a Director for the balance of the term of the director he/she is replacing.

SECTION 4. BOARD MEETINGS

There shall be a meeting of the Directors to be held immediately after the adjournment of the Annual Meeting for the purposes of electing the President, Vice-President, and Secretary/Treasurer, and for appointing the Water System Operator, Water Master and Assistant Water Master. Additional meetings of the Board of Directors may be called by the President on adequate notice to each Director. The President will call additional meetings of the Board of Directors upon written request of at least three directors.

SECTION 5. QUORUM

At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business. A quorum is required for any action to be decided by the Directors.

SECTION 6. REIMBURSEMENT FOR EXPENSES

Any Officer or Director of the Association may be provided reimbursement for

reasonable expenses incurred while performing Association duties which are adequately documented and deemed to be appropriate by the Board of Directors.

SECTION 7. OFFICERS

Officers shall be elected annually by the Board of Directors from its members, and such Officers shall hold office for the remainder of the current fiscal year. The officers shall be President, Vice-President, and Secretary/Treasurer. The Board of Directors may appoint an Assistant Secretary-Treasurer and any other officers or committees it may deem necessary to transact the business of the Association.

a. PRESIDENT: The President shall be the chief executive officer of the Association and the Board of Directors. The President shall have general authority and responsibilities necessary to the orderly governance of the Association.

b. VICE-PRESIDENT: The Vice-President shall serve in the absence of the President and shall perform such other duties as requested by the President or the Board of Directors.

c. SECRETARY/TREASURER: The Secretary/Treasurer shall:

- 1. keep minutes of all official meetings of the Association,
- 2. keep minutes of all meetings of the Board of Directors,
- 3. have custody of all funds of the Association,
- 4. make and keep full and accurate accounts of receipts and disbursements and any other transactions involving financial aspects of transactions entered into by the Association,
- 5. provide financial reports to the Board of Directors whenever the Board of Directors meets and an annual financial report to the membership at the Annual Meeting. When possible, the financial reports will include a statement of assets, liabilities, and equity; a statement of revenues and expenditures and changes to equity compared to the approved budget; and a statement of cash flows,
- 6. be responsible for depositing all monies and other valuable effects in the name and to the credit of the Association in such depositories as shall be designated by the Board of Directors,
- 7. make all adequately documented disbursements on behalf of the Association . All checks shall be signed by the Secretary/Treasurer and cosigned by either the President, or Vice-President or a designated Director.
- 8. be responsible for the timely and accurate filing of all local, state and federal tax or information returns,
- 9. be provided monthly compensation at a rate established by the Board of Directors, and reimbursement for expenses incurred in the performance of the duties of the Secretary/Treasurer as deemed appropriate by the Board of Directors,
- 10. notify the members of the Annual Meeting as prescribed in Section 2 of these by-laws.
- 11. expeditiously notify the members of policy and procedure changes approved by the Board of Directors

SECTION 8. REMOVAL OF OFFICERS

Upon an affirmative vote of the majority of the Board of Directors, any officer may be

removed for cause, and his/her successor elected by the Board of Directors.

ARTICLE II MEMBERSHIP

SECTION 1. MEMBER QUALIFICATIONS

An owner of property within the original boundary of the Robin Hood Park or Robin Hood Estates subdivisions must request to become a member of the Association in order to receive water service within Robin Hood Park or Robin Hood Estates Private wells will not be allowed. There shall be no further additions to the water system by any future incorporation or development of said subdivisions, and the total number of lots in both subdivisions is 241.

In order to receive water service within Robin Hood Park or Robin Hood Estates, a property owner must be a member in good standing of the Robin Hood Water Users' Association. To become a member of the Association, a property owner must submit a properly completed Application for Membership and pay all required fees. Upon payment of all required fees, the Board of Directors will approve the request for membership, and the approved Application for Membership will become the water service contract between the Association and the property owner. Water service will then be initiated and available to the property owner.

SECTION 2. REQUIRED FEES

The required fees due with the submission of the Application for Membership will be determined by (1) the Association's Schedule of Approved Fees and Charges in effect at the time of submission, (2) the number of Water Hookups located on the property owner's property, and (3) the number of Water Users located on the property owner's property that are capable of receiving water service from the Association.

The Association's Schedule of Approved Fees and Charges is an annual schedule that is approved by the Association's membership at the annual meeting.

A Water Hookup is the main connection between a property owner's water lines and RHWUA's water system main distribution lines. Only one water hookup is allowed per lot in Robin Hood Park and Estates. If a property owner owns multiple lots, there must be an approved water hookup on each lot on which water will be consumed.

