

**BYLAWS OF  
BACHELOR SWITCH WATER USERS ASSOCIATION  
(Revised and Restated October 11, 2025)**

**1. LOCATION:** The principal office of this Corporation shall be at the offices of Citizens State Bank, 600 Main Street, Ouray, Colorado, or at such other location as the Board of Directors may determine.

**2. MEMBERS' MEETINGS:**

**a. Annual Meetings:** The annual meeting of members for electing directors and for the transaction of any other business which may properly come before the meeting shall be held at the principal office of the Corporation, or such other place in Ouray County, Colorado, as the Board of Directors may determine. The date of the annual meeting shall occur during the month of August or as the Board of Directors designate. Annual meetings shall be held no less than fourteen (14) days after the sending of notice thereof.

**b. Special Meetings:** A special meeting of the members of the Corporation may be called at any time by a majority of the Board of Directors or by the president, who shall call for a special meeting on the written request of members representing no less than twenty (20) percent of the number of votes of the membership. Such special meetings shall be held no less than seven (7) days after sending notice thereof, unless waiver of this requirement is obtained from members representing seventy-five (75) percent or more of the number of votes of the membership.

**c. Order of Business:** The order of business at a special meeting shall be limited to the subjects listed in the notice of such special meeting. The order of business at an annual meeting shall be as follows:

- (1) Call to order
- (2) Proof of notice of meeting
- (3) Proof of quorum to conduct business
- (4) Reading of minutes of last meeting
- (5) Reports of officers
- (6) Reports of committees, if applicable
- (7) Miscellaneous business
- (8) Election of directors
- (9) Adjournment

Any of the above may be waived by a vote of members representing fifty (50) percent or more of the number of votes present.

**d. Notice of Meetings:** Notice of meetings shall be made by the Corporation secretary sending out electronic notices by electronic mail or written notices by first class mail to all members of the Corporation. The notice shall state the date, time, place, and in the case of a special meeting, the purpose of the meeting.

**e. Quorum:** 1/5 (20%) of the members' votes then eligible to vote, present in person, present by telephone or web conferencing, or represented by proxy, shall constitute a quorum for any members' meeting, except that, if less than a quorum is present or represented by proxy, a majority of those present or represented by proxy may, after a lapse of at least one-half hour from the designated starting time of the meeting, adjourn the meeting to some future time, not less than seven (7) days later. The secretary shall send notice of the new meeting date to all members no less than five (5) days from the date of the new meeting. At the new meeting date, a quorum shall consist of seventy-five (75) percent of those votes present or represented by proxy at the original meeting. Paper and electronic proxies will be accepted.

**f. Voting:** Each member shall be entitled to one vote for each vote authorized pursuant to the Articles of Incorporation. In accordance with the Articles of Incorporation, members must be in good standing to be eligible to vote. Members must vote in person, by telephone or web conferencing, or by proxy. At the discretion of the president, votes may be counted by voice or by raised hands; but, if fifty (50) percent of the votes present or represented by proxy so request, at any time, any vote, shall be taken by written secret ballot.

### **3. BOARD OF DIRECTORS:**

**a. Number, Qualification and Election:** The business, affairs and property of this Corporation shall be managed by a Board of Directors consisting of at least three (3) members who shall be elected at the annual meeting of the members by a majority of the votes cast at such election by ballot or, in absence of objection by any member present at such meeting, in any manner other than by ballot. Such directors shall hold office for one (1) year until they are reelected or their respective successors shall qualify and be elected. To ensure continuity, the director appointed as president of the board of officers shall hold office for two (2) years until they are reelected or their respective successors shall qualify and be elected.

**b. Vacancies and Removal:** Any director may resign at any time. The members shall have the right at any time to remove any director of this Corporation, with or without cause, by majority of the votes present. The Board of Directors shall have the right at any time to remove any director of this Corporation, with or without cause, by a majority of the Board of Directors. If the office of any director shall become vacant between annual meetings by reason of resignation, removal, or death, the remaining directors may, by a majority vote, appoint a director to fill the vacancy, and any director so appointed shall hold office until the next annual meeting of the members and until they are duly elected, or their successor has been duly elected, by the members.

