

# COMORE LOMA WATER CORPORATION

## BYLAWS

### ARTICLE I

#### MEETING OF MEMBERS

1. **Annual Meeting.** The annual meeting of members shall be held at a designated location be announced annually in Bonneville County, Idaho, on the fourth Tuesday of April of each year at 7:00 p.m, unless changed by a majority vote of the board or by the President. The Secretary shall serve personally, or by mail, email, text, or any other form of written or electronic communication, a written notice thereof, addressed to each member at his address as it appears on the membership roster, at least ten (10) days, but no more than fifty (50) days, prior to the date of such meeting, but at any meeting at which all members shall be present, or of which all members not present have waived notice in writing, the giving of notice as above required may be dispensed with.

2. **Quorum.** The presence, in person, by proxy, by mailed written ballot, by absentee ballot, or by means of remote communication to the extent authorized by the Board of Directors of three (3) members shall be necessary to constitute a quorum for the transaction of business, but a lesser number may adjourn to some future time not less than four (4) nor more than ten (10) days later, and the Secretary shall thereupon give at least (3) day's notice by mail, email, text, or any other form of written or electronic communication to each person entitled to vote who was absent from such meeting.

3. **Special Meetings.** Special meetings of the members may be called at any time by a majority of the directors or by the President. Notice of such meeting stating the purpose for which it is called shall be served personally or by mail, email, text, or any other form of written or electronic communication not less than ten (10) nor more than fifty (50) days before the date set for such meeting. If mailed, it shall be directed to a member at his address as it appears on the membership roster; but at any meeting at which all members shall be present, or of which all members not present have waived notice in writing, the giving of notice as above described may be dispensed with. The Board of Directors shall also, in like manner, call a special meeting of

members whenever so requested in writing by members owning not less than one-tenth (1/10) of the lots actually being serviced by the company. No business other than that specified in the call for meeting for the meeting shall be transacted at any meeting of the members.

**4. Voting.** At all meetings of the members all questions, the manner of deciding which is not specifically otherwise regulated by statute, shall be determined by an affirmative vote of the owners of a majority of the lots represented at the meeting either in person, by proxy, by mailed written ballot, by absentee ballot, or by means of remote communication to the extent authorized by the Board of Directors entitled to vote on an issue under and pursuant to the Articles of Incorporation. Each member present, in person, by proxy, by mailed written ballot, by absentee ballot, or by means of remote communication to the extent authorized by the Board of Directors shall be entitled to cast one vote for each lot entitled to a vote owned or represented by the owner. All voting shall be *viva voce* for those members present in person or by proxy, and shall be by ballot for those members present by mailed written ballot, by absentee ballot, or by means of remote communication, except that any qualified voter may demand that the vote shall be by ballot, each of which shall state the name of the member voting and the number of lots owned by him, and in addition, if such ballot be cast by proxy; the name of the proxy shall be stated. The casting of all votes at special meetings of members shall be governed by the provisions of the corporation laws of the State of Idaho.

**5. Order of Business.** The order of business at all meetings of the members shall be as follows:

- a. Roll call.
- b. Proof of notice of meeting or waiver of notice.
- c. Reading of minutes of preceding meeting.
- d. Report of officers.
- e. Report of committees.
- f. Election of inspection of elections.
- g. Election of directors.
- h. Unfinished business.
- i. New business.

## ARTICLE II

### DIRECTORS

- 1. Numbers.** The affairs and business of this corporation shall be managed and controlled by a Board of Directors consisting of not less than three (3) members, the total number of Board Members to be determined by the shareholders. All Board members shall be over 18 years of age, members of record, and shall own as their primary residence a property to which the corporation delivers water. The developer or its representative of the Comore Loma subdivision, including the developer or its representative of any future phases, shall be an ex officio member of the Board of Directors and shall have no vote unless duly elected as a member of the Board of Directors.
- 2. How Elected.** At the annual meeting of members, one or two director nominees shall be elected for a three-year term, with the elections to be staggered such that one third of the board is elected each year and shall function as Board members for their term.
- 3. Term of Office.** The term of office of each of the directors shall be three (3) years. Directors may be elected to successive terms.
- 4. Duties of Directors.** The Board of Directors shall have the control and general management of the affairs and business of the corporation. Such directors shall in all cases act as a Board, regularly convened, by a majority, and they may adopt such rules and regulations for the conduct of their meetings and the management of the corporation, as they may deem proper, not inconsistent with these Bylaws or the laws of the State of Idaho.
- 5. Directors' Meeting.** Regular meetings of the Board of Directors shall be held immediately following the annual meeting of the members, and at such other times as the Board of Directors may determine. Special meetings of the Board of Directors may be called by the President at any time, and shall be called by the President or the Secretary upon written request of one (1) director.