A Water User is defined as a home or other structure that is capable of receiving water by a direct or indirect connection to the RHWUA's water system and is connected directly or indirectly to an approved septic system. For Association purposes, the following are considered to be Water Users.

a. A site-built home, single-wide, or double-wide manufactured home or structure on a permanent foundation that has kitchen and bathroom facilities, was built to be occupied as a single-family residence, is connected directly or indirectly to the RHWUA water system, and is connected directly or indirectly to an approved septic system.

b. A building or other structure that was constructed to be occupied by multiple families will be considered a multiple Water User dwelling regardless if it is occupied by multiple families or by a single family. For Association purposes, the number of Water Users would be equal to the number of families that could occupy the structure.

c. A recreational vehicle (fifth-wheel, pull-behind, etc.) or motor home that is connected directly or indirectly to the RHWUA water system, and is connected directly or indirectly to an approved septic

system. The connection will be considered to be a Water User regardless of whether the connections are permanent or temporary.

d. An active Water Hookup that is located on a lot on which there are no buildings or other structures will be considered a Water User.

The Association's Board of Directors; in consultation with RHWUA's System Operator and Water Master has the authority to designate any other type of separate structure (garage, barn, workshop, office, storage building, store front, etc.) as a Water User if it is connected directly or indirectly to the RHWUA water system and is connected directly or indirectly to an approved septic system. The Association's Board of Directors; in consultation with RHWUA's System Operator and Water Master will determine the number of Water Users that are located on a particular piece of property. After the effective date of these By-Laws, if there is a change in the ownership of a lot <u>or a change in the number of water users on</u> <u>the lot</u>, the property owner(s) would be subject to the requirements and provisions of all parts of these By-Laws. The property owner's billing status prior to the effective date of these By-Laws would have no bearing on the new billing status.

SECTION 3. MEMBER OBLIGATIONS

Each member shall:

- 1. agree to pay for services provided by the Association in accordance with the Schedule of Approved Fees and Charges set by vote of the membership at each Annual Meeting, To maintain an active membership in the Association, a member will be required to pay the approved annual fees as described in **Article II Section 2**.
- 2. agree to comply with and be bound by the Certificate of Association and the by-laws of the Association and any policies or procedures adopted by the Board of Directors,
- 3. agree to assume all costs and provide for the installation of water lines from the point of water main line hook-up. All such installations shall be made in accordance with written policies and procedures of the Association, and such installations shall be inspected and approved by the Water Master or the Assistant Water Master prior to the physical connection to the water system.
- 4. agree to be responsible for the cost of maintenance, repair, and winterization of all water lines from point of hook-up, and all plumbing on the member's property. Any expenses incurred by the Association for such repair of such water lines required to protect the water system shall be reimbursed to the Association by the member responsible for the repairs within 45 days. If these expenses are not paid within the 45 days, the Board of Directors may exercise its authority to discontinue the provision of water service.
- 5. agree to use a fair share of water for domestic use only and to abide by the RHWUA Water Use Restrictions Policy or other water use policy adopted by the Board of Directors. Any outside watering shall be permitted by the Board of Directors only when an adequate supply of water is available as determined by the Board of Directors. If a property is going to be unoccupied and not attended to, the property owner must turn off the water to the property at the curbside valve box (the point of the water main line hook-up). If the property owner fails to comply with this requirement, the RHWUA Water Master has the authority to turn off the water, and the property owner may be assessed a charge for this service.

- 6. Any member found to be using an excessive amount of water or otherwise depleting the available water supply may be assessed a fine for the negligent waste of water as authorized by the Schedule of Approved Fees and Charges or subject to discontinuance of water service by the Board of Directors. Restoration of water service will require payment of the currently established reconnection fee within 45 days of discontinuance of water service.
- 7. agree to be responsible for the timely removal of all household garbage from the member's property to the designated dumpsters. All other waste materials shall be removed by the member to appropriate publicly designated dump sites.

SECTION 4. ANNUAL MEETING OF MEMBERS

The members of the Association shall meet annually on the first Saturday after Labor Day at a time and place to be designated by the Board of Directors. Notice of the meeting shall be mailed to all members at least two weeks prior to the meeting.

