

BYLAWS
OF
WEST SOUND WATER ASSOCIATION, INC.

As Amended June 19, 2022

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BYLAWS
OF
WEST SOUND WATER ASSOCIATION, INC.

ARTICLE I

PURPOSE OF THE ASSOCIATION

Section 1. General Purpose.

The purposes for which this non profit corporation is organized are as follows:

- a. To own, maintain, improve and operate a common domestic water supply and distribution system for the benefit of the members within the service area;
- b. To enter into an operating agreement with any other municipality or Water Association on Orcas Island for the purposes of obtaining additional supplies of domestic water;
- c. To provide for the financing of the acquisition, construction, maintenance and operation of the well water sources and the associated distribution system;

Section 2. Name of Corporation. To promote the ability of this corporation to accomplish these purposes for and within the portion of Orcas Island, Washington, commonly known as “West Sound”, the name of the corporation has been established as West Sound Water Association, Inc. In these Bylaws, the corporation is also referred by its initials, “WSWA”, or simply as “the Association.”

ARTICLE II

SERVICE AREA

The service area to be benefited by the distribution line of this Association is located within a portion of Section 4, and the North East one-quarter of Section 9, Township 36 North, Range 2 West, W.M., San Juan County, Washington, the specific areas being the parcels of land shown in the diagram attached to these Bylaws, which is marked “WSWA Current Service Area” and which is by reference incorporated herein.

There is also attached hereto an additional diagram, marked “Potential Future Service Area”, which identifies additional parcels which potentially could be served by the Association without having to expand the current distribution lines. This designation does NOT necessarily anticipate service, and it does not in any way commit or obligate the Association to provide service or membership to those parcels. However, any owner of such a parcel who wishes to be considered for membership is welcome to make his interest known to the Board of Directors, with the understanding that all costs associated with easements, connection, and perhaps additional water sources, would be borne by that owner if it should become possible for the Association to provide service.

ARTICLE III

MEMBERSHIP IN THE ASSOCIATION

Section 1. Membership. The corporation shall have two classes of members, “Charter” and “General”.

Section 2. Charter Members. Charter members are those members of the Association who have taken a large financial risk in the initial formation of and funding of the corporation for the purposes of acquiring the well and tank sites and constructing the necessary water distribution system. **Those members and their addresses are as set forth in addendum 2A.** [*That is old language, the list has been lost.*] These members will be issued certificates of membership indicating that they are Charter Members. One certificate will be issued per paid up membership.

Section 3. General Members. General Members are those individuals or firms who have applied for membership and are approved for membership after determination by the Association that they meet the following requirements:

- a. Property ownership. The applicant/s must be a property owner within the service area of the Association. “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title of the property, except that purchasers under a real estate conditional sales contract shall be deemed the “Owner” as against the contract seller. Those having an interest merely as security for the performance of an obligation shall not be deemed an owner as herein provided.
- b. Payment of fees. The applicant shall have paid membership fees as prescribed elsewhere in these Bylaws together with all other fees, rates or charges required of an applicant or by the order of the Board of Directors.
- c. Provide property description and easement. The applicant must provide the San Juan County Tax Parcel Number of the property to be served by the system together with any signed and executed easement in such form as may be required by the Board of Directors.

Approval for membership in the Association shall be by the Board of Directors of the Association, or by such committee as the Board may designate. Upon approval of membership, a membership certificate shall be issued to the applicant indicating that the applicant is a General Member and specifying the legal parcel to be associated with the membership for water service. Only one certificate will be issued for a specific membership regardless of how many owners are involved in the specific property. This means that there will be one vote per Charter or General certificate (see Article V, Section 4).

Any controversy as to whether or not an applicant meets the qualifications set forth above shall be decided by the Board of Directors of the Association and such decision shall be final and binding upon the applicant and members of the Association.

Section 4. Membership to be Associated with a Designated Parcel. Upon acquiring a newly issued General Membership, the owner(s) of the membership shall designate the parcel of land that will be eligible to receive the water service that is associated with the membership, subject to the rules and regulations that may be set forth in these Bylaws and/or in Association policies which may be adopted from time to time by the Board of Directors. The designated parcel to be served by a new membership must be mutually agreed between the member and the Association, after consideration of factors such as its location in or near the Association's service area, the potential water demands of the parcel that would be served, the Association's ability to satisfactorily provide water flow and water pressure to that parcel from one of the Association's distribution lines without interfering with service to members presently served from those lines, and any other applicable WSWA policies or considerations that may be relevant. The designated parcel shall be identified by San Juan County Tax Parcel Number, and that parcel number shall appear on the membership certificate. The owner of the membership must be the record owner(s) of the parcel designated for the water service. The membership shall be transferred by the member owner(s) to future owners of the designated parcel in accordance with transfer rules which may be established in these Bylaws, below, and/or adopted by from time to time by the Board of Directors.

ARTICLE IV

GENERAL RULES CONCERNING MEMBERSHIP

The following are general rules concerning membership in the Association and are applicable to Charter Members and General Members.

Section 1. Charter Members and General Members. All of the rights, duties and obligations prescribed in these Bylaws shall be applicable to Charter Members and General Members unless specifically stated otherwise. Where the term "member" is used it shall mean and refer to both Charter Members and General Members.

Section 2. The Rights of Charter/General Members to Purchase New Production Water Services. If and when any new production source of water is acquired by the Association, Charter/General Members shall have the first right to acquire such services for parcels which they may own and which meet the criteria for service that are set forth in Article III, Section 4 of these Bylaws. Such water services must be offered to each and every fully paid up Charter/General member and if there are not enough new water services available to fill the demand, a lottery shall be used to decide which member/s shall have the right to purchase said services at a price established by the board and approved by a majority vote of the entire membership.

Section 3. Maximum Water Usage. Unless otherwise specified on the Membership Certificate, the maximum allowed usage on a member's parcel shall be 13,500 gallons per month (a rate of approximately 450 gallons per day). The Board of Directors shall take steps to obtain compliance with this maximum, which may at the discretion of the Board include economic incentives in the fee structure and/or, if deemed necessary in the event of a member's frequent violation of this maximum, specific conservation or other requirements. In considering such compliance steps, the Board may consider different approaches during the peak usage times of the year.

Section 4. Water Conservation and Capacity Management.

- a. Water Use Efficiency. As is required by state law, the Association has adopted a Water Use Efficiency (WUE) program, which establishes goals for reducing water use. Members may obtain a copy of the WUE document by request to a member of the Board of Directors.
- b. Peak Period Conservation. Historically, the monthly water usage by Association members varies considerably between the peak summer months of June, July, August and September, and the winter months of lowest usage. Members are encouraged to minimize water use during the four peak months. Members who irrigate lawns or gardens are encouraged to develop alternative water sources, such as wells or ponds or catchment systems, for irrigation use during the four peak months.
- c. Restriction on Usage if a Second Connection. Members who request, and are issued, a Certificate of Water Availability from the Association to accompany a request for a building permit project which would create a second "connection" (as defined by state water policy), such as for an accessory plumbed structure, must agree not to use water from the Association for outdoor irrigation purposes during June, July, August, or September. Any irrigation must be supplied by an alternative water source, such as a well, pond or catchment system. This condition shall be added to the membership certificate, and shall apply to successor member-owners of the parcel.
- d. Prior Approval of Construction Projects or Changes of Use.

