

Pinos Altos Mutual Domestic Water Consumers Association

P.O. Box 1798
Silver City, New Mexico 88062

Maggie Toulouse Oliver, Secretary of State,

These amended bylaws were adopted by a resolution set forth by the Board of Directors. It was approved by a majority vote (49-1) of the members of the PINOS ALTOS MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION at the January 13, 2021, regular meeting as stipulated by section 3-29-19 NMSA 1978. Due to New Mexico Covid-19 restrictions limiting public gatherings to five (5) people, the meeting was held via Zoom and voting was done by sealed mail-in ballots opened and counted at the meeting.

I, Thomas Gedgaudas, President of the PINOS ALTOS MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION, and I, Gary Geisler, Secretary of the PINOS ALTOS MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION, an association existing under the statutes of the State of New Mexico, Chapter 3 Municipalities, Article 29 Sanitary Projects, hereby certify that the above is a true and correct copy of the amended bylaws adopted on January 13, 2021, and request that these bylaws be recorded by the New Mexico Secretary of State's Office.

Thomas M. Gedgaudas

Signature

President

Gary Geisler

Signature

Secretary

SEAL



STATE OF NEW MEXICO)

)

COUNTY OF GRANT)

The foregoing instrument was sworn before me this 16th day of

Jan, 2021 by Thomas Michael Gedgaudas, President, and

Gary Ernest Geisler, Secretary.



Notary Public [Signature]

My Commission Expires: 9/29/2024

**I CERTIFY THAT THIS
A TRUE COPY TO AN
ORIGINAL DOCUMENT**

SEAL

**AMENDED BYLAWS OF PINOSALTOS MUTUAL DOMESTIC WATER
CONSUMERS' ASSOCIATION**

ARTICLE I: Name, Objects, Purpose, Place

The corporate name, the objects, purposes, and the principal place of business of this Association shall be as stated and provided in the Certificate of Incorporation of the Association.

ARTICLE II: Seal

The Seal of the Association shall be inscribed thereon the name of the Association, a "Non-Profit Association." The Secretary of the Association shall have custody of the Seal.

ARTICLE III: Membership

Section 1. Water shall be delivered by the Association only to users who are members of the Association, or for fire protection purposes. No additional service connections shall be approved if the full capacity of the Association's system may be needed to serve the existing connections.

Section 2. Bona fide land owners within and in the vicinity of the community of Pinos Altos, County of Grant, New Mexico, having been determined by the Board of Directors to have reasonable access to the water delivery system of the Association, and who are or may be in need of water for domestic purposes, and who are eligible for membership as provided by Article VI of the Articles of Incorporation as amended,, may be admitted to membership upon application therefor and the payment of applicable fees as specified in the Operations Policy. Provided, however, that membership may be denied if the capacity of the Association's system to supply its existing members is endangered, or the ability of the Association to acquire additional supply to accommodate new members would place undue burden on existing members. In the event of a shortage of water, the Association shall take appropriate measures to conserve the available water to meet the needs of the Association.

Section 3. All applications for new memberships and transfers of old memberships shall be considered for approval by the Board of Directors. Applications for memberships or transfer of memberships shall be in the form approved and provided by the Board of Directors. Membership shall not be denied because of the applicant's race, color, creed, national origin or sex.

Section 4. The rights, privileges and obligations of all members of the Association shall be equal, provided that a member's right to delivery of water and the amount thereof shall be proportional to the number of the member's service connections within the distribution system of the Association.

Section 5. Each member shall be entitled to one vote only. Voting by proxy shall not be permitted. Voting by mail will be permitted as provided in Section 6 of Article IV herein.

Section 6. Memberships may be transferred with the sale or transfer of the underlying property, provided that the transferee shall be eligible for membership and shall be approved by the Board of Directors, and the transfer shall be noted on the books and records of the Association.