**6. Notice of Meeting.** Notice of meetings, other than the regular annual meetings, shall be given by service upon each director, in person, or by mailing, emailing, texting, or giving notice in any other form of written or electronic communication at least 24 hours before such meeting, a written or printed notice thereof specifying the time and place of such meeting, and the business to be brought before the meeting and no business other than that specified in such notice shall be transacted at any special meeting. At any meeting at which every member of the Board of Directors shall be present, although held without notice, any business may be transacted which might have been transacted if the meeting had been duly called.

**7. Quorum.** At any meeting of the Board of Directors, the greater of one-third (1/3) of the number of directors in office or two (2) directors being present in person or by remote communication shall constitute a quorum for the transaction of business; but in the event of a quorum not being present, a less number may adjourn the meeting to some future time, not more than five (5) days later.

**8. Voting.** At all meetings of the Board of Directors, each director is to have one (1) vote, irrespective of the number of lots that he may own.

**9. Vacancies.** Vacancies in the Board occurring between annual meetings shall be filled for the unexpired portion of the term by a vote of the majority of the remaining directors; but nothing herein contained shall deprive the members of the right to remove, replace, or fill the vacancies of any directors should the directors fail, or become unable to do the same.

**10. Removal of Directors.** Any one or more of the directors may be removed either with or without cause, at any time by a majority vote of the members at any special meeting called expressly for that purpose. A director may also be removed in any other manner authorized by Idaho law.

**11. Compensation of Directors.** Directors, as such, shall not receive any stated salary for their services, but, by resolution of the Board a fixed sum, and expenses of attendance, if any, may be allowed to directors for attendance at each regular or special meeting of the Board of Directors, or of any committee thereof. Additionally, directors shall be exempt from all charges and assessments described in Article VIII. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefore.

**12. Indemnification of Directors.** The corporation shall indemnify and hold harmless any and all of its directors, officers, former directors and officers, and any person who may have served at its request as a director or officer of another corporation, in which it owns any shares of capital stock or of which it is a creditor, against any and all claims, demands, liabilities, actions, suits or proceedings and all obligations for damages or other judgments or other obligations arising there from, together with cost and attorney's fees incurred in defending against the same, actually and necessarily arising against them or incurred by them in connection with or by reason of their being or having been directors or officers or a director or officer, of this or such other corporation, excepting only in relation to such matters as to which any such director, officer, former director or officer, or person shall be adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct in the performance of duty. Such indemnification shall not be deemed exclusive of any other right to which those indemnified may be entitled under any bylaw, agreement, vote of stockholders or otherwise.

**13. Action Without A Meeting.** If all the directors severally or collectively consent in writing to any action or to be taken by the corporation and the writing or writings evidencing their consent are filed with the secretary of the corporation, the action shall be valid as though it had been authorized by a unanimous vote at a properly constituted meeting of the Board.

### **ARTICLE III**

#### **OFFICERS**

**1. Numbers.** The officers of this corporation shall be the President, one or more Vice Presidents, as determined by the Board of Directors, Secretary, and Treasure. Two or more offices may be held by the same person, except that one person shall not at the time hold the offices of the president and secretary.

**2. Election.** All officers of the company shall be elected annually by the Board of Directors at its meeting held immediately after the meeting of the members, and shall hold office for the term of one (1) year or until their successors are duly elected.

**3. Duties of Officers.** The duties and powers of the officers of the company shall be as follows:

a. *President.* The President shall: (i) be a member of the Board of Directors of the corporation and shall preside at all meetings of the Board of Directors and members; (ii) present at each annual meeting of the members and directors a report of the condition of the business of the company; (iii) cause to be called regular and special meetings of the members and directors in accordance with these Bylaws; (iv) appoint and remove, employ and discharge, and fix the compensation of all servants, agents, employees and clerks of the corporation other than the duly appointed officers, subject to the approval of the Board of Directors; (v) sign and make all contracts and agreements in the name of the corporation; (vi) see that the books, reports, statements required by the statutes are properly kept, made and filed according to law; (vii) sign all notes, drafts, or bills of exchange, warrants or other orders for the payment of money duly drawn by the Treasurer; and (viii) enforce these Bylaws and perform all the duties incident to the position and office, and which are required by law.

b. *Vice President.* During the absence and inability of the President to render and perform his duties or exercise his powers, as set forth in these Bylaws or in the acts under which this corporation is organized, the same shall be performed and exercised by the Vice President. When so acting, the Vice President shall have all the powers and be subject to all the responsibilities hereby given to or imposed upon the President. The Vice President shall also perform all other responsibilities delegated by the President or the Board of Directors.