(1) Prior to (a) the construction of any new structure plumbed with WSWA water on a member parcel, or prior to (b) any existing structure on a

residential parcel being remodeled or used in such a way that the structure thereby becomes either a primary dwelling unit or an Accessory Dwelling Unit (ADU) served by WSWA water, or prior to (c) any remodel on a commercial or other non-residential parcel of an existing building which uses WSWA water, or prior to (d) any expansion of an existing commercial use which may increase usage of WSWA water, or prior to (e) any conversion of a residential building served with Association water to a commercial use (such as a restaurant or Bed & Breakfast or vacation rental), or prior to (f) any boundary line revision (including combining two parcels into one) which has the effect of adding to a member's WSWA-served parcel one or more additional plumbed structures, the member must first submit to the Association the County's Certificate of Water Availability form or a similar document describing the proposed project or change, and must receive the Board of Directors' written approval of that project or change of use before implementing it, whether or not the County actually requires a Certificate from the Association for that specific project or change.

(2) Any of the above identified types of projects which are subject to this Bylaw provision could potentially result in additional water demand, or could cause a change in the number of gallons associated with an Equivalent Residential Unit of water demand (ERU) in the Association's water planning, or could cause an increase in the number of ERUs for which the Association must plan and must demonstrate that we have the capacity to serve. The quantity of water the Association can supply is limited by the capability of the water system's infrastructure; furthermore, the number of connections and ERUs the Association is authorized to serve are limited by the State Department of Health. It is therefore necessary for the Association to ensure that all such potential projects would be consistent with the water planning which the Association's Board of Directors has developed for the purpose of ensuring that all members can access our limited water supply in an equitable manner. Requiring prior review and approval will encourage a dialogue that may help the member and the Board of Directors explore ways to achieve the member's goals in a manner that is most consistent with the Association's water planning.

(3) The Association will approve any such proposed project that in the judgment of the Board of Directors would not increase the number of ERUs that are counted in the Association's water use planning (for example, the first residential structure on a member's residential parcel), and also would not significantly increase future water use. The Association will approve other projects only if, in the judgment of the Board of Directors, the nature and scope of the proposed project are consistent with the Association's long-term water use plans and policies, and are consistent with our expected water supply capacity and our authority to supply additional demands. Should a project identified in subsection (1) of this Bylaw be implemented by a member without prior approval by the Board of Directors, the Board of Directors shall have authority to (a) require that the member remove or restore the construction or activity which caused the additional demand, or (b) require that the member help

finance Association infrastructure improvements which offset the impact of the increased ERU requirement, or (c) cancel the membership associated with that parcel and discontinue service, or (d) approve the change after the fact with conditions designed to ensure that the Association will not have to provide for unplanned increases in water usage or additional ERU demand.

- e. Fire Suppression Systems. Because fire suppression systems typically require a substantial amount of water and a 6” main to deliver it, the Association is unlikely to have sufficient capacity to handle the demand that would be expected. Accordingly, no member may install such a system without receiving approval from the Board of Directors.

Section 5. Member’s Address. Each member shall file with the Secretary of the Association their U.S. Mailing address and (if available) an address for electronic mail (email). All notices required in the Association’s business shall have been properly delivered when mailed to either such address. If email is used and delivery is rejected due to an invalid email address, then the notice shall be deemed to have been sent as of the email date, however the notice shall be resent via U.S. Mail. If any member shall fail to file such address or fail to file a change of address, such member will be deemed to have waived any notice required to be sent in the business of the Association.

Section 6. Transfers of Memberships.

- a. The Board of Directors shall, from time to time, establish and publish procedures to guide buyers and sellers in the transfer of a membership to new owner(s) of the parcel which has been designated for water service.
- b. Each membership shall be owned by the record owner(s) of the parcel designated for water service, and – unless otherwise specifically agreed between the member and the Board of Directors – shall be transferred by the member to future owners of the designated parcel whenever the record ownership may change. Each individual or entity who owns or becomes an owner of the designated parcel and who requests or accepts water service from the Association shall thereby agree to be a member of West Sound Water Association and shall also thereby agree to be bound by, and comply with, all governing documents and rules and regulations of the Association in connection with the membership. Any successor owner/transferee shall be entitled to receive a new Certificate of Membership subject only to (1) proper notice of the transfer being given to WSWA; (2) payment of a transfer fee and any other fees and obligations associated with the parcel that are then owed to WSWA; and (3) surrender of the seller’s Membership Certificate (or execution of an Affidavit of Lost Membership Certificate).
- c. Memberships in the Association are transferrable only to subsequent owners of the parcel which has been associated with the membership and designated for water service, whether the transfer is by purchase and sale of that parcel or by operation of law (such as by inheritance or foreclosure). EXCEPTION: A membership may become associated with another parcel in the manner set forth below.

- d. A request to transfer a water membership to become associated with service to a different parcel may be permitted upon approval of the Board of Directors, in its sole discretion. In evaluating such a request, the Board shall consider pertinent factors such as: whether the parcel presently associated with the membership has any structures being served with WSWA water, whether the owner of the different parcel is currently a member, the potential water demands of the parcel that would be served, the location of that parcel relative to the system's existing distribution lines, any potential impacts of new service on the water pressures or water flow within the system's distribution lines, and any other applicable Association policies or pertinent considerations. WSWA may refuse to approve the transfer if WSWA finds, in its sole discretion, that there is reasonable cause for refusing to do. Charter members only shall automatically have the rights to transfer the membership from the original tax parcel to one that was and is still owned by the Charter member at the time of transfer and which meets the criteria set forth in this section.
- e. A membership may be transferred to a new tax parcel that may have been created from the original parcel for which the membership was issued. The transferring member must specify in writing which parcel shall be associated with the membership, and must agree in writing to removal of the other remaining parcel(s) from the Association's service area.
- f. In order to effect the transfer, the transferring member must notify the Association in writing of the circumstances and if applicable the name and address of the prospective transferee. The transferor must also surrender the Membership Certificate associated with the parcel, or alternatively submit an Affidavit of Lost Certificate in a form acceptable to the Association.
- g. Before the new owner of a membership can be elected as a member of the Association and have the certificate reissued to him, the new owner must meet all of the requirements of these Bylaws. The new owner must request in writing that the membership certificate be reissued to the new owner, and must agree to be bound by the Articles of Association, Bylaws, and the rules established by WSWA. The new owner also must agree to assume any obligations of the transferor to WSWA, including any which may not have been met previously by the transferor.
- h. All those rules specified under Article III must be followed and specifically Article III, Section 3(c) must be adhered to for any parcel to which the membership is being transferred before the transfer can be effective.
- i. A transfer fee is required for all transfers of a membership, and it shall be the one that has been established by the Board of Directors and in effect at the time of transfer. In addition, any unusual costs incurred by WSWA in connection with any requested transfer must be reimbursed by the transferor or transferee before the transfer can become effective.

- j. All fees due to the Association and any other obligations the prior ownership of the membership may have had to the Association shall be assumed by the new owner(s). Service to the designated parcel is contingent upon agreement by the new member to assume such obligations. Upon payment of any fees which may then be owing with respect to the designated parcel, a new Certificate of Membership shall be issued in the name of the transferee.