**c. Regular Meetings:** Regular meetings of the Board of Directors shall be held annually following the annual meeting of the members and at such times as shall be determined by the Board of Directors. Notice of each regular meeting of the Board of Directors shall be given by the secretary at least five (5) days prior thereto.

**d. Special Meetings:** Special meetings of the Board of Directors may be called at any time by the president or by a majority of the Board of Directors. Notice of each special meeting of the Board of Directors shall be given by the secretary, at least five (5) days prior thereto.

**e. Waiver of Notice:** Notice of any regular or special meeting of the Board of Directors may be waived.

**f. Place of Meetings:** All regular and special meetings of the Board of Directors shall be held at the principal office of the Corporation, or at such other place or places, physically or electronically, as the Board of Directors designate.

**g. Quorum:** A majority of the directors of the Corporation shall constitute a quorum for the transaction of business at any regular or special meeting of the Board of Directors. vote.

**h. Voting:** At all meetings of the Board of Directors, each director shall have one (1)

**i. Compensation:** Directors shall be paid \$50.00 for each regular and special meeting attended. Nothing herein shall be construed to preclude any director from serving the company in any other capacity as an officer, agent or otherwise and receiving compensation therefore. Directors shall be paid \$20.00 per hour for incidental service. Directors may waive compensation. Directors or members may set the compensation of officers.

**j. Contracts:** In the absence of fraud, no contract or other transaction between this Corporation and any other Corporation shall be affected by the fact that directors of this Corporation are directors of such other Corporation, if such contract or transaction shall be approved or ratified by the affirmative vote of a majority of the directors present at a meeting of the Board of Directors or the committee of this Corporation having authority in the premises, who are not so interested. Any director individually or any firm of which any director is a partner, may be a party to or may be interested in any contract or transaction of this Corporation provided that such contract or transaction shall be approved or ratified by the affirmative vote of at least a majority of the directors present at a meeting of the Board of Directors or the committee of this Corporation having authority in the premises, who are not so interested. No director shall be liable to account to this Corporation for any profit realized by them from or through any such transaction or contract of this Corporation, ratified or approved as aforesaid, by reason of their interest in such transaction or contract. Directors so interested may be counted when present at meetings of the Board of Directors or of such committees for the purpose of determining the existence of a quorum. The Board of Directors may authorize any officer or officers, agent or agents, employee or employees to enter into any contract or other instrument on behalf of this Corporation, and such authority may be general or confined to specific instances. Except as herein provided or as authorized by the Board of Directors, no officer, agent or employee other than the president, vice president, secretary or treasurer, shall have any power or authority to bind this Corporation by any contract or engagement, or to pledge its credit or to render it liable for any purpose or for any amount.

#### **4. BOARD OF OFFICERS:**

**a. Appointment:** Immediately after the annual meeting of membership, if a quorum of the Board of Directors so elected be then present in person, or if not, then at the first meeting of the Board of Directors thereafter, the directors shall appoint a president who shall be a director,

in addition to a vice president, a secretary, and a treasurer, none of whom need be directors. Any two or more offices may be held by one person except that the president may not also be the secretary. All of said officers shall hold office until their respective successors shall be duly appointed. If any vacancy occurs among the above offices, such vacancy may be filled as determined by the Board of Directors.

**b. Removal:** Any officer of the Corporation appointed by the Board of Directors may be removed by a majority vote of the Board of Directors at any time, with or without cause.

**c. Power and Duties of the President:** It shall be the duty of the president to preside at members' meetings and at all meetings of the Board of Officers. The president shall cause regular and special meetings of the members and officers in accordance with these Bylaws. The president, subject to the approval of the Board of Directors, shall appoint and remove, employ and discharge, and fix the compensation of all agents and employees of this Corporation other than officers appointed by the Board of Directors. The president shall make and sign all contracts and agreements in the name of the Corporation which are authorized by the Board of Directors. The president shall see that the books, reports, statements and certificates required by statute are properly kept, made and filed, according to law. They shall submit a report of the operations of this Corporation for each year to the Board of Directors at their last regular meeting in such year, or at a special meeting called for that purpose before the annual meeting of members, and to the members at their annual meeting, and from time to time, they shall report to the directors all matters within their knowledge which the interests of this Corporation may be required to be brought to their notice. In general, they shall perform all the duties incident to their office.

