

**BYLAWS
OF
(Gore Hill County Water District)**

ARTICLE 1. NAME

Gore Hill County Water District

ARTICLE 2. ORIGIN

2.1 The Gore Hill County Water District, hereinafter referred to as the "District", was organized and incorporated as a county water District in Cascade County, Montana, in accordance with U-12-2203 MCA (Montana Code Annotated) 2015. The election establishing the incorporation and boundaries of the District was held on July 9, 1974.

2.2 Qualifications for Membership

In order to qualify for membership, a member must own property or abide within the established boundaries of the District.

2.3 Voting Rights

2.3.1 Each member entitled to vote with respect to the subject matter of an issue submitted to the members shall be entitled to one vote upon each such issue.

2.3.2 Each member entitled to vote at an election of Directors may cast votes on established election date (Same as the School Board Election date, first Tuesday in the month of May) set by the Cascade Elections Office.

2.4 Annual Meeting

The annual meeting of the members shall be held the first Tuesday of July for the purpose of voting on the annual budgets and the transacting such other business as may properly come before the meeting. If the day fixed for the annual meeting is a legal holiday at the place of the meeting, the meeting shall be held on the next succeeding business day. If the annual meeting is not held on the date designated therefore, the Board shall cause the meeting to be held as soon thereafter as may be convenient.

2.5 Special Meetings

The President, the Board, and the members entitled to vote at such meeting, may call special meetings of the members for any purpose.

2.6 Place of Meetings

All meetings of members shall be held at the principal office of the District or designated location within the District.

2.7 Notice of Meetings

The President, or the Board shall cause to be delivered to each member entitled to notice of or to vote at the meeting, either personally or by mail, not less than ten nor more than fifty days before the meeting, written notice stating the place, date, and time of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called. it shall be the duty of the Board to give notice of a special meeting of members to be held at such date; time and place as the Board may fix, not less than ten nor more than thirty-five days after receipt of such written request,

ARTICLE 3. ADDRESS

The District shall maintain no permanent business office from which it transacts business, ~~but shall maintain a permanent mailing address. As of the date of the adoption of these~~ Bylaws, this mailing address is: Gore Hill County Water District

P.O. Box 263
Great Falls, MT 59403

~~Physical address: 4503 62nd Ave SW
Great Falls, MT 59404~~

The Physical and Mailing address for the business office: Gore Hill County Water District
4503 62nd Ave SW, Great Falls, MT 59404 (RESOLUTION NO. GHCWD 2021-003)

ARTICLE 4. BOARD OF DIRECTORS

4.1 General Powers

The affairs of the Gore Hill County Water District shall be managed by a Board of Directors.

4.2 Number

A Board of Directors, hereinafter referred to as the "Board", shall be the governing body of the District. The Board shall consist of five (5) Directors who shall be elected as required by 57-13-2222 MCA 2015.

4.3 Qualifications

Directors shall be owner or lessee of real property within the defined boundaries of the District or resident therein. All directors elected to the Board will be a Certified Class 3A and 4B Operator in the State of Montana. New board members must serve six months and then file for training and testing.

4.4 Term of Office

Their terms of office shall be four (4) years from and after the date of their election. The election of Directors shall be in every fourth year after the District's organization, on the

first Tuesday in May. Unless a Director dies, resigns, or is removed, he or she shall hold office until the next annual meeting of the Board or until his or her successor is elected, whichever is later.

4.5 Place of Meetings

All meetings shall be held at the principal office of the District or at such other place within, ~~The Board will meet on the first, third, and fourth Tuesday of every month that~~ Board will meet on the second and fourth Tuesday of every month (RESOLUTION NO. GHCWD 2021-003) at 7 PM. All members of the District are welcome to attend meetings. Special meetings may be held at an alternate location that will be published.

4.6 Quorum

Three (3) of the number of Directors in office shall constitute a quorum for the transaction of business at any Board meeting. The payment of all demands made against the District will be conducted in accordance with Article 5.5.4. If a quorum is not present at a meeting, majority of the Directors present may adjourn the meeting from time to time without further notice.

4.7 Action by Board Without a Meeting

Any action which could be taken at a meeting of the Board may be taken without a meeting if a written consent setting forth the action so taken is signed by each of the Directors. Such written consents may be signed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same document. Any such written consent shall be inserted in the minute book as if it were the minutes of a Board meeting.

4.8 Resignation

Any Director may resign at any time by delivering written notice to the President. at the registered office of the corporation, or by giving oral or written notice at any meeting of the Directors. Any such resignation shall take effect at the time specified therein, or if the time is not specified, upon delivery thereof and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4.9 Removal

At a meeting of members called expressly for that purpose, one or more Directors (including the entire Board) may be removed from office, with or without cause, by two thirds of the votes cast by members then entitled to vote on the election of Directors represented in person or by proxy at a meeting of members at which a quorum is present,

4.10 Vacancies

A vacancy in the position of Director may be filled by the affirmative vote of a majority of the remaining Directors though less than a quorum of the Board. A Director who fills a vacancy shall serve for the unexpired term of his or her predecessor in office. Oath of Candidacy and Special District Candidate Petition of Nomination form needs to be filled out and Oath of Office given. Both forms are to be filed at the Cascade Elections Office.