Section 7. The Board of Directors shall have the authority to revoke the membership of any member in the event said member fails to pay amounts owed to the Association as described in the Operations Policy. Any deposits, connection costs, fees or other monies held in the account of the delinquent member will be forfeited to the Association.

Section 8. Notwithstanding the rights of the Association to terminate the membership of a delinquent member as provided above, the Association, through its Board of Directors, shall have the additional rights to terminate the supply of water service to the delinquent member in accordance with the Operations Policy.

Section 9. Any non-property-owning resident in the Pinos Altos area who has resided in an existing dwelling with an Association water connection for two years or longer may apply to become an Association member provided he/she has had no delinquent payments and is willing to sign a note accepting responsibility for all further Association water billings as long as resident in the property. Such member shall have only one vote in the Association. No more than one non-property-owning member may serve on the Board of Directors at any time. A non-property-owning membership is not transferrable.

Membership may be revoked for failure to pay amounts owed to the Association. An application for a non-property-owning membership shall include a) the person's full legal name, b) property address, and c) email address. An application fee of \$25 shall accompany the application. Following receipt of application, the Board shall approve or disapprove the membership at its next scheduled meeting. The number of non-property-owning association members shall not exceed more than 10 percent of the property-owning members.

ARTICLE IV: Meetings

Section 1. The annual meeting of the members of the Association shall be held in Pinos Altos, County of Grant, State of New Mexico, in September of each year on a date and time determined by the Board of Directors.

Section 2. Notice of regular meetings of the members of the Association shall be posted at the Pinos Altos Fire Station and on the Association's website at least 10 days prior to the meeting. Regular meeting agendas shall be posted at the Pinos Altos Fire Station and on the Association's website at least seven (7) days prior to the meeting.

Section 3. Special meetings of the members of the Association may be called at any time by the President; or upon resolution of the Board of Directors; or upon written petition to the President of the Board, signed by ten (10) percent of the members. A meeting called by written petition to the President of the Board, signed by ten (10) percent of the members, shall be scheduled upon and within forty-five (45) days of receipt of the written petition by the President. The purpose of every special meeting shall be stated in the notice thereof, and no business shall be transacted thereat, except such as is specified in the notice. Notice of special meetings plus the agenda shall be posted at the Pinos Altos Fire Station and on the Association's website, www.pamdwc.org, at least seventy-two (72) hours prior to the meeting.

Section 4. Association members present at an annual or special meeting shall constitute a quorum of the Association for the transaction of business.

Section 5. The Board of Directors at the annual meeting shall follow the following agenda:

1. Calling to order and proof of quorum
2. Proof of notice of meeting
3. Reading and action of any approved minutes
4. Reports of officers and committees
5. Election of directors
6. Unfinished business
7. New business
8. Adjournment

Section 6. At any time that a schedule of the matters proposed to be presented for action at a meeting of the members is definitely known in advance of such meeting, the appointed Board member shall post a copy of such proposed schedule with the notice of said meeting. Any member who is not present and voting at such a meeting may cast a vote on all matters in the proposed schedule by mailing such votes to the Secretary in such time that it is received not later than the time of holding of the meeting, as specified in the notice thereof. All votes received by mail will be counted in the same manner and to the same effect as votes cast in person by members in attendance at the meeting. In no event shall the voters casting their ballots by mail be counted in determining a quorum, regarding unscheduled business, as set out in Section 4 of Article IV herein.

ARTICLE V: Board of Directors

Section 1. The business and affairs of the Association shall be managed by a Board of five (5) Directors. The functions of such Board shall include:

1. The selection of and delegation of authority to officers necessary for the management of Association business.
2. The determination of policies for guidance of the management of the Association.
3. The control of expenditures by authorizing budgets.
4. Keeping members informed of the business of the Association.
5. Causing audits to be made from time to time as necessary or required.
6. Designing the forms necessary for membership applications, transfers, disconnection notices, and others.
7. Supplying and distributing water, levying and collecting assessments and fees, in accordance with the provisions of these bylaws, equitable uniform rules and regulations, the operations policy, and the Laws of the State of New Mexico.
8. Consideration of applications for membership.
9. Hiring personnel as necessary to carry on the business of the Association
10. Determining whether an applicant for membership has real property with reasonable access to the existing water delivery system.
11. Determining what steps to take if a shortage of water occurs.