Section 7. Cancellation of Memberships. If any member shall fail or refuse to make any payment required of him hereunder or of water rates or charges, or shall violate or fail to comply with any provision of these Bylaws, or other regulations of the Board of Directors, after at least sixty (60) days formal notice by mail, the member's membership and all rights associated therewith may be terminated and all payments previously made by him to the Association shall be forfeited, except as to a member's rights upon dissolution (Article X, Section 3). If the Board elects to defer a decision to provide such a formal notice or to seek such a forfeiture, the decision not to have initiated action at an earlier date shall not prejudice the right of the Association to take an action at a later date. The notice of violation shall (1) clearly state the nature of the failure or refusal or violation that is of concern, (2) clearly set forth what action or actions are required to satisfactorily address and remedy that concern, (3) establish a deadline for compliance which shall be no less than sixty (60) days from the date of the notice, and (4) offer the member the opportunity to either come before the Board of Directors and/or submit a statement in writing to the Board, to allow the member to explain any relevant circumstances and (if the member elects to do so) propose alternative ways to address and resolve the concerns stated in the notice. After considering any information or proposal submitted by the member, or if the member has neither requested a hearing nor submitted a statement within the notice period, the Board may then order the forfeiture of the membership if it finds in its sole discretion that it is more probable than not that the violation that is of concern will not be satisfactorily addressed by the member. Alternatively, the Board may elect to issue a new or modified notice of violation of whatever duration it deems reasonable, or issue such other order that it finds will protect the interests of the Association and also give the member a further opportunity to remedy the violation of concern. The Board shall have the sole discretion to accept or reject any plan of resolution proposed by the member which in the judgment of the Board falls short of the remedial action requested in the formal notice.

ARTICLE V

MEMBERSHIP MEETINGS

Section 1. Annual Membership Meeting. The annual meeting of the members shall be held at 7:00 PM on the first Monday in the month of October of each year at the West Sound Community Hall or at such other time or location as the Board of Directors may establish. When meeting in person is not feasible, the annual meeting may be held via video conference and/or teleconference call. Attendance at this meeting is limited to members of the Association and to those non-members whose attendance has been recommended by a member and approved by the President.

Section 2. Special Membership Meetings. Special meetings may be held at any time upon the request of twenty (20) percent of the membership, or at the direction of the majority of the Board of Directors, such request or direction to be filed with the Secretary. Attendance at this meeting is limited to members of the Association and to those non-members whose attendance has been recommended by a member and approved by the President.

Section 3. Notice of Meetings. Timely notice of the annual meeting or any special meeting of the membership shall be required and the notice shall contain an agenda of pertinent items that will be discussed or upon which action may be taken and shall also include a proxy form to be used by the member if he/she cannot attend. Notice of the time, place and purpose of any special meeting of the members must be given by any officer of the Association, at least ten (10) days prior to the meeting by U.S. mail or by electronic mail as provided in Article IV, Section 5 above.

Section 4. Eligibility to Vote. Each membership certificate shall be entitled to one vote at all regular and special meetings. No member shall be entitled to vote if delinquent in payment of any dues, fees or assessments or any charge or payment required hereunder.

Section 5. Quorum. Five approved voters representing at least twenty five (25) percent of the votes entitled to be cast represented in person or by proxy shall constitute a quorum of any annual or special meeting of the membership. The vote of a majority of the votes entitled to be cast by the members present or represented by proxy at a meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the members, except for the special cases described in ARTICLE VI, Section 10 (removal of a director), and ARTICLE VII, Section 6 (removal of the Secretary).

Section 6. Proxies. Proxies given by certificate holders to any person/s shall be permitted and recognized at all meetings if presented to the Secretary prior to the start of the meeting.

Section 7. Proposals by Members. An agenda discussion item or a formal resolution may be put on the agenda of any regular annual or special membership meeting by submitting to the President a petition signed by twenty (20) percent of the members.

- a. Any such request must be submitted at least twenty (20) days prior to the meeting, so that it may be included in the agenda which is circulated to the membership with the meeting notice.
- b. Any item proposed for consideration at a meeting of the membership may be ruled out of order if, in the judgment of the presiding officer, the proposal is not clear, or if the proposal would cause the Association to violate a legal requirement or regulatory standard, or if the process described in this section has not been followed.
- c. As an alternative to the formal procedure set forth in this section, a member may simply propose a topic or specific agenda item to the Board of Directors, and request that they put the matter on the agenda. The Board of Directors shall promptly notify the member of its decision, so that the member may follow these formal procedures if the member feels the Board's response is not satisfactory.

ARTICLE VI

DIRECTORS

Section 1. Number and Selection of Directors. The business of the Association shall be managed by a Board of five (5) Directors. This responsibility of the Board of Directors and their related duties are further described Washington State Law, especially under Ch. 24.03 RCW under which WSWA is organized. In addition, the Articles of Incorporation provide that the Board of Directors shall have the responsibility and authority to make and enforce the Bylaws for the corporation, but those Bylaws made by the Board shall be subject to the power of the members to change or repeal said Bylaws. Any change in the number of directors of the corporation shall be made only by amendment to the Articles of Incorporation.

All Directors shall be elected by a majority vote of the membership of the Association at an annual meeting of the membership, except as provided in Subsection 3 below.

Section 2. Term of Office. The original Directors of the Association as set forth in the Articles of Incorporation shall hold office for a period described as follows: for the start up phase director position #1 to be in office until the Oct. 1988 annual membership meeting, Director positions #2 & #3, would serve until Oct. 1989 annual membership meeting, and Director positions #4 & #5 shall be up for election at the Oct. 1990 annual membership meeting. This procedure will allow for increased stability during the initial phases of the Association's life and it will then provide for each succeeding director to serve a period of three years.

Section 3. Vacancies. Vacancies of elected director positions occurring for any reason shall be filled (selected) by the remaining directors, such appointment to hold until the next annual meeting of the membership at which time the membership will elect a director to fill the vacancy for the remainder of the unexpired term, if the term continues.

Section 4. Director Annual Meetings. Directors shall hold an annual meeting of the Board of Directors immediately following the annual membership meeting for the purpose of reelecting officers and conducting such other business as may be needed.

Section 5. Director Special Meetings. Special meetings of the board of Directors may be called by the President of the Association or by any two of the Directors, such call to be deposited with the Secretary.

Section 6. Director Meeting Notice. No notice shall be required of the annual or other regular meetings of the board of Directors. Notice of special meetings may be given in writing or by telephone 72 hours prior to said meeting. Notice may be waived by any director and attendance at the meeting shall be deemed a waiver.

Section 7. Quorum. At any regular or special meeting of the board of Directors, three Directors represented in person shall constitute a quorum. The vote of a majority of the votes

by the Directors present at a meeting at which a quorum is present, shall be the act of the board of Directors.

Section 8. Election of Officers. At their annual meeting the Board of Directors shall elect the officers of the Association and they may also select some person who may or may not be an officer to act as general water distribution manager of the Association and shall fix the compensation for all persons employed or elected by them, if any compensation be deemed proper. The positions of Secretary and Treasurer will be filled by two different Directors.

Section 9. Director Compensation. The Directors shall receive no compensation for their services but may be re-paid their actual expenses in transacting the Association's business.

Section 10. Removal of a Director. A director may be removed from office by a resolution adopted by a majority of the remaining Directors and/or by a vote of two thirds of the entire membership of this corporation, however, such action may only be for good cause stated in writing filed with the Secretary and after not less than thirty (30) days notice to the director accused.

