

10/28/2010

## Orchard Beach Community Group Inc. By-Laws

**Name:** The name of the group is the Orchard Beach Community Group Inc. Its headquarters shall be in Orchard Beach, County of Mason, and Sate of Washington

**Objectives:** The SOLE objective of the group is to maintain the community water system under the guide lines of Mason County and other governing agencies to assure a supply of water to all active members, in good standing, that is safe and adequate. The water system is only responsible for the main-line and well maintenance and property owners are responsible for any of the system that is on their property.

**Membership:** Membership shall be limited to those owning property/ properties or tracts that are of record in Mason County. Membership is not compulsory, but by choice for those who choose to be hooked to the Community Water System. The membership is governed by the amount of properties the system can accommodate set forth by the governing bodies for water systems in the County and State.

**Meetings:** Meetings will be held annually and meeting notices will be sent approx. 20 days prior to all active members of the time and place of meetings. It is the obligation of the members to contact the Secretary/Treasurer, of any change of mailing address or if the property has changed ownership. The time and place will be decided by the executive committee or officers.

1. Any member can request an emergency meeting by first contacting the officers in writing to make a final decision if a full membership meeting is required or a meeting with the officers only is adequate.
2. Inasmuch as possible the topics and agenda will be sent to all active members prior to the meeting.
3. Meeting Notes will be taken by the secretary for actions that need to be taken and input from members will be documented.
4. Special meetings may be called at the request of the President or any member of the executive committee. Any topics deemed to be major or controversial will be voted upon by the members of that group. A special meeting vote on the action will be taken. The aforementioned vote need not require a special meeting of the all members group.
5. A majority of the members **present** at any meeting properly called shall constitute a quorum for the transaction of business.
6. Voting will follow standard corporate procedures. Issue of vote, seconded, and voted on by parties present. Simple majority rules.
7. Nomination of officers can be made by any member present at the meeting.

8. The election of officers of the group shall be held at the meeting set forth by the President. Nominations, seconded and voted by present members will determine the officers of the group and duration of service.
9. Meeting of the group shall be attended by active members of the group, those eligible to be a member, their spouses and any individuals specifically invited by the executive committee.

**Officers:**

1. The officers (aka executive committee) of the group shall be: President, Vice-President, Secretary/Treasurer and Trustee. The officers serve on a voluntary basis. The immediate past President of the association shall serve as a non-voting advisor to the executive committee. Officers shall hold office until the next election meeting, held every three years, or until a successor has been voted on. An officer may be removed, with or without cause by an affirmative vote of the majority of members present at the election meeting. If there is a vacancy of any office for any cause, said vacancy will be filled for the unexpired term by an Executive Committee member. All standing officers are exempt from the annual maintenance fee for one owned property.
2. The President shall preside at all meetings. He shall be the Chairman of the Executive Committee and an ex-officio member of all other committees. He shall have such other powers and duties as may be prescribed by the group or the executive committee.
3. The Vice-President shall preside over all meetings of the group and executive committee in the absence of the President. In addition the Vice-President will assist the President and other executive officers duties when necessary.
4. The Secretary-Treasurer shall be the secretary of and attend all meetings of the members. They shall record the proceedings of each meeting and give required notices of meetings to members of the group or the executive committee. The position requires that the secretary maintain an up-to-date list of all members. In addition, he/she will keep accurate records of all money of the group received and disbursed.
5. All significant expenditures on behalf of the group are subject to approval of the Executive Committee. A current financial report will be presented to the members at the member meeting. The report will then be voted on for approval.
6. The Trustee shall have such powers and duties as may be prescribed by the members of the group or executive committee. He/she shall appoint members to his committee as he deems necessary.

Executive Committee may empower an advisor or advisory group to be considered as a non-voting member of the executive committee. They may take on the supervisory role specifically as they relate to the water system. They may attend all meetings of the group or officers.

**Fees:** All tracts in the Orchard Beach Community Group of which the water system is supplying water, shall be assessed an annual fee accepted and approved by attending member vote. **This is a system maintenance fee and not to be considered a water usage fee.** All tracts that are not currently on the system and apply to be connected to the water system will be assessed a \$500.00 hook-up fee. In addition, the agreed to annual fee must be paid in advance to being hooked-up. Approval of new additions to the existing system will be determined by the system availability to meet regulatory requirements for the water system and how many users it can accommodate.

**Payment of the annual fee:** The fee is due within 30 days of being sent. Payments may be split into 2 equal payments. One half of the fee due upon receipt and the second payment due within 6 months. The Secretary/Treasurer **must** be notified if the 2 equal payment options are chosen.

**Nonpayment:** The Secretary or other officers will contact any owner for non payment. It is the obligation of ALL members to pay the fee for the water service timely. Any non-compliance to this will result in the water being disconnected to the property and liens on the property for unpaid water fees. This action will be sent by registered mail to the address of record. All fees associated with collections, including but not limited to legal fees, recording fees, the service fees charged by the water system manager to perform disconnections and reconnections of the water service as well as the cost of installation of a lockable device if one is not present are the responsibility of the member. Disconnected property would require the \$500.00 re-hook-up fee, repayment of all collections costs, and the delinquent fees paid in full. The system is governed by the number of users on the system and water may not be available if it is disconnected.

**Opting Out:** Members that have chosen not to pay the annual fee or are delinquent by over 6 months are considered to have opted out. Members that choose not be part of the water system are considered to have voluntarily opted out. In either option the water supply will be disconnected to the property. They will be contacted via registered mail to the address of record and that they have chosen by defaulting on payment or voluntarily chosen not to be a member of the system. The system is available to service a pre-designated amount of tracts. The Orchard Beach Community Group cannot assure water will be available to any owner in the future that requires water to their property. A lien for unpaid fees will be attached to the property.

**Membership obligation, liability and action:**

The membership is responsible to maintain the water lines **on their property** in good working order as not to disrupt or contaminate the main system.

It is the responsibility of all members to report any water leakage or breakage they observe on the mainline or any tract that uses the system. The Orchard Beach Community group is **ONLY** responsible for maintaining the well and the main lines.

Any member should report to a property owner or officer of any action they observe that may damage the lines, that is but not limited to, heavy vehicles parking on the lines, digging or contracted to dig or work near or on the line etc. The damage is the responsibility of the property owner of record to correct in



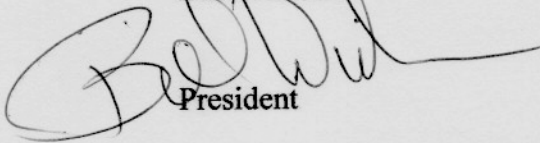
accordance with governing agencies. Emergency repairs will be performed as needed by a licensed water system management company or their contractors to correct the issue and restore water to the other members. Any additional damage to the system will also be the responsibility of the property owner. Damage or breakage reported or observed on personal property is the obligation of the property owner. In the event that the personal water line damage or breakage is noted, the property owner will be notified and immediate action to repair the damage is required. If the executive committee is unable to contact the property owner action will be taken to fix or repair the problem and cost incurred will be levied to the property owner. It is imperative that the contact information is up to date and an emergency contact is on record with the Secretary.

Any changes, additions or deletions to this document will be attached as an Addendum and not change the By-Laws as written above.

The above by-Laws negate any prior By-Laws and are considered active as of the date of this document.

Approver by:  
Bill Williams

Date 12/15/2010



President