- a The purposes of the Annual Meeting shall be to hear reports of the Officers and other Board or staff members, to elect a Board of Directors whose terms have expired, to approve a budget, the membership fee and other fees and charges for the next fiscal year, and to transact any other business that may come before the meeting.
- b. Each member in good standing who is the owner of property served by one or more water connections shall have one vote. In the case of joint ownership of property served by one or more water connections, there shall be one vote. There shall be no absentee or proxy voting.
- c. Fees and charges of all types shall be set or revised by the membership upon recommendation by the Board of Directors at each Annual Meeting. The Schedule of Approved Fees and Charges established at the Annual Meeting shall remain in effect until the next Annual Meeting. Fees are due upon receipt by the member of the billing invoice or other appropriate notice from the Secretary/Treasurer. Fees and charges are payable to the Association. Fees and charges not paid to the Association within ninety days from billing or notice date shall be considered delinquent. Members shall be notified in writing by the Secretary/Treasurer of such delinquency. Notification shall be sent to the member's last known mailing address. Members are responsible for notifying the Secretary/Treasurer of any change in address or status of the member. Following this notification, any unpaid fees and charges shall be the basis for termination of the water service to all Water Users located on the member's property by an affirmative vote of a majority of the Board of Directors. In addition, the Board of Directors may authorize the filing of a lien on the property for the unpaid fees and charges. Restoration of water service shall not be made until all delinquent fees and charges are paid.

(1).When ownership of property changes during a fiscal year, Annual Membership fees effective for that fiscal year shall be prorated between the seller and purchaser on a monthly basis beginning 1 September of each fiscal year. When ownership of property changes for any reason, both the new owner and previous owner must notify the Association of the change of ownership within 30 days of the date of change in ownership.

(2). Owners of property zoned for commercial use shall be assessed fees and charges based on proposed water usage as determined by the Water System Operator and Water Master and approved by the Board of Directors. Owners of commercial lots may be denied service if the Board of Directors determines that the water availability will not support the anticipated

commercial usage. Only lots within Blocks 1 and 2 of Robin Hood Park are zoned for commercial use. Lots within Blocks 1A, 2A and all other Blocks are zoned only for residential use.

ARTICLE III AMENDMENTS BY-LAWS EFFECT AND CHANGES

Any changes, amendments, or additions to these by-laws shall be made by a two-thirds vote (5 members) of the Board of Directors. In addition, any member in good standing with the Association may propose changes, amendments, or additions to the by-laws by submitting such changes in writing to the Board of Directors at least 30 days prior to the Annual Meeting to be included on the agenda of the Annual Meeting. An affirmative vote of two-thirds of members present and voting at the Annual Meeting is required for any change. Revised by-laws shall supersede all by-laws previously adopted and shall be binding upon all members of the Association.

ARTICLE IV

FISCAL YEAR

The fiscal year of the Association shall be from the first day of September through the last day of August. The fiscal year herein established shall be subject to change by vote of the Board of Directors or by vote of the membership at an Annual Meeting

ARTICLE V

FINANCIAL REVIEW

After the close of each fiscal year, the books and records of the Association shall be inspected and reviewed by the Board of Directors. An external review will be conducted by a qualified person appointed by the Board of Directors every three years.

ARTICLE VI PATRONAGE DIVIDENDS, ASSESSMENTS, DISSOLUTIONS

SECTION 1. PATRONAGE DIVIDENDS

In the event that revenues exceed expenditures for any fiscal year, the excess revenues will be retained for future water system development and/or operational contingencies.

SECTION 2. ASSESSMENT

If a financial deficiency occurs in a fiscal year that impairs the operating capital of the Association, each member may be assessed an equal amount for each water connection granted to the member to offset the deficiency.

SECTION 3. DISSOLUTION

In the event of the dissolution of the Association, any remaining assets will become the property of the State of New Mexico.

ARTICLE VII LIABILITY AND INDEMNIFICATION

SECTION 1. DIRECTOR, OFFICER, EMPLOYEE. OR AGENT LIABILITY

- a. The Director, Officer, Employee, or Agent has failed to perform the duties of his/her office in good faith and in a manner he/she believes to be in the best interest of the Association and with such care as a prudent person would use under similar circumstances in a like position; and,
- b. The breach or failure to perform constitutes willful misconduct or recklessness.

SECTION 2. DIRECTOR, OFFICER, EMPLOYEE, OR AGENT INDEMNIFICATION

The Association shall indemnify any person who is a party to any pending or completed action, whether civil, criminal, administrative or investigative. In the event that an action other than one by or in the right of the Association is initiated by reason of the fact that he/she is or was a Director, Officer, Employee, or Agent of the Association, said person shall likewise have indemnification.

SECTION 3. INSURANCE AND SIMILAR PROTECTION

The Association may purchase and maintain insurance for any reasonable risk related to the status of a Director, Officer, Employee, or Agent of the Association. The Association may optionally furnish similar protection by other means including providing a trust fund, a letter of credit, or self-insurance on behalf of any person who is or was a Director, Officer, Employee, or Agent of the Association or is, or was, serving at the request of the Association. The Directors may also purchase and maintain insurance or furnish similar protection for any and all operational assets of the Association.

SECTION 4. NON-EXCLUSIVE

The indemnification authorized by this article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under an agreement approved by the Association.