**d. Powers and Duties of the Vice President:** The vice president of this Corporation shall generally assist the president and shall perform such duties as may be assigned to them by the president or the Board of Directors. In the event of the removal, resignation, absence, death, or inability of the president to act, they shall assume and discharge pro tempore the powers and duties of the president of this Corporation.

**e. Powers and Duties of the Secretary:** The secretary shall be ex officio secretary of the Board of Directors. They shall draft and keep the minutes of all meetings of the Board of Directors, Board of Officers, and members. The minutes of all meetings shall be approved by the Board to which they pertain. They shall have charge of the corporate books and records. They shall give and serve all notices to the members, officers, and directors. In general, they shall perform all the duties incident to their office.

**f. Powers and Duties of the Treasurer:** The treasurer shall have the care and custody of and be responsible for all the funds, securities, evidences of indebtedness and other valuable documents of the Corporation, and deposit all such funds in the name of the Corporation in such banks or trust companies or other depositories or in such safe deposit vaults as the Board of Directors may designate. The treasurer shall sign, make and endorse in the name of the Corporation all checks, notes, drafts, bills of exchange, acceptances and other instruments for the payment of money, and pay out and dispose of the same and receipt therefor, under the direction of the president or the Board of Directors. At minimum, the treasurer shall render an annual report and annual budget. The treasurer shall render a statement of the condition of the finances

of the Corporation at the annual meeting of the members. The treasurer shall keep at the office of the Corporation full and accurate books of account of all its business and transactions and such other books of account as the president or Board of Directors may require, and shall exhibit the same to any director of the Corporation upon application therefor. The treasurer shall file all necessary paperwork to ensure the Corporation remains in good standing with the Internal Revenue Service and the State of Colorado ensuring tax returns are filed timely and that the Corporation's nonprofit 501(c) status is maintained. In general, they shall perform all the duties incident to their office.

**g. Returns and Statements:** It shall be the duty of each officer of this Corporation to make and file any and all returns, reports, lists or statements required by law to be made and filed by them, and to make full report to the Board of Directors respecting the affairs of the Corporation in their charge whenever they may be requested to do so.

**h. Regular Meetings:** Regular meetings of the Board of Officers shall be held quarterly and at such times as shall be determined by the Board of Officers. Notice of each regular meeting of the Board of Officers shall be given by the secretary, at least five (5) days prior thereto.

**i. Special Meetings:** Special meetings of the Board of Officers may be called at any time by the president. Notice of each special meeting of the Board of Officers shall be given by the secretary, at least five (5) days prior thereto.

**j. Waiver of Notice:** Notice of any regular or special meeting of the Board of Officers may be waived.

**k. Place of Meetings:** All regular and special meetings of the Board of Officers shall be held at the principal office of the Corporation, or at such other place or places, physically or electronically, as the Board of Officers designate.

**l. Quorum:** A majority of the officers of the Corporation shall constitute a quorum for the transaction of business at any regular or special meeting of the Board of Officers.

**m. Voting:** At all meetings of the Board of Officers, each officer shall have one (1) vote.

**n. Committees:** The Board of Officers may form and disband committees and appoint and remove committee personnel, at any time, with or without cause. Any agent or employee appointed or employed by the Board of Officers may be removed or discharged or suspended at any time, with or without cause.

**o. Compensation:** The President shall be paid \$100.00 per month with the remaining officers paid \$50.00 per annual, regular and special meeting attended and \$20.00 per hour for incidental service. Secretary and Treasurer compensation should be negotiated by the Board of Directors. Officers may waive compensation.