c. *Secretary.* The Secretary shall: (i) keep the minutes of the meetings of the Board of Directors and of the members in appropriate books; (ii) give and serve all notices of the corporation; (iii) be custodian of the records and of the seal, and affix the latter when required; (iv) keep the books in the manner prescribed by law, so as to show at all times the number of memberships, the names of the members, alphabetically arranged, their respective place of residence, their post office address, the number of lots owned by each, and the time at which each person became a member; (v) keep such books open daily during business hours at the office of the corporation, and permit members to make extracts from said books to the extent and as prescribed by law; (vi) present to the Board of Directors at their stated meetings all communications address to him officially by the President or any officer or member of the corporation; and (vii) attend to all correspondence and perform all the duties incident to the office of Secretary.

d. *Treasurer.* The Treasurer shall: (i) have the care and custody of and be responsible for all the funds and securities of the corporation; (ii) deposit all such funds and securities of the corporation, in the name of the corporation in such bank or banks, trust company or trust companies or safe deposit vaults as the Board of Directors may designate; (iii) exhibit at all reasonable times his books and accounts to any director or member of the company upon

application at the office of the corporation during business hours; (iv) render a statement of the condition of the finances of the corporation at each regular meeting of the Board of Directors, and at such other times as shall be required of him, and a full financial report at the annual meeting of the members; (v) keep at the office of the corporation, correct books of account of all its business and transactions and such other books of account as the Board of Directors may require; and (vi) do and perform all duties pertaining to the office of the Treasure.

4. **Bond.** All personal of the company or any member thereof, if required by the Board of Directors, shall give to the company such security for the faithful discharge of his or their duties as the Board may direct.

5. **Filling Vacancies.** All vacancies in any office, shall be filled by the Board of Directors without undue delay, at its regular meeting, or at a meeting specially called for that purpose.

6. **Compensation of Officers.** The officers shall receive such salary or compensation as may be determined by the Board of Directors.

7. **Removal.** The Board of Directors may remove any officer, by a majority vote, at any time with or without cause.

8. **Delegation of Duties.** Whenever an officer is absent or whenever for any reason the Board of Directors may deem it desirable, the Board may delegate the powers and duties of any officer to any other officer, officers, director or directors.

#### ARTICLE IV

#### SEAL AND FISCAL YEAR

1. **Seal.** The seal of the corporation shall be as follows: (Seal at corporate office.)

2. **Fiscal Year.** The fiscal year of this corporation shall be January 1 to December 31.

**ARTICLE V**  
**MEMBERSHIP**

**1. Transfer of Membership.** Membership in the corporation shall run with the land, and be automatically transferred upon satisfactory proof of transfer of ownership of the land to which it is appurtenant, as provided by Article V, Paragraph 1 of the Restates Articles of Incorporation. No transfer or assignment thereof apart from the ownership of said property shall be valid or binding on the corporation. No transfer shall be made upon the books of the corporation within ten (10) days next preceding the annual meeting of the members.

**2. Membership Restrictions for Delinquent Charges or Assessments.** The Secretary may refuse to transfer any membership on the records of the corporation at any time that it appears from the corporate records that a charge or assessment levied against and applicable to that has not been paid by or on behalf of the holder thereof, and such members shall not be entitled to vote at any meeting of the members of the corporation until such time as the charges and assessments due and owing are paid.

**ARTICLE VI**  
**DIVIDENDS**

In order to maintain the non-profit status of this corporation, no dividends may be declared nor distributed from the income of the corporation to its members, except that the corporation may pay compensation in a reasonable amount to its members or officers for services actually rendered, and may confer benefits upon its members in conformity with its purposes.



**ARTICLE VII**  
**BILLS, NOTES, ETC.**

All bills payable, notes, checks or other negotiable instruments of corporation shall be made in the name of the corporation, and shall be signed by such officers of the corporation as the Board of Directors may direct. No person, without having such authority, shall have the right either singly or jointly with others, to make any bill payable, note, check, draft or warrant or negotiable instrument, or endorse the same in the name of the corporation, or in contract or cause to be contracted any debt or liability in the name or on behalf of the corporation, except as expressly permitted by the Board of Directors.

**ARTICLE VIII**  
**WATER RATES, CHARGES AND ASSESSMENTS**

**1. Water Rates and Charges.** The Board of Directors may set rates and charges for the delivery of water to members in order to cover the costs of operating and managing the business of the corporation, including but not limited to items for depreciation and maintenance of the equipment and readiness to deliver water, utility bills, governmental fees, taxes and assessments, funds earmarked for improvements or enlargement of the water system, and overhead. Such rates and charges shall be fixed by equitably prorating the cost of delivering water as set out above, for that year among all members who are not directors. The Board may, in its discretion estimate the annual cost of delivering water and bill the members monthly, bi-monthly, quarterly, semi-annual or other basis according to the said estimated annual cost. These estimations are subject to revision at any time the Board shall determine that the actual costs are or will be substantially greater or lesser than the estimated figure

**2. Assessment on Members.** If, in the discretion of the Board, it is deemed advisable to assess the members in order to meet the needs of the corporation from time to time to provide facilities to furnish adequate water service to its members, the Board shall make such assessment as provided herein and by the laws of the State of Idaho. No such assessment shall be levied while any portion of a previous assessment remains unpaid, unless the corporation has exercised its powers under the law to collect such previous assessment, or unless such collection efforts have been enjoined, or unless the previous assessment has been cancelled and all amounts collected there under returned. The Board of Directors may additionally waive assessments to any member as it deems advisable.