ARTICLE VII

OFFICERS

Section 1. Officers of the Association. The officers of the Association shall consist of a President, Vice President, a Secretary and a Treasurer.

Section 2. Duties of the President. The President shall preside at all meetings of the Directors and membership and shall have general charge of and control over the affairs of the Association subject to the Board of Directors. If there is a dispute as to the proper proceedings at any meeting, Robert Revised Rules of Order shall prevail.

Section 3. Duties of the Vice President. The vice President shall perform such duties as may be assigned to him by the Board of Directors. In case of the death, disability or absence of the President, the Vice President shall perform and be vested with all the duties and powers of the President.

Section 4. Duties of the Secretary. The Secretary shall countersign all certificates of membership in the Association and shall keep a record of the minutes of the proceedings of meetings of members and Directors and shall give notice as required in these Bylaws of all such meetings. The Secretary shall have custody of the corporate seal and shall affix the corporate seal to all documents to which it should be affixed and attest the same by his/her signature.

Section 5. Duties of the Treasurer. The Treasurer shall keep all accounts of all monies and valuables in the name of and to the credit of the Association in such bank and depositories as the Board of Directors shall designate. All checks for the payment of money shall be signed by

the Treasurer, except when the Treasurer is not available, and in that case he/she shall transfer the check book to an alternate designated by the Board. The alternate designee must reside on Orcas Island in order to facilitate an orderly and timely execution of WSWA business. As soon as the Treasurer becomes available the alternate designee shall return the check book to him/her.

The Board of Directors may require the Treasurer to furnish a surety bond in the amount of \$20,000.00 to be paid for by the corporation. The Board of Directors also may cause an audit of the corporation books to be performed periodically as deemed necessary by the Board.

Section 6. Term of Office. All officers and employees shall hold office or their position at the pleasure of the Board of Directors and may be removed at any time with or without cause with the exception of the Secretary. Removal of the Secretary will also require written approval of a special board comprised of any and all prior Directors that still maintain a membership in the Association or removal will require a two-thirds vote of the entire eligible membership.

Section 7. Special Case. Any vacancy in office shall be filled by the Board of Directors except for the Secretary where written approval is required from the special Board described in the previous paragraph.

ARTICLE VIII

FEES, CHARGES AND FINANCES

Section 1. Authority to Assign and Modify Fees. All matters connected with fixing applicable fees and assessment hereunder and as to the status of properties under the schedule of fees and rates will be referred to the Board of Directors for decision in their sole discretion. Such decisions shall be final and conclusive.

The Board of Directors is required to establish and modify fees, rates and assessments as necessary for the successful operation of the Association.

Section 2. Membership Fees. Before an applicant for membership can be voted upon, the applicant shall pay to the Association the membership fees established pursuant to this Article VIII. If after becoming a member the member shall divide his lands, or acquire additional lands where water service is desired, he must purchase an additional membership before service commences on that land, provided that such a service is available. If no new service is available, he/she must wait for such a service before providing water from the Association to the newly divided land.

- a. Historical Classes of Member Fees. Historically, the Association has had two different membership fees, one for those who were Charter Members and a General Member class for late comers.

- (1) Charter Member Fees. The Charter Member fee was established as an approximate sum obtained by dividing the initial system acquisition and construction costs and projected first year operations budget by the number of charter members.
 - (2) General Membership Fees. General Membership fees were established as the approximate sum obtained for the Charter Member, - adjusted by applying the inflation factor based upon the Seattle annual cost-of-living index, plus a \$2,000.00 Late-Comer fee.
- b. Future General Membership Fees. Beginning January 1, 2020 and thereafter, the Board of Directors shall establish an appropriate membership fee to be paid to the Association prior to accepting any new membership. Any decision to offer a new membership and the fee to be charged shall be communicated to all members in a manner that will afford each member an equal opportunity to apply to purchase the available membership(s).

Section 3. Membership Fee Payment Methods. Membership fees must be paid into the Association in full at the time of joining. Payments must be made in cash.

Section 4. Fees. The Board of Directors shall from year to year review and establish amounts to be paid monthly by each member in such amount as is reasonably calculated to meet the operating, capital improvement and other requirements of the Association. Such monthly fees may be set as a fixed monthly cost, or may be based on water usage, or some combination.

In addition, the Board may from time to time establish fees for special services received by members in circumstances such as: transferring a membership, a new hookup for water service, etc. In addition, the Board may determine that certain work performed on behalf of a member shall be repaid by the member at the approximate cost thereof.

In the event any fee is not paid within the month following the time it is billed, a late fee as determined by the Board of Directors shall be added to the charge.

Section 5. Special Use Fees. The Board of Directors may establish special membership and operating fees for any property requiring service greater than standard such as a special pumping unit, storage tank or other special item.

Section 6. Fee Schedule. A fee schedule which lists all fees, assessments and charges made by the Association will be maintained by the Association and made available for review by members. The Board of Directors will cause a revision to be made to the fee schedule whenever changes are required.

Section 7. Surplus Operating Funds. Any funds arising from the operation of the Association shall be considered surplus only after the payment of all obligations, expenses of acquisition, construction, maintenance, repair, provisions for depreciation, reserves for new construction and all other costs or expenses, according to sound business practices.

Any surplus operating funds shall be disposed of in the following order:

- a. Held as a reserve, in such amounts as the Board of Directors may authorize;
- b. Used to reduce any loans in the Association's account;
- c. Divided pro-rata among the members at the time.

Section 8. Fiscal Year. The fiscal year of the Association shall run from September 1 to August 31 of each year.

Section 9. Director/Officer funding Expenditure Authority. No officer or director of the corporation shall incur a total indebtedness on behalf of the corporation in excess of \$1,000.00 during a year unless such debt is the result of expending prior approved budgetary expenditures or has been approved by majority vote of the Board of Directors, provided that the availability of the such funds must have been verified by the director or officer authorized to make such expenditure. Any emergency maintenance/repair that may require an unbudgeted expenditure of funds shall require only a simple majority vote by the Board of Directors.

ARTICLE IX

GENERAL ASSOCIATION POLICIES

Section 1. Authority to Establish Policies, Rules and Regulations. As is provided in Article VII of the WSWA Articles of Incorporation, the Board of Directors has the responsibility to manage the Association and the power to make and enforce the Bylaws, subject to the power of the membership to amend or repeal Bylaws after they have been created by the Board. The Articles of Incorporation also require member approval for Bylaw amendments if they change "the qualification, classifications, terms in office, or compensation of any Board of Directors member", if the language being amended has previously been approved by the membership.

Section 2. Polices for the Board of Directors. In exercising its powers to establish the Association's general policies, rules and regulations, the Board of Directors:

(a) shall be committed to the goal of offering members transparency in its actions, while still respecting when appropriate the right of each member to reasonable privacy with respect to issues which may concern their particular circumstances;

(b) shall be committed to offering members opportunities for input into the Board's actions, and to implementing that commitment by advising members of upcoming Board meetings and agendas, inviting them to attend those meetings, and then publishing minutes of those meetings;

(c) shall provide to members from time to time informative summaries of the Association's activities and financial status;

(d) shall adopt, and from time to time revise, a policy pertaining to potential conflicts of interest, a copy of which shall be available for review on the Association's web site (westsoundwater.org); and

(e) shall encourage members who have any concerns about Board transparency to make those concerns known to the Board.

