

WILD FLOWER WATER CO-OP BYLAWS

2022

I. DEFINITION OF GENERAL TERMS:

- A. This co-op shall be known as the Wildflower Water co-op and shall hereafter be referred to as the "Co-op".**
- B. Subject properties affected by this co-op are all properties in Lots 13.3,13-4,13-7, and 13-8 of Section 13, Township 16 South, Range 10 East, and otherwise described as land bonded on the North by Viking Road, on the East by Sierrita Mountain Road, on the South by Raindance Road, and West by Cherokee Lane.**
- C. The DECLARATION OF RESTRICTIONS AND EASEMENTS shall hereafter be referred to as the "Deed Restrictions."**
- D. The general term "Member" shall hereafter refer to head of household and significant other (husband, wife, partner) or otherwise responsible party for each separately metered connection maintained upon any of the subject properties which pays to hookup and pays a monthly water bill.**

II. ADMINISTRATION:

- A. The affairs of this co-op shall be governed by a co-op board of directors whose authority is limited specifically to execution of those provisions stipulated by the bylaws contained herein and prevailing deed restrictions. The board of directors shall have the sole authority and responsibility to represent the co-op and/or well. Such representation shall be as required per the bylaws and /or at the direction of the co-op membership.**
- B. The board of directors shall consist of a President, a Vice President, a Secretary, a Treasurer and one board member at large. Term of office for the members of the board of directors: President 4-year term, Vice-President 4-year term, Secretary, Treasurer, and Board Member at Large 3-year terms.**
- C. The duties of the President shall include, but not be limited to, overseeing all aspects of well management and operation, ensure enforcement of the bylaws and the Deed Restrictions as applicable,**

organize work parties, conduct co-op, and board meetings, resolve issues and conflicts, and be the principal representative in all matters pertaining to this co-op as well to any County, State or Federal agency, bureau, or organization.

- D. The duties of the Vice President shall include, but not be limited to, assuming all duties of the President in his or her absence, and such additional duties as appropriately delegated by the President and/or membership.
- E. The Secretary shall maintain all well and co-op records and be responsible for all co-op and board meeting minutes. The Secretary shall mail and/or email the meeting minutes, water bills, and other correspondence as required.
- F. The Treasurer shall be responsible for the well Checking, charge, and savings account. The financial status report may be requested by any member by mail or via email and a response will be given within ten (10) working days. The treasurer shall be responsible for a semi-annual financial statement to be sent to each member. The treasurer will be responsible for generating the water bills for each member. The treasurer will maintain financial records with a computer-generated program, such as Quick Books. The treasurer will work with an outside audit agency/bookkeeper appointed by the Board to confirm that the records are accurate.

III. DETERMINATION:

- A. Determination of all issues not specifically covered by either the Bylaws or Deed or Restrictions is reserved to overall membership of this co-op by vote until such time that authority to act on behalf of said membership is granted to the Board of Directors by amendment to these Bylaws.
- B. Voting rights are based on one vote per member per definition of "Member." Property owners are members; this means that you or your significant other must have their name on the deed. The property owner will be responsible for any assessments by the Co-op. When buying a property is in progress; it is the individual's responsibility to provide the contract showing ownership and sign a contract with the co-op that they will be responsible for any

assessments to said property by the co-op. This must be notarized with the name and signature of the property owner and the individuals buying the property. The individuals that are on the title of the property are the owners. They must give up their right to vote and run for office to the individuals that are buying the property. This must be in writing and notarized.

- C. Amendments and issues determined by the membership of this co-op shall be by a simple majority vote. At scheduled co-op meetings, this shall be by vote of those present, mail in ballots and those represented by proxy. Those not present may be represented in the voting by a grant of proxy vote to any other member of this co-op, said grant of proxy granted in writing to the representing member. Renters are allowed to vote if given proxy by their landlords (must be in writing with printed name, address, phone number and signed). A written notice must be given to all members two (2) weeks prior to each meeting; with an agenda, a ballot time, place of meeting. Such issues as may be presented to the membership in writing will be voted upon by return of a YES or NO in writing, on the issue. Ballots may be mailed in or be put in the ballot box at the meeting; this will include the voting for members of the Board of Directors. Ballots must be signed, dated, and be delivered by the date of the meeting. Ballots not signed, dated, or received late will not be counted. A ballot for this shall be provided by the Secretary and returns shall be kept on file for a period of no less than five (5) years.
- D. Co-op meetings shall be held once every six (6) months, commencing with the meeting to enact these bylaws and elect the first Board of Directors. Other meetings may be scheduled as circumstances require, said meeting being called by the Board of Directors or the membership. Two weeks' notice, in writing, shall be provided to all members. This notice shall state the purpose of the meeting, the text of any proposals requiring a vote, and the date, time, and location of the meeting.
- E. Any or all members of the Board of Directors are subject to recall by a simple majority vote of all members of the co-op, said recall

