

**AMENDED BYLAWS**  
**of the**  
**LAKE OF THE WOODS MUTUAL WATER COMPANY**

**ARTICLE I**

The corporate powers of this corporation shall be vested in a Board of Directors of five, who shall be stockholders, holding one or more shares of stock in their own names on the books of the corporation, and three shall constitute a quorum for the transaction of business.

**ARTICLE II**

**ELECTION AND COMPENSATION OF DIRECTORS**

- A. The Board of Directors shall be elected by ballot at the annual meeting of stockholders, or at a stockholders' meeting duly called for the purpose. Any stockholder desiring to become a candidate for director shall, thirty days prior to the date of election, file a written statement with the Secretary of the corporation, substantially as follows:

*"I..... do hereby declare myself a candidate for director of the Lake of the Woods Mutual Water Company, and request my name be placed on the ballot of said company, for the election to be held (date) April ....., (Lot).... (address) ....., (Telephone) ....."*

- B. Directors shall take office immediately after election or appointment and shall hold office for one (1) year, or for such a shorter period as they may have been appointed, and until their respective successors shall have been elected.
- C. Immediately after the election of directors at the annual meeting of the stockholders, the directors shall meet for the purpose of organization, the election of officers, and transaction of other business.
- D. Service on the Board of Directors shall be voluntary unless compensation is otherwise fixed by the shareholders.

**ARTICLE III**

**VACANCIES**

Vacancies in the Board of Directors shall be filled by a majority of the remaining directors, though less than a quorum, or by a sole remaining director, and each director so appointed shall hold office until his successor is elected at an annual or special meeting of the stockholders.

## **ARTICLE IV**

### **POWER OF DIRECTORS**

The Directors shall have power to:

- A. call special meetings of the stockholders when they deem it necessary, and they shall call a meeting at any time, upon written request of 20% of the stockholders;
- B. appoint and remove, at pleasure, all officers, agents, designees and employees of the corporation, prescribe their duties, fix their compensation, and require from them security for faithful performance;
- C. subject to the next succeeding article, to conduct, manage, and control the affairs and business of the corporation, and to make rules and regulations for the guidance of the officers and management of the affairs of the corporation;
- D. incur indebtedness on behalf of the corporation. The terms and amount of indebtedness shall be authorized by the Board of Directors and entered in the minutes of the Board, and the note, mortgages, or obligations given for the same, shall be signed officially by the President and Secretary in accordance with such authorization, and shall be binding on the corporation.

## **ARTICLE V**

### **LIMITATION OF POWERS OF BOARD OF DIRECTORS AND OFFICERS OF THE CORPORATION**

Neither the Board of Directors nor any officer of this corporation shall have any power or authority to engage any business in behalf of the corporation, save and excepting only the development of water for the use of its stockholders, the operation, maintenance, repair, and renewal of the domestic water system to be acquired by this corporation, and the distributing, supplying and delivering of water for domestic uses from the wells, and other sources of this corporation by and through said system, to the owners of its capital stock and, except as authorized herein, to no other persons. The entire business carried on by this corporation shall be for the mutual benefit of its stockholders. Any contract or agreement made or entered into by the Board or officers of this corporation other than for the purpose of carrying on the business in this bylaw authorized shall be void.

It shall be the duty of the Directors to:

- A. cause to be kept a complete record of all their minutes and acts, and of the proceedings of the stockholders, and present a full statement at the annual meeting of the stockholders, showing in detail the assets and liabilities of the corporation, and generally the conditions of its affairs. A similar statement shall be presented at any other meeting of the stockholders, when thereto required by persons holding at least one half of the capital stock of the corporation;

- B. supervise all officers, agents and employees and see that their duties are properly performed;
- C. issue or cause to be issued at any time, and from time to time, certificates of stock, in accordance with the laws of the State of California.
- D. Notwithstanding the above, if there is excess water available, water may be sold by the Board of Directors to the state, or any department or agency thereof, to any school district, to any public agency, to any other mutual water company, to any other person as expressly authorized by law, or during any emergency resulting from fire or other disaster involving danger to public health or safety, to any person at the same rates as to holders of shares of the corporations. The corporation may also enter into a contract with a county fire protection district to furnish water to fire hydrants and for fire suppression or fire prevention purposes at a flat rate per hydrant or other connection.