Section 3. Policy for Amendment of the Bylaws. While the Board of Directors has responsibility under the Articles of Incorporation to establish the Bylaws, member participation in the process of amending the Bylaws shall be encouraged.

(a) Development of Amendments. Concepts being considered for amendment to the Bylaws will be shared with the members, and their views will be solicited. All proposed Bylaw amendment language shall be distributed to the membership in advance of the Board's formal action, and members shall have a reasonable opportunity to address a Board meeting upon request to discuss the proposed language.

(b) Reconsideration of Amendments. Following adoption of a Bylaw change, 20% of the members have the right under these Bylaws to call a special meeting of the membership for the purposes of reconsidering the change made by the Board and voting to amend or repeal the Bylaws that have been created by the Board. Alternatively, upon the written request of any four members who petition the Board to have a Bylaw amendment reconsidered, the Board will invite the petitioners to present to the Board, at a Board meeting announced to all members, a specific proposed action to amend or repeal the Bylaws that had been adopted by the Board; the Board will then discuss their proposal with interested members, and will consider whether to take Board action with respect to their proposal or aspects of it. The Board will report to the petitioners directly, and to the members in the meeting minutes, their decision and their reasoning behind that decision. If the petitioners are not satisfied with the Board's action and explanation, then upon the request of four petitioners, the Board will call a special meeting of the members for the purpose of reconsidering the change, and the petitioners will be given a reasonable opportunity to present their alternative proposal(s) to the membership. EXCEPTION: If the amendment being proposed for reconsideration involves a legal requirement, then the President may rule out of order any petition or proposal which would violate that legal requirement as interpreted by the President.

Section 4. Policy Regarding Easements. The Board of Directors is authorized and required to obtain easements and all other rights necessary for service road access to the wells, pumping facilities, and tank sites and for the construction, maintenance and operation of the Association's lines. No person or organization shall be accepted or remain as a member of the Association unless he shall have conveyed to the Association, without charge or other consideration, an easement in the form fixed by the Board of Directors.

Section 5. Policy Regarding Further Line Extension. The Association does not intend to extend its main distribution lines beyond their currently authorized areas due to the limited

amount of water available to the system. If an additional water source becomes available, the Board of Directors may present a proposal to the entire membership for their consideration regarding extension of the distribution lines.

Section 6. WSWA's Cross Connection Policy.

Washington State law requires water systems like WSWA to adopt a "cross connection" policy covering when and how a customer's premises should be "isolated" from the water system's distribution lines, by installing a device which prevents the "back flow" of water from the customer's water lines back into the water system's distribution lines. Where conditions warrant, backflow prevention units are installed at the point of "cross connection" between the water system lines and the customer's service lines.

Backflows can be caused when pressure builds up inside a home's plumbing system, causing water to be pushed back out the service lines and into the WSWA distribution lines. Also, water can be pulled back out into the water system's distribution lines when a flow of water through those distribution lines creates a suction. If customers have any contamination within their system, that contamination could enter the water system's distribution lines and then be distributed to other customers.

Water systems must evaluate whether their customers' parcels pose any such risks. If so, then they must require that a backflow prevention assembly be installed near a user's meter. There are several types, and they all prevent water from moving back into the water system lines.

The WSWA Cross Connection Policy describes the conditions where isolating premises is required, and the types of back flow prevention assemblies that may be used for that purpose. It also establishes the responsibilities of WSWA and of each member in ensuring that this sort of contamination does not occur.

While there are many conditions that can cause a concern, the presence of an auxiliary source such as a well, rain catchment system, or other non-WSWA water piping on a customer's property will require installation of a backflow assembly.

WSWA members are encouraged to discuss any such situations or concerns with the WSWA Water Manager. Part of WSWA's policy is to assist members in evaluating risks of contamination on their property.

The WSWA Cross Connection Policy document is available on the WSWA web site, or upon request to the WSWA Water Manager or to any member of the Board of Directors.

Section 7. Policies Regarding Members' Connections to an Association Water Main.

(a) Connections to the Association's water mains or work on the mains shall be performed only by persons so authorized by the Board of Directors. An installer retained by a member must obtain a copy of any Association installation guidelines and complete the installation under the supervision of the Association's Water Distribution Manager or other person designated by the Board.

(b) Prior to any connection to the Association's water mains, the member and/or the member's installer must review with the Association's designated Cross Connection Specialist

whether a Backflow Prevention Device will be required by the Association, pursuant to the WSWA Cross Connection Policy adopted by the Board of Directors. A copy of the Association's Cross Connection Policy is available upon request.

(c) Members are **STRONGLY URGED** to install a Pressure Reducing Valve (PRV) just inside the water meter. A gravity distribution system such as ours inevitably means a range of water pressures, depending upon elevation of the member's property relative to the water storage tanks and the system's PRVs. A failure of one of the system Pressure Reducing Valves can be expected to cause extremely high pressures that (depending on the member's elevation) may exceed the water pressure specifications associated with most residential plumbing. Both chronic and sudden high pressure situations can cause damage to plumbed fixtures, and potentially could cause leaks by aggravating any weakness in the distribution lines. This can be prevented if members install their own PRV.

(1) Each member is responsible for the installation, maintenance, and effectiveness of any PRV on their property. A member can request guidance and information from the Board of Directors about how to do this.

(2) WSWA will not be responsible for any damage that might occur to the property of any member as a result of abnormally high water pressures.

(3) If one of the system PRVs is suspected to have caused a leak and water loss on the member's side of the meter, the member still must pay for all water which goes through the meter.

(d) The location of the connection point and the meter must be approved by the Water Distribution Manager or the Board of Directors. In evaluating the location, the following factors shall be considered: (1) any request by the member for a specific location will be considered; (2) the distance between the connection and the meter should be as short as is feasible, in order to minimize the risk of unmetered leakage occurring prior to the meter (*behind this consideration is one aspect of the water regulations under which we operate: because short runs from the system to the meter are seen as a way to minimize unmetered water loss, the state water loss calculations include negative incentives for long runs*); (3) the location must be reasonably close to a safe parking area which can be used by the meter reader or the Water Distribution Manager; and (4) if the distribution line runs under or near a roadway, the point of connection should be established where it will minimize traffic issues during hookup or subsequent repairs.

(e) All connections to Association distribution lines and all meters, pressure reducing valves, and backflow prevention devices must be inspected and approved by an authorized representative of the Association prior to any ditch being covered or closed.

(f) The Association shall charge a Hookup Fee to cover the Association's costs associated with the hookup, including the cost of inspecting the hookup.

(g) Each member desiring service to his property and/or dwelling shall in addition to all other charges, fees and rates required herein, pay individually, all costs of installing the service, but the same may be constructed and installed only in accordance with the

requirements, regulations or orders of the Board of Directors and the regulations of the West Sound Water Association.

Section 8. Policy Regarding Replacement Meters. The Association shall provide the initial water meter to be installed and any required meter setting, with the cost thereof to be reimbursed by the member at WSWA's cost. Thereafter, the Association may change the meter at the Association's expense whenever in the judgment of the Water Distribution Manager an upgrade is appropriate.

Section 9. Policies Regarding Use of Water:

(a) All water supplied by the Association to a member must be used only on the parcel of land which is associated with the membership.