Section 2. The Board of Directors shall be elected or appointed in the manner provided in Article V of the Articles of Incorporation, and for the terms as provided therein.

Section 3. The Board of Directors shall meet as soon as possible after the holding of the annual election of Directors, and in any event within thirty one (31) days of that time, and shall elect a President, Vice-President, Treasurer and Secretary from among themselves, each of whom shall hold office until the next annual election and until the election and qualification of a successor unless sooner removed by death, resignation or for cause.

Section 4. The members of the Board of Directors shall receive no compensation for their services as directors. However, in recognition of the Board of Directors' contribution to the administration of the Association, each Director shall have the monthly administrative fee waived for one connection during the Director's time of service on the Board.

Employees of the Association including Bookkeeper and Meter Reader and the Certified Water Operator shall also have the monthly administrative fee waived for one connection during the time they are employed. In the event a past Director mentors new Directors, they shall have the monthly administrative fee waived for the period of time they serve as Mentor.

Section 5. In addition to the annual meeting, the Board shall hold meetings at regular intervals as the Board may determine. A majority of the Board present in person at any meeting shall constitute a quorum for the conduct of business thereat.

Section 6. The Board of Directors shall have the general power to act for the Association in any manner not prohibited by the statutes of the State of New Mexico or the Articles of Incorporation. If the Association, at any time, borrows or receives funds by way of grant or loan, the Board of Directors shall pursue such management methods, including accounting and audits, as the funds provider may prescribe.

Section 7. Any Director or officer of the Association may be removed from office with or without cause, by a vote of not less than two-thirds (2/3) of the members of the Association present at any annual meeting, or at any special meeting called for the purpose, provided that a majority of the total members shall be present. The Director or officer shall be informed in writing of the charges against him at least ten (10) days before such meeting and at such meeting shall have the right and opportunity to be heard in person or by counsel, and to present witnesses. Employees or agents, other than Directors and officers, may be removed from office or employment at any time by any legal action of the Board of Directors.

Section 8. It shall be the responsibility of each Director to identify to the Board any potential conflict of interest he may have with respect to the business or affairs of the Association. A Director shall not vote on matters for which there is such a conflict of interest, and the Board of Directors shall take any action it deems necessary to protect the Association from such conflicts.

Section 9. The association shall indemnify and hold harmless, to the fullest extent permissible under the law, as the same exists or may exist in the future (but, in the case of any future change, only to the extent that such change permits the Association to provide broader indemnification rights than the law permitted prior to such change), each person who was or is made a party or is threatened to be made a party or is otherwise involved in any threatened, pending or completed action, suit or proceeding, whether formal or informal, whether of a civil, criminal, administrative or investigative nature, by reason of the fact that they are or were a Director or Officer of the Association, whether the basis of such proceeding is an alleged action or inaction in an official capacity or in any other capacity.

This indemnification shall protect all Directors and Officers from and against all costs, charges, liabilities, and losses suffered and expenses reasonably incurred with such expenses and liabilities to include judgments, court costs, fines, penalties, and attorneys' fees and the cost of reasonable settlements by such person in connection therewith and such indemnification shall continue as to a person who has ceased to be a Director or Officer and shall inure to the benefit of their heirs, executors and administrators, so long as such claims, actions, causes of action, and losses are not occasioned the Director's or Officer's criminal wrongdoing. This indemnity shall apply to all claims and liabilities regardless of whether any insurance policies are applicable. The policy limits do not act as limitation upon the amount of indemnification to be provided by the Association.