**3. Notice of Charges and Assessments.** All individual charges and assessments must specify the amount thereof, when, to whom and where payable, and shall be mailed, emailed, texted, or sent by any other form of written or electronic communication authorized by the Board of Directors to each member at his last known address at least thirty (30) days before the charge or assessment becomes due and payable.

**4. Meter Service.** Should the Board of Directors, in its sole discretion, determine that it would be in the best interest of the corporation to have the water and water service of any particular area or dwelling site metered, then the Board may require that a meter be installed to monitor the water service to such area or site, the cost of the same to be borne by the corporation, and the Board may thereupon establish such rates for said service as it in its discretion shall determine to be equitable and in the best interest of the corporation.

**5. Water Turns.** The Board of Directors, in its sole discretion, may determine water turns or periods of service for irrigation purposes (but not for domestic household purposes) for all users on the water system of the corporation, and may cause notice of such water turns or periods of service to be furnished to those who will be involved; and in the event of any failure of any participant to observe such water turns or periods of service, the corporation may refuse to furnish water to such participant until and unless such water turns and period of service are strictly observed by such participant.

## **ARTICLE IX**

### **AMENDMENTS**

These Bylaws may be altered, amended, repealed or added to by an affirmative vote of the members owning a majority of the lots represented at any annual meeting or a special meeting called for that purpose, provided that a written notice shall have been sent to each member which notice shall state the alterations, amendments or changes which are proposed to be made in such Bylaws. Only such changes as have been specified in the notice shall be made. The Board of Directors, by a majority of a quorum, shall also have the authority to amend these Bylaws.

**ARTICLE X**  
**WAIVER OF NOTICE**

Whenever any notice of the time, place, or purpose of any meeting of members, directors or committees as required to be given under the provisions of the statute or under the provisions of the charter or these Bylaws, a waiver thereof, in writing, signed by the person or persons entitled to such notice and filed with the records of the meeting, whether before or after the holding thereof, or actual attendance at the meeting of members in person or by proxy or at the meeting of directors or committees in person, shall be deemed equivalent to giving of such notice to such persons.

**ARTICLE XI**  
**OPERATIONS**

To properly operate and maintain the water system of the corporation under the laws of the State of Idaho and provide sufficient water for all homeowners the services of a water operator are required. This water operator will have the necessary experience with water systems, valves, piping, pumping equipment, storage tanks, control systems and all other equipment and operating methods necessary to operate a water system. The duties of the water operator are to be knowledgeable of the current working status of the water system of the corporation and perform all necessary duties to maintain this system in good working order. Comore Loma Water Corporation management shall also cooperate in good faith with the water operator in resolving system problems, assist in homeowner notifications, developing system documentation and establishing operation and maintenance schedules and procedures. It is understood that from time to time the water operator will use their own knowledge and experience to determine what actions are required and, by cooperating with the Comore Loma Water Corporation management, further define the duties of a water operator. The water operator shall at all times be considered an independent contractor and not an employee of the Comore Loma Water Corporation. The water operator shall indemnify Comore Loma Water Corporation, and its directors, officers, and employees from and against all liabilities regardless of nature or type arising out of or resulting from water operator's performance or any negligent or wrongful act or omission of the water operator. An "Agreement of Services" shall be used to further establish the duties, responsibilities and fees between the Comore Loma Water Corporation and the water operator.

**ARTICLE XII**

**AUDITS AND FINANCIAL REQUIREMENTS**

An annual audit shall be done of all financial records of the corporation by an independent accounting firm. The latest audit and yearend financial report shall be included with the annual meeting notice. A yearly budget showing the anticipated revenues and expenditures and current cash balance shall be made available at the annual meeting. All long-term debt agreements shall be subject to approval by a majority vote of members owning assessed lots represented at the annual meeting or a special meeting called for that purpose.

I, the undersigned President of Comore Loma Water Corporation, an Idaho corporation, do hereby certify that the forgoing Bylaws were adopted on the \_\_\_\_ day of \_\_\_\_\_ 2022.

\_\_\_\_\_

President

(Signature on file)