(b) A member may store water from WSWA on their parcel, in a tank or in some other fashion, if (but only if) there is a backflow prevention device installed. The Association prohibits adding WSWA water to storage tanks during the peak usage months of June through September, unless the member is granted prior written permission by the Board of Directors to do so.

Section 10. Policies Regarding Leaks.

(a) Each member shall be charged for every gallon used, as measured by the water meter at the member's connection to the system distribution line. This policy promotes water conservation and encourages each member to take all appropriate steps to protect against water loss, such as repairing leaky fixtures and turning off the water at the meter when the property is unoccupied. A member may request the Board of Directors to provide information regarding ways to discover leaks and prevent them.

(b) In the event a member should suffer a "catastrophic leak" (defined as a major loss of water due that is estimated by the Board of Directors to have exceeded double the member's normal usage), the member may petition the Board to charge for the estimated water lost at the lowest per-gallon rate in the Association's rate structure.

(1) Unless there are extenuating circumstances, the petition must be submitted to the Board in electronically or in writing within 30 days following the billing covering the loss period.

(2) The Board will then place the petition on a Board meeting agenda, and shall invite the member to discuss (at the board meeting or in any other fashion) the circumstances surrounding the water loss event to be sure that all questions have been answered and that the member has had every chance to articulate the situation. Privacy concerns shall be respected, and that agenda item shall occur in Executive Session, with only board members and those invited by the affected member.

(3) Whether to grant relief will be decided by the Board in its sole discretion. To grant relief, the Board of Directors must find that the loss was "beyond the

member's reasonable control" after evaluating pertinent factors such as: whether the loss may have been foreseen and prevented, whether the member took reasonable precautions such as turning off water at the meter during an extended absence from the property, and any history of leaks on the member's property. The Board may make the relief contingent on making pertinent repairs, upgrades, or improvements.

ARTICLE X

DISSOLUTION OR MERGER

Section 1. General Statement. The Major purpose of this corporation is to provide a means for property owners in the service area to act collectively in the acquisition, construction, and financing of a water distribution system and to obtain a domestic water supply by becoming members of this Association.

Section 2. Dissolution/Merger—Time. It is the goal of this Association to remain perpetually pursuing the purpose stated in Section 1, above, however, if and when there is a request for dissolution or merger, it shall be the responsibility of the Board of Directors to obtain all the facts and call for a special meeting of the membership as prescribed in ARTICLE V, Section 2, of these Bylaws.

Section 3. Dissolution/Merger—Surplus. Pursuant to the provisions of the Articles of Incorporation and ARTICLE VIII of these Bylaws, in the event of any surplus being available for distribution, all surplus funds or property remaining and not necessary for the satisfaction of the obligations of the Association shall be divided among the current paid up members of the Association in a share and share alike manner. Except that any gain from the sale of assets will be distributed to all persons who were members during the period the assets were owned by the Association in proportion to the total of the membership dollars and water use fees paid to the Association by the member/s during that period less any delinquent charges and interest. The foregoing rule shall apply except where a membership has been sold prior to the time of Dissolution/Merger and in that case these benefits shall be deemed to have passed to the new owners of record at the time of Dissolution/Merger.

Section 4. Termination of Member's Rights. At the time of dissolution or merger, all members rights, privileges and other benefits of membership in the Association will cease.

ARTICLE XI

MISCELLANEOUS

Section 1. Inspection of Records. The Articles of Incorporation, Bylaws and books of record of the Association may be inspected at any reasonable time by any member or any applicant for membership at all reasonable time.

Section 2. Amendments. These Bylaws may be amended by a majority vote of the Board of Directors of the corporation at any regular meeting or special meeting called for that purpose.

Section 3. Corporate Seal. The Seal of the corporation shall bear upon its face, within a circle, the name of the Corporation: “West Sound Water Assoc. Inc.”. It shall be in the custody of the Secretary.

ARTICLE XII

APPLICATION OF BYLAWS

Section 1. Acceptance of the Force and Effect of the Bylaws. The request for and acceptance of a membership in the West Sound Water Association, Inc. shall constitute acceptance of and agreement to the Bylaws of the corporation and to such amendments as may properly be adopted and to resolutions properly passed at regular or special meetings of the membership. Applicants for membership shall be afforded access to the Bylaws and all amendments in effect at the time of their application. Members shall have access via the internet to, and a new member that has been approved by the Board of Directors shall be provided access to, an electronic copy of the then-current Bylaws with all applicable amendments. Members requesting hard copies of the Bylaws and amendments shall be assessed a charge as determined by the Board to cover costs of printing, mailing and handling.

ARTICLE XIII

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1. Legal Protection for Directors/Officers. To the fullest extent permitted by Washington law, as it now exists or may hereafter be amended, a Director of this Association shall not be personally liable to the Association or its members for monetary damages for conduct while serving as a member of the Board of Directors, except that this provision shall not eliminate or limit the liability of a director for acts or omissions that involve intentional misconduct by a Director, or a knowing violation of law by a Director, or liability for any transaction from which the Director will personally receive benefit in money, property or services to which the Director is not legally entitled. This provision shall not eliminate or limit the liability of a Director for any act or omission occurring prior to the date of inaction of this

provision. Any amendment or repeal of this Article shall not adversely affect any right of protection of a Director of the Association existing at the time of such amendment.

Director and Trustee are synonymous terms used interchangeably within this Association and Director means any person who is or was a Director of the Association and any person who, while a Director of the Association, is or was serving at the request of the Association as a Director, Officer, Partner, Trustee, employee or agent of the Association. Settlement reasonably incurred or suffered by such indemnities in connection therewith, and such indemnification shall continue as to an indemnitee who has ceased to be a director or officer and shall inure to the benefit of the indemnitee's estate, heirs and personal representatives.

The right to indemnification conferred in this Article shall be a contract right and shall include the right to be paid by the Association the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that an advancement of expenses incurred by an indemnitee in his or her capacity as a Director or Officer in which service was or is rendered by such indemnitee, shall be made only upon delivery to the Association of a written undertaking by or on behalf of such indemnitee to repay all amounts so advanced if it shall ultimately be determined by final judicial decision that such indemnitee is not entitled to be indemnified for such expense by virtue of such acts or omissions precluding indemnification as set forth in Section 2 hereafter.

Section 2. Exception. No person serving as a Director or Officer shall be indemnified by the Association in any instance in which he shall have been adjudged by a final judicial decision to have engaged in intentional misconduct or a knowing violation of law or from or on account of any transaction with respect to which it was determined that such Director or Officer personally received a benefit in money, property or services to which the Director or Officer was not legally entitled.

Section 3. Rights of Indemnitee to Bring Suit. If a claim under Section 1 of this Article is not paid in full by the Association pursuant to the Association's determination that indemnification of the Director or Officer is precluded pursuant to Section 2 of this Article, the indemnitee shall upon expiration of sixty (60) days after a written claim has been received by the Association be entitled to bring suit against the Association to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the Association to recover advance or expenses pursuant to the terms of an undertaking, the indemnitee shall also be entitled to be paid the expenses of prosecuting or defending such suit.