## 5. MEMBERSHIP CERTIFICATES:

**a. Issue and Registration:** The membership certificates of the Corporation shall be in such form as shall be approved by the Board of Directors. Membership certificates shall be signed by the president and the secretary. They shall be numbered consecutively and registered in the order in which they are issued. All certificates exchanged or returned to the Corporation shall be marked “Canceled” and the date of cancellation affixed thereto. Upon transfer, a new certificate shall not be issued until the old certificate shall have been canceled; provided, however, that, in case any certificate shall be lost, the directors may order a new certificate be issued in its place upon receiving such proof of loss and such bond of indemnity therefor as may be satisfactory to them.

**b. Transfers:** Transfers of certificates shall be made upon the books of the Corporation by the secretary.

**c. Record Holders:** This Corporation shall be entitled to treat the holder of record of any membership certificate as the holder in fact thereof and shall not be bound to recognize any equitable or other claim to or interest in such certificate on the part of any other person, whether or not it shall have express or other notice thereof, save as expressly provided by law.

**d. Notice of Limitations:** Upon the front of each membership certificate issued by the Corporation there shall be placed adequate notice of the several limitations on ownership and transfer, as provided by the Articles of Incorporation and these Bylaws. Each certificate shall also contain an adequate description of the real property to which it is appurtenant. If space on the front of the certificate does not permit a full and adequate disclosure of those matters, a brief notice on the front of the certificate may be made, with reference to continuation or full disclosure on the rear of the certificate or by reference to the Articles of Incorporation or these Bylaws.

**e. Revocation of membership certificates:** if an account remains more than 1 year in delinquency the Corporation, upon discretion of the Board of Directors, may revoke the membership certificate from such tap owner.

## 6. ASSESSMENTS:

**a. Annual assessments:** Annual assessment of members for corporate expenses shall be made for regular water supply and otherwise as determined by the Board of Officers, for the expenses of the Corporation. Charges for water and maintenance shall be assessed and billed annually by electronic mail or first class mail. Members requiring first class mail will be charged \$5.00 for each billing. Members are responsible for keeping the Corporation apprised of change in their telephone numbers, electronic mailing addresses, and postal addresses. Payments may be made annually, quarterly or monthly in equal installments provided the account is in good standing. If delinquent, the Board of Officers reserves the right to demand payment in full for the remaining annual assessment. Water charges shall commence when service is first utilized. All bills shall specify a due date. Delinquent accounts shall bear interest at a rate of 1.5% per month (18% APR) taking effect as soon as the payment is past due. Accounts requiring rebilling in cases of returned checks, Notices of Delinquencies, or Notices of Water Shutoffs, will be

assessed a \$10.00 fee per rebilling. Checks will not be accepted for accounts having a returned check and said accounts will be required to pay online through the AllPaid payment portal for future billings. Members shall be responsible for payments of all costs, including court and attorney's fees, incurred by the Corporation in collecting past due amounts. All charges and fees imposed by these Bylaws shall become a lien on the property served as of the date payment was originally due.

1) The Board of Officers shall provide for such additional assessments for new members as the Board of Officers sees fit.

2) Assessments for expenses other than the charge for water use shall be assessed against the entire membership on a per tap basis, unless the Board of Officers finds that the subject expense has especially benefited only a certain group of members or individual member, in which case a per tap assessment may be made against those specially benefitting members. Maintenance or repair of a given part of the Corporation's water conveyance facilities shall not of itself be grounds for limiting assessment to less than the full membership.

3) The Board of Officers may provide for an amount of monthly assessment for water use higher than that needed to pay a members' pro rata share of the monthly charge for water by the City of Ouray to the Corporation, for such purposes as establishing a contingency fund for future extraordinary expenses, or to pay for other recurring or nonrecurring expenses of the Corporation.

4) Thirty (30) days after a delinquent payment was due, the Corporation shall send a Notice of Delinquency.

**b. Remedies for Nonpayment:** In addition to any other remedies which the Corporation may have, the Corporation may take the following actions upon failure to pay any charges or fees by the dates specified as due upon the bill, or when they are otherwise due:

1) The Corporation or the City shall have the right, upon failure of a member to adhere to the terms of these Bylaws, to enter upon the location of the shutoff valve for the purpose of shutting off the member's water supply.

2) The Corporation may foreclose the lien imposed by these Bylaws in accordance with law.

3) The Corporation may maintain an action for the amount of charges due in a court of competent jurisdiction including interest and legal and court fees as allowed by law.