The Association shall be required to indemnify a Director or Officer in connection with a proceeding initiated by such Director or Officer only if such proceeding was authorized by the Board of Directors of the Association. The Association further agrees to indemnify, defend, and hold harmless its Directors and Officers from any and all claims, losses, and expenses occurring or resulting from the enforcement or challenge to the legality of the provisions of the Indemnification Article. This Article constitutes a contract between the Association and the indemnified Directors and Officers. No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified Director or Officer under this Article shall apply to such Director or Officer with respect to those act or omissions which occurred at any time prior to such amendment or repeal.

The Association reserves the right to demand reimbursement from any Director or Officer for the expenses incurred by the Association if the Director's or Officer's actions giving rise to the cause of action were found to have been intentionally or recklessly committed.

ARTICLE VI: Officers

Section 1. The President shall preside over all meetings of the Association and the Board of Directors, shall call special meetings of the Board of Directors and perform all acts and duties usually performed by an executive and presiding officer. The President shall sign all notes, bonds, contracts and other instruments on behalf of the Association. The President shall be an ex-officio member of all standing committees and shall have such powers and perform such duties as may be properly required by the Board of Directors.

Section 2. The Vice-President, in the absence or disability of the President, shall perform the duties of the President. However, in case of death, resignation or disability of the President, the Board of Directors may declare the office vacant and elect a successor, to fill the unexpired portion of the President's term.

It will be the responsibility of the Vice President of Operations to flush the water hydrants at least twice yearly and to respond to Locate requests. The Director serving in the position of Vice President of Operations shall bill the Association for time spent assisting with water emergencies and repairs of the water system and checking for leaks for Members. Time will be charged at an hourly rate to be determined by the Board annually, and invoiced directly to the Bookkeeper at least bi-monthly. Any such payments will be filed at the end of the calendar year on a 1099 tax form.

Section 3. The Secretary shall keep a complete record of all meetings of the Association and of the Board of Directors. The Secretary shall make or cause to be made all reports required by law and shall perform such other duties as may be required by the Association or the Board of Directors. Upon the election of a successor, the Secretary shall turn over all books and other property belonging to the Association that may have in the Secretary's possession.

Section 4. The Board of Directors may appoint in addition to the officers named above, agents or contract employees, whose efforts may be necessary to superintend the water system of the Association and its construction, maintenance, repair, billing, and other requirements. Such agents or contract employees may be authorized by the Board of Directors under its direction and pursuant to its rules and regulations to provide for the delivery of water service to the members of the Association and perform such other duties as the Board may direct. Such agents or employees shall be paid a compensation for the performance of their duties in an amount to be determined by the Board of Directors. At the discretion of the Board, these contract employees or agents may be covered in the performance of their duties by a surety bond in an amount to be determined by the Board, the premium for such bond to be paid by the Association.

ARTICLE VII: Accounting and Records

Section 1. As a part of the records of the Association, there shall be kept a membership file, which shall contain a list of memberships, the dates thereof, the number of service connections, and the name and address of the person(s) to whom issued.

Section 2. The fiscal year of the Association shall begin on the first day of January of each year.

Section 3. The Board of Directors shall account for the Association's operations in a manner consistent with standard accounting principles. The Association's accounts shall provide for recognition of depreciating capital assets. The Association's accounts may provide for a contingency fund against unforeseen expenses, not to exceed twenty percent of the cash expenses budgeted for the current fiscal year.

Section 4. At least annually, the Board of Directors shall establish a budget for the subsequent fiscal year or years. The Board of Directors shall regularly compare the Association's actual results to its established budget making adjustments to rates, fees and budget as appropriate.

Section 5. The Board of Directors shall establish a rate schedule to be charged the members for services provided by the Association. The established rate schedule shall apply to each service connection. At least annually, the Board of Directors shall review the established rate schedule to assure that sufficient income will be generated for the coming year to cover anticipated expenses. Anticipated expenses include both cash expenses as well as an amount set aside for the future replacement of currently depreciating capital assets.