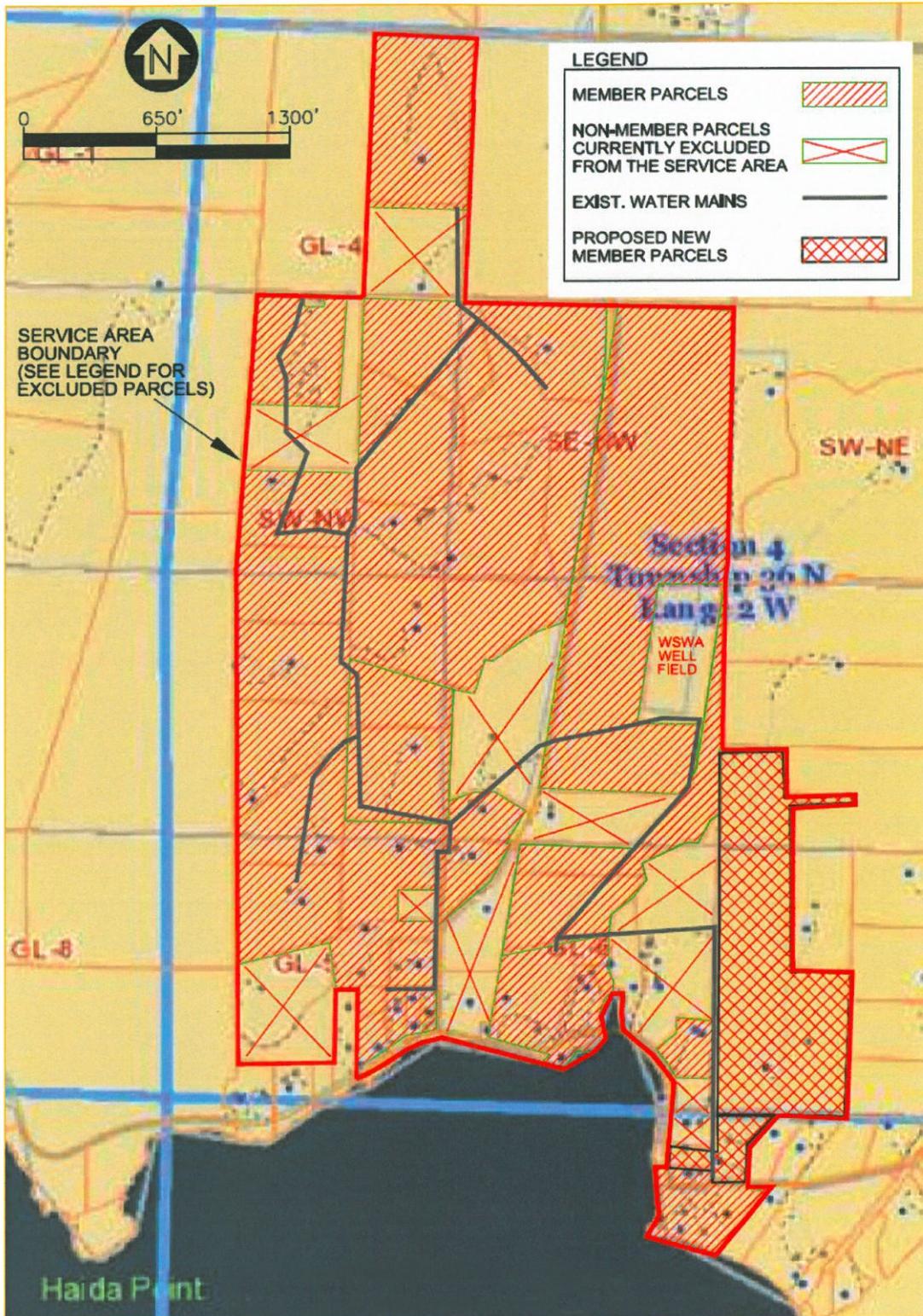
Section 4. Insurance. The Association may maintain insurance at its expense to protect itself and any Director, Officer, Employee or agent of the Association.

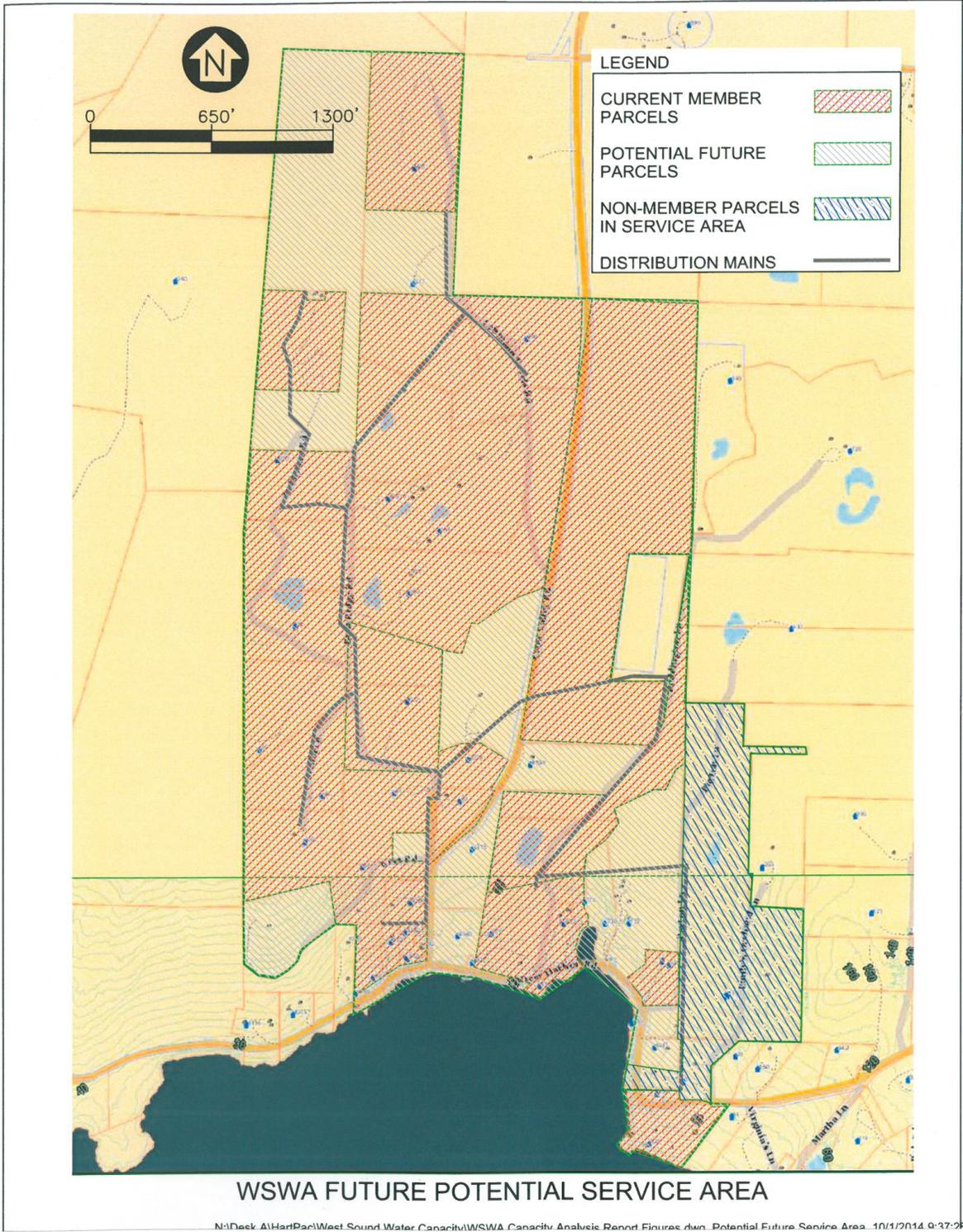
Section 5. Indemnification of Employees and Agents. The Association may by action of its Board of Directors provide indemnification, including advance of expenses to an officer, employee or agent of the Association, to the extent that such indemnification is consistent with the laws of the State of Washington.