4.11 Compensation

The Directors shall be compensated by the District at the rate approved by members and adopted by the board in accordance with V-13-2273 MCA 2015, and shall receive no other compensation from the District unless otherwise provided by law.

ARTICLE 5. DUTIES OF THE BOARD OF DIRECTORS

5.1 Number and Qualifications

The officers of the board shall be a President, one or more Vice Presidents, and a Treasurer, each of whom shall be elected by the Board, Other officers and assistant officers may be elected or appointed by the Board, such officers and assistant officers to hold office for such period, have such authority and perform such duties as are provided in these Bylaws or as may be provided by resolution of the Board. Any officer may be assigned by the Board any additional title that the Board deems appropriate. Any two or more offices may be held by the same person, except the offices of President.

5.2 President

The President shall be the chief executive officer of Gore Hill County Water District, and, subject to the Board's control, shall supervise and control all of the assets, business and affairs of the District. The President shall preside over meetings of the members and the Board. The President may sign deeds, mortgages, bonds, contracts, or other instruments, except when the signing and execution thereof have been expressly delegated by the Board or by these Bylaws to some other officer or agent of the corporation or are required by law to be otherwise signed or executed by some other officer or in some other manner. In general, the President shall perform all duties incident to the office of President and such other duties as are assigned to him or her by the Board from time to time.

5.3 Vice Presidents

In the event of the death of the President or his or her inability to act, the Vice President (or if there is more than one Vice President, the Vice President who was designated by the Board as the successor to the President, the Vice President whose name first appears in the Board resolution electing officers) shall perform the duties of the President, except as may be limited by resolution of the Board, with all the powers of and subject to all the restrictions upon the President. Vice Presidents shall have, to the extent authorized by the President or the Board, the same powers as the President to sign deeds, mortgages, bonds,

contracts, or other instruments. Vice Presidents shall perform such other duties as from time to time may be assigned to them by the President or the Board.

5.4 Treasurer

Will work with the bookkeeper or the District in managing the District finances. Will conduct periodic audits of bank statements and deposits. Review District annual budget each year and make recommendation to Board. Review monthly Balance Sheet. Ensure the District finances are in accordance with Generally Accepted Accounting Principles (GAAP).

5.5 The Board Shall:

5.5.1 Act only by ordinance or resolution. The ayes and nays shall be taken upon the passage of all ordinances or resolutions and entered upon the journal of the proceedings of the Board. No ordinance or resolution shall be passed or become effective without the affirmative vote of a least a majority of the Directors, the enacting clause of all ordinances passed by the Board shall be in the words: "Be it ordained by the Board of Directors of the Gore Hill County Water District as follows:" All resolutions and ordinances shall be signed by the President of the Board and attested by the Board Secretary.

5.5.2 Have full charge and control of the construction, operation and maintenance of all works and systems of the District.

5.5.3 If it should deem necessary, employ a general manager and/or auditor to assist it in the discharge of its duties.

5.5.4 Pay all demands made against the District when such demands have been first approved by at least two (2) members of the Board. Said payments shall be made by check signed by two board members.

5.5.5 Install and maintain a system of auditing and accounting that shall completely and always show the financial condition of the District IAW 52-7-503 MCA 2015 Financial reports and audits of local government entities.

5.5.6 Determine the water rates necessary for the operation and maintenance of all works and systems of the District.

5.5.7 Take all actions necessary for retirement of the District's debt service obligations through assessment of properties with the District, including, but not limited to, cooperating timely with the Cascade County Board of County Commissioners and the Cascade Count Assessor's Office by furnishing accurate lists of properties with the

District and the amount of money required for debt retirement for each fiscal year.

5.5.8 Retain a certified operator or manager to perform and/or supervise certain functions as specified by the Board, including, but not limited to, chlorination of and maintenance of health standards for the water systems,

5.5.9 Retain licensed engineers for all major projects required for the District.

5.5.10 Perform all other duties necessary for the construction, operation and maintenance of the works and systems of the District, including compliance with all State and County laws and regulations.

5.6 Administrative Provisions

5.6.1 Books and Records

The corporation shall keep at its principal or registered office copies of its current Articles of Incorporation and Bylaws; correct and adequate records of accounts and finances; minutes of the proceedings of its members and Board, and any minutes which may be maintained by committees of the Board; records of the name and address and class, if applicable of each member and Director, and of the name and post office address of each officer; and such other records as may be necessary or advisable. All books and records of the corporation shall be open at any reasonable time to inspection by any member with three months standing or to a representative of more than five percent of the membership.