election to be called by the membership, by a signed petition listing name, address, date, account number and signature. For the petition to be valid it will require fifty one percent (51%) of the members. A special election will take place for any board member/members recalled within four weeks of the said recall. The Secretary shall make available to the membership the mailing address of all members. This notice shall state the purpose of the meeting, the issue pertaining to the recall, and the date, time, and location of the meeting. Notification will be mailed to membership two weeks in advance. Ballots will be provided to the membership and members can vote by mail or in person at the meeting.

- F. Replacement of a board member who has resigned will be by vote of the membership.
- G. G. The Board of Directors will meet monthly. The membership will be notified when a meeting time is changed. All board meetings are open to general membership.

IV. WELL OPERATION AND FINANCE:

- A. Well expenses shall be divided into four (4) categories. These are operating expenses, Contingency funds, Improvement/upgrade funds, and Refundable security deposits.
 - 1. Operating expenses are periodic costs associated with providing water service electricity, water testing, insurance, etc.
 - 2. Contingency funds are those expenses associated with and emergency repair.
 - 3. Improvement/upgrade funds are those associated with upgrades to the water system.
 - 4. 4. Refundable Security deposits are those associated with renters and delinquent accounts.
- B. Operating expenses are charged to members based on their share of water used, and a flat monthly service charge. Currently this is (1/2 cent) 0.005 cost per gallon of water used and a \$20 service charge. The operating expense shall include, but not be limited to, such costs as monthly electrical bill, water testing, cost of certified well operator, office expenses, incurred on behalf of the co-op, telephone bills, maintenance of the well site, insurance, etc. Other expenses such as

are directly related to the operation of the well are included in this category. All purchases from any of these accounts must be approved by the President or Vice-President and the Treasurer. Expenses will be reviewed by the board monthly.

- C. The contingency fund is the fund raised and maintained solely for emergency repairs to the well. The amount maintained in this fund shall be based on the worst-case expense of simultaneous and complete replacement of all pump and motor assemblies associated with the well. The Goal of this fund will be \$25,000 and may be adjusted for inflation by the board.
- D. The contingency fund shall be raised and maintained by a monthly assessment based on the amount of water used in addition to the already established Operating expenses of 0.005 cost per gallon of water used and a \$20.00 flat monthly service charge.
- E. This may be increased or decreased as the need arises and will be approved by a unanimous vote of the board. If the board does not have a unanimous vote; the membership will be asked to vote on the proposal. If the majority of the membership doesn't respond to a vote on the increase of water rates the board will make the final decision by a majority vote. The membership will be notified in writing of a rate increase or decrease 30 Calendar days prior to it taking effect.
- F. If and when the fund reaches the target level, the contingency fund assessment shall continue until the water system meets all county, state, and federal rules/regulations. At this time, the fund could be suspended until such time as any emergency repair draws the fund below the target level. The target level shall be evaluated on a yearly basis and adjusted to accommodate any price changes to the specified pump and motor equipment. Amounts paid into the contingency fund is non-refundable in as much as they represent payment for wear and tear on well equipment providing water service during the residency of any member.
- G. Improvement/upgrade fund. This fund has a target level of \$40,000 dollars. These monies will come from membership fees, assessments, and overages from the contingency fund.

- H. Each new member shall be assessed a one-time membership fee of (\$500.00) at the present time. This charge will be for new membership. A membership fee of (\$150.00) will be assessed to reconnect service to existing dwellings as in the case of part year residents. Well and water services to all new members shall be granted only after execution of said agreement and payment of the membership fee. Said membership fee shall go into the improvement fund. Extension of lines or upgrade to ADEQ specifications shall be the responsibility of the new member. Individuals and/or contractors are specifically prohibited from freely connecting to any portion of the common water distribution system until the subject property's responsible owner executes and agreement and pays the membership fee. All members are required to supply the board with a physical address, mailing address, email, and phone number. This is required for billing, emergency notifications, outages, and general information about the co-op.**
- I. Where continued operation of the well is in jeopardy and the contingency fund is too small to absorb the cost, the Board of Directors shall, by a unanimous vote be empowered to access a levy for the sum of \$350.00 per each member in any four (4) month period. Any amount that exceeds the ceiling shall require approval by a majority of the membership. If a majority of the membership does not vote; the board will be tasked to make the decision by a unanimous vote (YA or NA). Renters will not be accessed the \$350; the landowner will be accessed this fee for the contingency fund.**
- J. Each member shall locate their meter(s) at the edge of such easements as are provided for common access to the water distribution system. Meters shall be connected to the water distribution system through a shutoff valve capable of being locked in the off position. Only meters and shutoffs approved by the board will be used. The Co-op owns and maintains the main lines and meters. After the meter is the responsibility of the member for maintenance and repair. Said meters and curb stop valves shall be jointly locate inside easements with covers and shall be installed in such a manner as to not expose said meter, valve and casement to road traffic or**