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Reflects Amendments through June 19, 2022

WSWA Current Service Area





West Sound Water Association
Summary of Fees
As Revised October, 2017

NOTE: This summary is provided along with the Bylaws, for the information of our members. It is not part of the Bylaws. The fees were adopted by the Board pursuant to Article VIII of the Bylaws, after discussion with the membership.

Our current monthly rate structure traces back to major changes made during 2009. In advance of the 2009 Annual Meeting, the Board of Directors provided members a discussion document explaining the new philosophy, which still guides us today and is available to interested parties.

Prior to 2009, each member paid a fixed monthly amount of \$40, and much less money was collected from water usage than today. The Association still had a large loan (taken out years earlier to build the second storage tank), our cash reserves were low, and we were spending very little to upgrade what was by then a 20 year old system. Those concerns led to a significant rate increase in 2007, yet we found that our revenue actually declined because our rates structure was dependent on water usage – which had significantly declined.

In 2009, we adopted the philosophy that all members should pay a \$65 fixed monthly charge that would be sufficient and to invest in our infrastructure and to cover all the “fixed costs” we would have even if there were no water usage. Per-gallon charges were restructured to promote conservation and were set high enough to cover pumping and treating our water plus some related costs. Our revenue became much more predictable, and better able to support our system. A typical 2-person household (2500 gal/mo) saw its monthly payment increase from \$51 to \$95.

In 2011, a 3.7% surcharge was implemented after WSWA became subject to the state Public Utility Tax (on our monthly water charges) and the state Business and Occupations Tax (on most other income). Prior to 2010, the Association had been exempt from those taxes. The actual amount of tax we pay varies from year to year, depending on credits that we earn for capital spending on our system, but over time the average has been fairly close to the 3.7% figure.

In 2013, a 7.5% inflation adjustment was made to the Monthly Billing Structure.

By 2017 when the rate structure was next reviewed, the WSWA board had become much more familiar with the state-mandated protocols for water planning (the “ERU” calculations). The maximum number of dwellings we are allowed to serve is based on our historical usage during the four peak usage months of June – September.

Substantially less water is used during the other eight months. Rather than adjusting each element of the fee structure in proportion to inflation, we now cover inflation entirely from the per gallon charges during the peak usage months – which are now 25% higher than during the off-peak months. This promotes conservation when it matters most.

Following discussion with members, a proposal for “two tier pricing” was adopted by the Board of Directors, with little to no opposition expressed. Since the fall of 2017:

- Each member pays a **monthly assessment**, now \$69, which is intended to fund the fixed costs the association incurs to provide a system with an infrastructure capable of serving the membership. We incur those costs regardless of whether a member elects to use water, and regardless of how much. The philosophy is that each member’s land benefits equally from access to WSWA water, so each member shares equally in the costs.
- Members who use water during a month also pay **usage charges** to cover the costs of pumping and treating our water, plus other usage-related costs:
 - Beginning with the first gallon used and through 2,000 gallons, the rate is 1.41 cents/gal from Oct-May, and 1.76 cents during June-Sept. To reward conservation, the 1.41 for this first bracket of usage is less than the actual cost we compute for preparing water for usage.
 - After a member uses 2,000 gallons during a month, the per-gallon price goes up. It goes up again in 2,000 gal/month increments. The typical 2-person residence uses 2,000-2,500 gal/month, so it is hoped that the higher rate will help reinforce the need for conservation.
 - The schedule of per-gallon charges is 25% higher during the four peak usage months, to encourage conservation during those critical months.
 - WSWA supplies each member up to 13,500 gallons per month (450 gal/day). An over-use charge applies if a member exceeds that amount: \$50 during most of the year, and \$100 during the four peak usage months. In addition, the per-gallon charge is also very high when that much water is used.
- The 3.7% utility tax surcharge is applied to all of the above charges.

For most members, the per-gallon charges are about 1/3 of the total billing. The remainder comes from the \$69/month allocation of our fixed costs. The 25% peak period increase in the per-gallon charges represents roughly \$10 per month for a family of two using 2,500 gal/mo (\$40/yr).

The table that follows shows our two tier rate structure (higher per gallon rates during the four summer months).

OCT-MAY ("Off-Peak Rate Schedule")				JUNE-SEPT ("Peak Period Rates")			
Monthly Allocation of fixed costs			\$ 69.00 /mo	Monthly Allocation of fixed costs			\$ 69.00 /mo
Usage Rate up to	2000 gallons used		\$ 0.0141 /gal	Usage Rate up to	2000 gallons used		\$ 0.0176 /gal
Add'l up to	4000 gal increases	\$ 0.0025 to	\$ 0.0166 /gal	Add'l up to	4000 gal increases	\$ 0.003125 to	\$ 0.0208 /gal
Add'l up to	6000 gal increases	\$ 0.0025 to	\$ 0.0191 /gal	Add'l up to	6000 gal increases	\$ 0.003125 to	\$ 0.0239 /gal
Add'l up to	8000 gal increases	\$ 0.0035 to	\$ 0.0226 /gal	Add'l up to	8000 gal increases	\$ 0.004375 to	\$ 0.0283 /gal
Add'l up to	10000 gal increases	\$ 0.0010 to	\$ 0.0236 /gal	Add'l up to	10000 gal increases	\$ 0.001250 to	\$ 0.0295 /gal
Add'l up to	13500 gal increases	\$ 0.0010 to	\$ 0.0246 /gal	Add'l up to	13500 gal increases	\$ 0.001250 to	\$ 0.0308 /gal
Add'l amt over	13500 increases	0	\$ 0.0246 /gal	Add'l amt over	13500 increases	\$ 0.000100	\$ 0.0309 /gal
Overusage Chg	13500		\$ 50.00 /mo	Overusage Chg	13500		\$ 100.00 /mo
PUT Surcharge			3.7 Pct	PUT Surcharge			3.7 Pct

Other Fees and Costs:

- A **late fee** of \$10 is charged if a billing remains unpaid by the 5th of the following month.
- A **membership transfer fee** of \$100.00 is charged to the new owner of a parcel that is associated with a WSWA membership, unless that fee is assumed by the seller.
- If a special meter reading is needed to prorate charges when a member's parcel is sold, there is a fee of \$10.00 for that special reading.
- Members may be charged additional fees for certain **labor or equipment** provided by the Association. For example: the installation of, or repair of, a backflow assembly (which may be required to implement the Association's cross connection policy); or any modifications on the member's side of the meter which the member requests that the Association take care of.
- The costs of a **new hookup** are borne by the member. See Article IX, Sections 6 and 7. Members must use a **water meter** supplied by Association, and must cover the Association's cost for the meter that is supplied at the time a member first hooks up. After that, WSWA will replace meters at the Association's expense, whenever the Water Manager judges that replacement is warranted.

Members are encouraged to contact Board members if they have any questions or comments regarding the rate structure.

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