4) It shall be unlawful to fail to pay the charges imposed by these Bylaws.

5) If an account remains more than 1 year in delinquency the Corporation may disconnect a member's tap from its water supply infrastructure upon the discretion of the Board of Directors, with costs incurred being the responsibility of the tap owner.

**c. Shut Off and Resumption of Water Service:** The Board of Officers may provide for shutting off the water supply of members who are delinquent in payment of their assessments, if such delinquency is not satisfied in full within sixty (60) days of the date payment was originally due.

1) A member's water supply may be shut off where the member fails to adhere to the obligations imposed by the applicable ordinances of the City of Ouray, or the Articles of Incorporation or Bylaws of the Corporation. In case a person fails or refuses to pay any charges or penalties for BSWUA water service or shall fail to comply with the provisions of these Bylaws or other regulations applicable to the BSWUA water service, the Corporation may shut off water to the premises.

2) Prior to shutting off the water, the Corporation shall send a notice by certified mail to the address of the member concerned as shown on BSWUA records, stating the reason for the shutoff, and the date upon which service may be shut off unless the charges, including late fees, are paid or other specified violations are corrected. Such date shall be at least ten (10) days after the deposit of the letter giving notice of the shut off in the mail.

3) A member may request upon notice of shutoff a hearing in front of the Board of Officers to explain their delinquency. If the Board of Officers, following the hearing, determines the matter adverse to the member, service may be shut off immediately or on the date specified in the notice of shutoff, whichever is later.

4) The customer may appeal any such decision to the Board of Directors where they will be allowed a hearing, providing they make a deposit with the Corporation in the amount of any charges due.

5) If the Corporation shuts off the water service for delinquency or failure to abide by these Bylaws, service will not be restored until all overdue charges, penalties, other applicable charges which have been billed with respect to the property or the customer at any service location, a turn-off/turn-on charge of \$150.00 for each service, and a deposit in an amount equal to the greater of \$300.00 or the customer's highest previous quarterly bill, have been paid to the Corporation.

6) The Corporation may shut off or interrupt without liability water service as appropriate for maintenance, emergencies or other reasons.

7) Members whose water supply has been shut off for delinquency or failure to abide by these Bylaws shall be obligated to pay the Corporation for any extra expenses incident to such shutting off and subsequent turning on of their water supply. If a member's water supply is properly shut off by the Corporation or the City of Ouray, the member shall not turn on the water supply without obtaining written permission of the Corporation.

8) Neither the Corporation nor its directors, officers or members shall be liable for injury to person or property arising out of a shutting off of water service.

## **7. CORPORATE FUNDS:**

**a. Expenditure of Funds:** Withdrawal may be made from any corporate account only over the signature of at least two (2) officers or by resolution of the Board of Directors.

**b. Borrowing:** The Corporation may borrow funds only by resolution of the Board of Directors or by majority vote of the membership.

**c. Deposits, Checks, Drafts, Etc.:** All checks and drafts or funds of this Corporation shall be deposited from time to time to the credit of this Corporation in such banks or trust companies or to other depositories as the Board of Directors may designate. All checks shall be drawn out of the regular check books of the Corporation and, for each check drawn, the purpose and amount for which the same is drawn shall be specified in a register.

## **8. MEMBERS' EQUITY:**

**a.** The assets and savings of the Corporation shall be the property of the members in equal shares and each member's interest shall be determined on the basis of account standing. The treasurer shall maintain records from which each current member's equitable interest in the assets and savings can be determined.

**b.** Upon dissolution of the Corporation, all assets, including retained earnings, remaining after the payment of debts, shall be distributed to members on the basis of account standing.

**c.** This Section 8 shall be deemed to be retroactive to the creation of the Corporation.

## **9. TAPS: BSWUA TAP/WATER LINE INSTALLATION FORM:**

**a.** Any person, persons, Corporation, company or business who desires to obtain water from the Corporation by connecting or tapping into the Main supply line or any branch line under the jurisdiction of said Corporation must notify the Corporation of their intent to connect or tap into such line by means of a written request for such connection or tap at least thirty (30) days prior to the time anticipated for making such connection or tap.