5.6.2 Board Secretary

The Secretary shall: (a) keep the minutes of meetings of the members and the Board, and minutes which may be maintained by committees of the Board; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records of the corporation; (d) keep records of the post office address and class, if applicable, of each member and Director and of the name and post office address of each officer; (e) sign with the President, or other officer authorized by the President or the Board, deeds, mortgages, bonds, contracts, or other instruments; and (f) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or the Board.

5.6.3 Bookkeeper

The Bookkeeper shall: (a) Develops system to account for financial transactions by establishing a chart of accounts; defining bookkeeping policies and procedures.

Maintains subsidiary accounts by verifying, allocating, and posting transactions. Balances subsidiary accounts by reconciling entries. (b) Ensure the District complies with federal, state, and local legal requirements by filing required reports: advising the Board on needed actions. (c) Ensure monthly customer billing is completed and mailed out at the end of each month.

5.6.4 Accounting Year

The accounting year of the corporation shall be the twelve months ending June 30.

5.6.5 Rules of Procedure

The rules of procedure at meetings of the Board and committees of the Board shall be rules contained in Roberts' Rules of Order on Parliamentary Procedure, newly revised, so far as applicable and when not inconsistent with these Bylaws, the Articles of Incorporation or any resolution of the Board.

ARTICLE 6. WATER RATES

6.1 Water rates are subject to change by the Board based on annual review of District expenses and voted on at the annual meeting in July of each year.

6.2 Payments of monthly water bill shall be due by the 27th of each month.

6.3 The Board reserves the right to terminate water service to resident with delinquent accounts of over 60 days past due.

6.4 New residence to District require to pay deposit, which is held for two years, based on account status. Account status is based on timely payment of monthly bill during the two years. Interest is paid based on current bank rate on deposit. At the end of two years the deposit is refunded plus interest.

6.5 The board reserve the right to impose required initial deposit for accounts that are delinquent on a consistent basis if deposit is not on file with District. Deposit will be held for two years based on timely payment of monthly bill plus interest.

ARTICLE 7. TAP FEE

7.1 The Board shall collect Tap fee from those residents of the District who hook up to the District's water system after August 1, 1976. In return for this fee, the District shall provide a saddle, corporation valve; copper tubing and curb stop, and shall also provide

the qualified labor necessary to make the connection between the District line and residents service line.

7.2 Installation and maintenance of the resident's service line shall be his or her own responsibility. The service lines shall have a maximum diameter of 3/4 inch and shall meet all specifications made by the Board.

ARTICLE 8. INCLUSION IN THE DISTRICT

8.1 The Board shall periodically inquire as to whether persons who reside in the area of the District wish to have their property included within the boundaries of the District. Said persons shall formally indicate their interest by providing the Board with a written request for inclusion in the District and a legal description of the property to be included. Once sufficient requests have accumulated to warrant calling an election, the Board shall determine at a regular meeting whether to adopt an ordinance including such additional property in the District. If the ordinance is adopted, it shall be put to a vote of the residents of the District and additional property in question as provided at *7-13-2341 MCA 2015.

8.2 Property owners have the right to petition to be excluded from the District IAW s7-13-2344 - 2345 MCA 2015

ARTICLE 9. MONTANA LAW

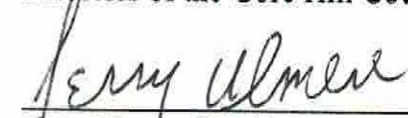
9.1 Any matter not considered hereinabove shall be controlled by the portion of Montana Law dealing with county water and sewer Districts at S7-13-22 et seq., MCA 2015.

ARTICLE 10. AMENDMENTS

10.1 These Bylaws may be altered, amended, or repealed and new Bylaws may be adopted by the vote of a majority of the number of Directors in office.

10.2 That we, the undersigned, being all of the Directors of the District, do hereby certify that the above and foregoing updated bylaws adopted on I August 1976 were duly adopted and in all respects ratified and approved as the Bylaws of said District this 20th day of February 2018, and that the same do now constitute the Bylaws of the said District.

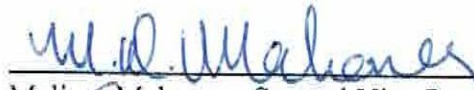
Directors of the Gore Hill County Water District




Jerry Ulmen, President



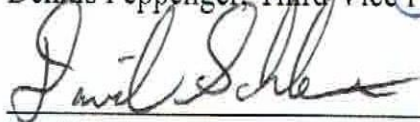
Mercy Padgett, First Vice President



Melissa Mahoney, Second Vice President



Dennis Peppenger, Third Vice President



David Schuler, Treasure, Compliance Officer