## **ARTICLE VI**

### **OFFICERS**

The officers shall be a President, Vice President/Treasurer and Secretary, the function of Vice President/Treasurer being combined in one office, which officers shall be elected by, and hold office at the pleasure of the Board of Directors. The Board of Directors shall, at their first regular meeting, elect one of their number to act as President, Vice President/Treasurer, and Secretary. If at any time the President shall be unable to act, the Vice President/Treasurer shall take his place and perform his duties, and if the Vice President/Treasurer, from any cause, shall be unable to act, they shall appoint some other member of the Board to do so in whom shall be vested, for the time being, all the duties and functions of his office.

#### **A. PRESIDENT**

The President, or in his absence, the Vice President/Treasurer, or in the absence of the President and Vice President/Treasurer, the Director appointed as above provided shall perform the following duties:

- a. shall preside over all meetings of the stockholders and Directors and shall have the casting vote;
- b. sign, as President, all certificates of stock, and all contracts and other instruments of writing which have been first approved by the Board of Directors,
- c. call the Directors together whenever he deems it necessary, and shall have, subject to the control of the Directors, direction of the affairs of the corporation, and generally shall discharge such other duties as may be required of him by the bylaws of the corporation.
- d. the President or two of the Directors may call a special meeting of the Directors at any time. Notification shall be given in a manner authorized by law.

## **B. Vice President/TREASURER**

The Board of Directors shall elect a Vice President/Treasurer whose duties or designees shall include:

- a. keep proper account books, and discharge such other duties as pertains to his office and as prescribed by the Board of Directors;
- b. shall receive and keep all the funds of the corporation and pay them out only upon check signed by an authorized Director(s) or designee.

## **C. SECRETARY**

The Board of Directors shall elect a Secretary whose duties or designees duties shall include:

- a. to keep a record of the proceedings of the Board of Directors and of the stockholders;
- b. shall keep the corporate seal of the corporation and the book of blank certificates of stock, fill in and countersign all certificates of stock issued and make the corresponding entries in the margin of such book upon issuance, and he shall affix said corporate seal to all papers requiring a seal or his designate shall do so under his supervision;
- c. keep a proper transfer book, and a stock ledger in debit and credit form, showing the number of shares issued to and transferred by any stockholder, and the dates of such issuance and transfer;
- d. shall serve all notices required by law and the bylaws of the corporation, and in case of his absence, inability, refusal or neglect to act, then such notices may be served by any person thereunto directed by the President or Vice President of the corporation.

## **D. REMOVAL OF DIRECTOR(S)**

- a. The Board may declare a vacancy for a seat of a director convicted of a felony or declared of unsound mind by court order;
- b. A director may be removed without cause by a vote of the outstanding shares of the corporation, as authorized by law;
- c. A director may be removed for cause by court order in a suit initiated by at least ten percent of the outstanding shares of the corporation;
- d. Vacancies on the Board of Directors may be filled by the remaining directors, or if

the board of directors does not fill a vacancy, by a vote of the outstanding shares, as authorized by law.

## **ARTICLE VII**

### **BOOKS AND PAPERS**

The books and such papers as may be placed on file by the vote of the stockholders or directors shall at all times in business hours be subject to the inspection of the Board of Directors and of any stockholder.

## **ARTICLE VIII**

### **CERTIFICATES OF STOCK**

Certificates of stock shall be in such form and device as the Board of Directors may order, and each certificate shall be signed by the President and countersigned by the Secretary, and have impressed thereon the corporate seal of the corporation, and express on its face its number, date of issuance, the number of shares for which and the person to whom it is issued, and the lands to which said shares are appurtenant shall be described therein, or endorsed thereon, and a recital shall be included therein, or endorsed thereon, that such shares are appurtenant to the lands therein described.