flood hazards. Should location in present casements not be feasible by reason of hazard to said installation, the installation shall be placed in a safe location upon the subject member's property with a minimum of a five (5) feet wide easement granted to this co-op for free access to and from said meter from whence the connection to the water distribution system originates. If subject property is fenced, a gateway shall be provided across any access easement. The water meter area must be clear of brush, cactus etc. If the meter reader has to clear the area around the meter; there will be a \$35 charge added to your bill and these monies will go into the emergency fund. It is the member responsibility to keep this area clean. Established easements shall not be fenced where access cannot be obtained. If a fence is across an easement, it must have a gate at least 8 feet wide so a vehicle can access meters. This gate must not be locked for easy access for the meter reader and repairs to the main line.

- K. Payment for operating expenses, and contingency funds shall be monthly. Bills are due upon receipt of the billing. Only checks or money orders will be accepted for payment. No cash payments accepted. There will be a 15-day grace period-after that there will be a \$30.00 late fee imposed. Returned checks for lack of funds-there will be a \$30.00 service charge. If the bill is not paid prior to next billing it will be declared delinquent and there will be a notice that the member's water will be shut off unless payment is made in full.
- L. Any member who terminates residency will be charged an appropriate amount of the operating expense for their final month. The full amount of the contingency fund shall be determined for the final month. All outstanding payment expenses for which that member is liable must be paid in full.

V. ENFORCEMENT

- A. Service to a delinquent account shall be severed if in arrears two (2) months or \$150.00. Concurrent to severance of water service, account will be put into a collection agency and (or) a lien put against said member's property shall be filed for the amount delinquent plus any/all legal fees incurred. The subject member shall be notified in writing of this proposed action no less than ten (10) days prior to this

- action. If residency is terminated with any liabilities still outstanding, a lien against said member property shall be filed for that amount.
- B. Service shall not be restored to a member who has service severed by reason of delinquency of their account until the amount in arrears has been paid in full and a cash deposit of \$300 has been posted. This cash deposit shall be retained by the co-op for a period of three years, or upon the member terminating residency on the subject property, whichever occurs first, and any outstanding balance will be deducted for the cash deposit. For as many times as a member subsequently has a water service severed, service again shall not be restored until all amounts in arrears are paid in full and another cash deposit of \$300.00 has been posted each time. If a member has had their service severed (3) times a cash deposit of \$300.00 will be held until termination of service.

VI. RENTERS

- A. Landowners renting property must notify the co-op when renting property. Renters will be required to make a \$150.00 cash deposit and applicable fees to establish their account. The \$150.00 cash deposit will be returned at the termination of their account and their account balance to the co-op is zero. If a renter departs owing money to the Co-op, it will be the landowner's responsibility to collect or pay the balance. Rules of Enforcement/Delinquency also apply to Renters.
- B. Any member who, for reason of hardship, cannot pay their monthly bill may privately and in confidence petition the Board of Directors for relief from severance of water services. The board shall review the matter with the subject member. A temporary payment plan may be established. Any hardship cases must be reviewed every three (3) months to adjust the amount of repayment.

PRESIDENT VICE-PRESIDENT SECRETARY TREASURER DIRECTOR

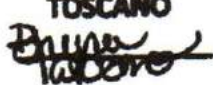
DAVID
CARR



JESSE
TOSCANO



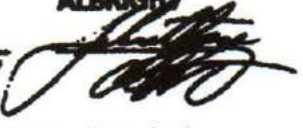
BRIANA
TOSCANO



SUSAN
HAGA



JOHNATHON
ALBRIGHT



APPROVED BY THE MEMBERSHIP MARCH 28, 2022.
DAVID CARR - PRESIDENT



KAITLYN EPLEY
Notary Public, State of Arizona
Pima County
My Commission Expires
May 10, 2022



[Signature] 3/29/22