**b.** Each member shall cause a curb stop shutoff valve to be installed on the property line. Full and convenient access shall be given to said curb stop valve. The person requesting the tap shall be responsible for all costs incurred.

**c.** The connection or tap must be made by a contractor approved by the Board of Officers to make such connection or tap, and a member of said Board shall be invited to be present at the time said connection or tap is made.

**d.** Any person or business association of persons requesting such connection or tap, by making such request, shall be viewed by the Board of Officers as applying for membership in the Corporation for the property to be served by such connection or tap, and the full amount of membership fees and other charges to be paid by new members shall become due and payable

upon the request for such connection or tap. Any new members, as construed herein, shall sign all usual membership agreements and pay the full amount of membership fees and other charges before any such tap or connection is approved by the Board of Officers, and a membership certificate for said member shall be issued with the approval of such connection or tap.

e. A tap fee of \$5,000.00 shall be charged to all new BSWUA members installing taps. Should a membership be revoked under Para. 5/e and should a member reapply for membership, at the discretion of the Board of Directors, a new tap fee will be assessed and that all costs incurred will be the responsibility of the tap owner paid in advance of reconnection.

## **10. MAINTENANCE AND REPAIR OF WATER LINES:**

a. The Corporation shall not be responsible for the provision or maintenance or repair of pipelines or other water supply devices within the boundary lines of a member's real property.

b. The Corporation may engage in contract with a business entity to perform maintenance or repair of the water lines, as necessary.

c. All companies or entities who engage in such tasks must have their own liability insurance and/or be bonded,

d. Any person or business entity who attempts or gets involved in the repair, maintenance, or physical alteration of Corporation water lines without previous authorization from the Corporation shall not have the right to reimbursement and shall be liable for any damage or injury caused by such activities.

e. Expenses incident to bringing water conveyance facilities to new members shall be borne on a per tap basis by those new members alone and shall be promptly paid by such new members.

## **11. AMENDMENT OF BYLAWS:**

**Alterations, Amendments or Repeals:** With the exception of voting and quorum requirements, the Board of Directors shall have power to make, amend and repeal these Bylaws of the Corporation, by vote of a majority of all the directors, at any regular or special meeting of the Board. The members may make, amend and repeal the Bylaws of the Corporation, at any annual meeting or at a special meeting called for that purpose and all Bylaws made by the directors may be altered or repealed by the members, by a majority of the votes eligible to vote.

## **12. MISCELLANEOUS PROVISIONS:**

a. **Bonding:** Officers of the Corporation shall be bonded with a security bond in the amount of \$10,000.00.

b. **Insurance:** The Corporation shall maintain active general liability and directors and

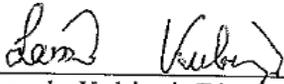
officers insurance policies of an amount determined by the Board of Directors.

**c. Fiscal Year:** The fiscal year of this Corporation shall begin on the first day of January and end on the 31st day of December in each year.

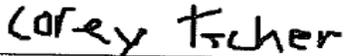
**AN AMENDMENT TO THE BYLAWS OF THE BACHELOR SWITCH WATER USERS ASSOCIATION, DATED OCTOBER, 11, 2025**

Pursuant to the Bachelor Switch Water Users Association Articles of Incorporation, dated August 24, 1972, and Bylaws, dated September 11, 1972; as amended April 10, 1991; as amended January 1, 1994; as amended April 1, 1996; as amended January 9, 1997; as amended September 20, 2000; as amended December 12, 2017; as amended July 5, 2023 and as amended October 11, 2025.

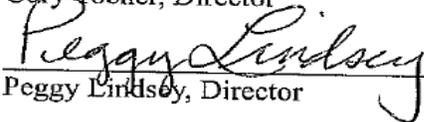
THIS AMENDMENT IS ADOPTED THIS 5TH DAY OF OCTOBER 11, 2025 BY THE BACHELOR SWITCH WATER USERS ASSOCIATION



\_\_\_\_\_  
Laszlo Kubinyi, Director



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Cory Tocher, Director



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Peggy Linksoy, Director