## **ARTICLE VIX**

### **CAPITAL STOCK**

- A. No shares of stock of this corporation shall be issued, nor shall certificates for shares be transferred, to any person other than an owner of lands included in or a part of the boundaries of Lake of the Woods subdivision or the sphere of influence of the Lake of the Woods Mutual Water Company;
- B. Said shares of stock shall be issued on the basis of fifty shares of stock for each lot in said subdivision;
- C. All shares of stock shall be appurtenant to the land described in the certificate issued therefor, and shall only be transferred with said land, and shall pass as an appurtenance thereto;
- D. The Board of Directors may reject any application for stock where the issuance of said stock will subject the company to an expense for labor and material in an amount greater than the price of said stock;
- E. No transfer of stock shall be valid until the surrender of the certificates and the entry of such transfer on the books of the corporation. Whenever shares of stock are transferred, the party to whom the same shall be so transferred must produce his deed to the property, upon which said shares are appurtenant, to the secretary of the corporation or

their designee, and present such proof as may be required by the Board of Directors, that he is the owner of the land described in such certificate before such transfer shall be entered upon the books of the corporation, and at the same time said purchaser of such land and water stock shall sign and assent to the bylaws of this corporation.

## **ARTICLE X**

### **ASSESSMENTS**

- A. Assessments may be made by the Board of Directors on the shares outstanding to pay all costs and expenses for maintaining, repairing, replacing and enlarging the water system or systems owned by the corporation. Any assessment in excess of fifty (50) cents per share made in any one year must be approved by a majority of stockholders;
- B. Any assessment so made may be enforced by suit/lien in the name of the corporation against delinquent stockholders, and at the option of the Board of Directors, water may be shut off and withheld from any delinquent stockholder who is delinquent in an assessment or who is indebted to the corporation on any account whatsoever, until such assessment or debt has been paid in full.
- C. The Board of Directors may reject any application for Stock where the issuance of said stock is restricted by law or will subject the company to an expense for labor and material in an amount greater than the price of said Stock.

## **ARTICLE XI**

### **MEETINGS OF STOCKHOLDERS AND DIRECTORS**

- A. The annual meeting of the stockholders shall be held on the third Saturday of April, unless it conflicts with a holiday, within the Frazier Park region at a time set by the Board of Directors or at the call of the President.
- B. A minimum of 20% of stockholders must be present in person or by proxy in order to constitute a quorum at any regular or special stockholder's meeting.
- C. If no quorum be present at any meeting whatsoever of the stockholders or of the directors, whether regular, special, or adjourned, such meeting may be adjourned by those present and rescheduled.
- D. Regular monthly meetings of the Board of Directors shall be held at a time and date and location within the Frazier Park region as set by the Board of Directors.

## **ARTICLE XII**

### **VOTING**

At all stockholders' meetings, any stockholder may be represented by his agent holding a proxy in writing, properly executed by such stockholder, authorizing such agent to act as such, and

filed with the secretary. At all stockholders' meetings, each stockholder shall be entitled to one vote per share.

**ARTICLE XIII**

Except as provided by law, the Articles of Incorporation, or these Bylaws, the Bylaws may be adopted, amended, or repealed by the Board of Directors other than a Bylaw or Amendment changing the authorized number of Directors. The powers hereby delegated to the Directors may be revoked by the vote of a majority of the stockholders of the corporation.

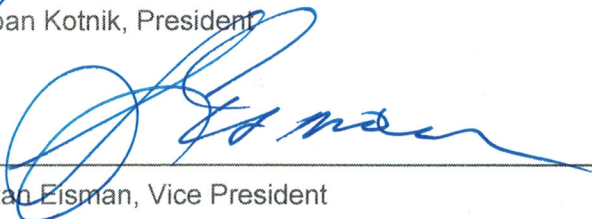
**ARTICLE XIV**

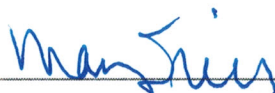
SEAL

The corporation shall have a corporate seal consisting of a circle, having on its circumference the words, "LAKE OF THE WOODS MUTUAL WATER CO.", and the date of its incorporation.

The above are the Amended Bylaws approved by the shareholders on October 2, 2021 and adopted by the Board of Directors on October 2, 2021.

  
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Joan Kotnik, President

  
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Stan Eisman, Vice President

  
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Mary Dreier, Secretary

  
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Patricia Hampton, Director

  
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Michael Green, Director