Section 6. During the last three months of each fiscal year, the Board of Directors shall determine whether the Association will be insolvent at the end of the fiscal year. If the Board of Directors determines that the Association will be insolvent at the end of the fiscal year, it shall make and levy an assessment against the members of the Association sufficient to guarantee the Association's solvency by the end of the fiscal year. The amount of the assessment levied against each member shall be proportionate to the sum of the member's monthly water billings during the first nine months of the current fiscal year.

Section 7. During the first three months of each fiscal year, the Board of Directors shall determine whether the Association accumulated excess funds during the last fiscal year. If the Board of Directors determines that the Association did accumulate excess funds, it shall return the excess to the members. The amount returned to each member shall be proportionate to the sum of the member's monthly water billings during the last fiscal year.

ARTICLE VIII: Amendments

These bylaws may be repealed or amended by a vote of the majority of the members present at any regular meeting of the Association, or at any special meeting of the Association called for that purpose.

These amended bylaws were adopted by a resolution set forth by the Board of Directors and voted on and approved by a majority vote (49-1) of the members of the Pinos Altos Mutual Domestic Water Consumers Association at the January 13, 2021 regular meeting as stipulate by section 3-29-19 NMSA 1978. Due to New Mexico Covid-19 restrictions limiting public gatherings to five (5) people, the meeting was held via Zoom and voting was done by sealed, mail-in ballots opened and counted at the meeting.

I, Thomas Gedgaudas, President of the PINOS ALTOS MUTUAL DOMESTIC WATER CONSUMERS' ASSOCIATION, and I, Allan Phillips, Vice President of the PINOS ALTOS MUTUAL DOMESTIC WATER CONSUMERS' ASSOCIATION, and I, Rebecca Dinwiddie, Treasurer of the PINOS ALTOS MUTUAL DOMESTIC WATER CONSUMERS' ASSOCIATION, and I, Shay Stark-Lane, Member at Large of the PINOS ALTOS MUTUAL DOMESTIC WATER CONSUMERS' ASSOCIATION, and I, Gary Geisler, Secretary of the PINOS ALTOS MUTUAL DOMESTIC WATER CONSUMERS' ASSOCIATION an association existing under the laws of the State of New Mexico, hereby certify that the above is a true and correct copy of the amended bylaws duly adopted on January 13, 2021.

Thomas M. Gedgaudas President
Signature

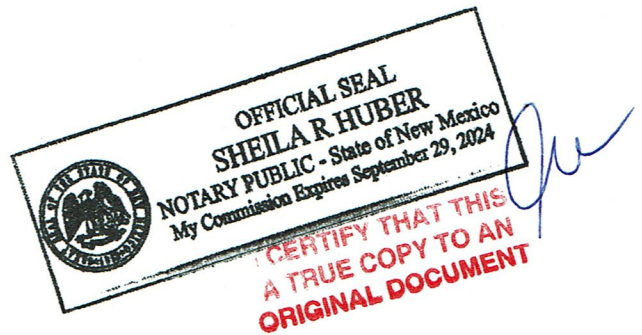
James Allan Phillips Vice President
Signature

Rebecca S. Dinwiddie Treasurer
Signature

[Signature] Member at Large
Signature

[Signature] Secretary
Signature

SEAL



STATE OF NEW MEXICO)

)

COUNTY OF GRANT)

The foregoing instrument was sworn before me this 16th day of Jan, 2021 by

Thomas Michael Gedgoodos, President, JAMES ALLAN PHILLIPS Vice President,

Rebecca L Dinwiddie, Treasurer, Gary Ernest Geisler, Secretary and

Shay A. Stark-Lane, Member at Large.

Notary Public 

My Commission Expires 9/29/2024



(SEAL)

**I CERTIFY THAT THIS
A TRUE COPY TO AN
ORIGINAL DOCUMENT**