

DALE BASIN WELL OWNERS' ASSOCIATION

BY-LAWS

ARTICLE 1---NAME

The. Name of the Organization shall be DALE BASIN WELL OWNER'S ASSOCIATION.

ARTICLE II---PURPOSES

Section 1. The DALE BASIN WELL ASSOCIATION ("Association") shall be incorporated as a non-profit association consistent with the laws of the State of California.

Section 2. The Association shall have these purposes:

- A. To provide a unified and legal entity in all matters pertaining to well owner's Interests;
- B. To protect The Dale Basin aquifer by legal and administrative means, from intrusion by outside seekers of water;
- C. To protect the water rights of domestic well owners who are members of the Association;
- D. To provide pertinent information and limited mutual assistance to members of the Association; and
- E. To advocate reasonable measures to preserve and protect the natural desert aspects of the Dale Basin area

ARTICLE III --- BOUNDARIES

Section 1. The area serviced by the Association shall Include improved and unimproved lands within the area commonly known as the Dale Basin.

Section 2. Specific boundaries shall be: the city limit of the City of Twentynine Palms on the west, County Service Area 70M (CSA70M) limits on the north, east, and south.

Section 3. Legal description of the boundaries shall be: beginning at the NW corner of sect. 25, T 2 N, R 9 E, thence one mile east, thence two miles south, to the NW corner of T 1 N, R 10 E, thence east along north edge of T 1 N (Pole Line Rd.) to the NE corner of T 1 N, R 12 E, thence south to the SE corner of sect. 1, T 1 S, R 12 E, thence west along the line (one mile south of Baseline) to the SW corner of sect. 2, T 1 S, R 10 E, thence one mile north to Baseline, thence west on Baseline to the SW corner of R 10 E, T 1 N, (Mojave Rd.) thence north 2 miles to the SW corner of Sect. 19, T 1 N, R 10 E (Two Mile. Rd.) thence one mile west to the SW corner Of Sect. 24, T 1 N, R 9 E (Bullion Mt. Rd.), thence north to point of beginning.

Section 4. Other properties contained within geographical area of the Dale Basin may be added to the above description as needed and approved.

ARTICLE IV --- MEMBERSHIP

Section 1. There shall be one class of membership: Active.

Section 2. Eligibility for membership shall be one of the following:

- A. Member owns a well located within the Dale Basin.
- B. Member owns land within Dale Basin and intends to drill a well thereon, having filed for a well permit.
- C. Member is a co-operative, which either owns a well or is in the process of securing funding for a well in Dale Basin, provided some membership fees have been paid to that co-operative association.

Section 3. Also, regarding membership:

- A. There shall be one membership per well or well permit.
- B. Each member shall be entitled to one vote.
- C. Only one vote per well owner, regardless of the number of wells owned.
- D. Proof of eligibility for voting shall be devised and controlled by the board.

Section 4. Qualifying wells are all wells in Dale Basin.

Section 5. All active members have the right to contact the Secretary and place an initiative, relating to the purpose and goals of the Association, on the agenda of the next Board or General Meeting. All other non-related items or issues will be screened by the Board.

ARTICLE V --- DUES AND FEES

Section 1. There shall be an initial membership of \$10.00, which shall include the first year's dues.

Section 2. Annual dues following the initial membership fee, shall determine by a vote of the general membership.

ARTICLE VI --- OFFICERS AND DIRECTORS

Section 1. The Board of directors shall consist of six (6) people: four (4) officers and two (2) directors:

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| a) President | d) Secretary |
| b) Vice President | e) Director |
| c) Treasurer | f) Director |

Section 3. All officers and directors shall be elected on an annual basis at a general membership meeting.

ARTICLE VII --- DUTIES OF OFFICERS AND DIRECTORS

Section 1. President: The President shall be the chief executive officer of the Association and shall preside at all meetings, shall appoint, with approval of the Board, the chairman of all committees, shall sign all checks for expenditures by the Association, shall represent

the Association as may be required, and shall perform all duties incident to the office of President.

Section 2. Vice President: The Vice President shall assume the duties and serve in the absence of the president, may serve in the stead of any other officer if needed; and shall perform other duties as may be assigned by the President or the Board from time to time. The Vice President shall be an alternate in signing checks for the Association when necessary.

Section 3. Treasurer: The Treasurer shall maintain an accounting of all receipts and expenditures of the Association, shall maintain the Association's bank account, shall maintain a revolving cash fund, shall provide a financial report for each meeting, and shall file all required government returns for the Association. The Treasurer shall maintain a list of active memberships in a permanent file. All checks shall be signed by two (2) of these authorized officers: the Treasurer, the President, the Vice President and the Secretary.

Section 4. Secretary: The Secretary shall record and preserve the minutes of all meetings of the Association, prepare ballot materials, shall keep a sequential of all binding resolutions which are duly approved by the membership, and shall receive correspondence and communications relative to the Association, maintain files thereof, shall report such correspondence or communication at Association meetings, shall prepare official correspondence as directed by the President and/or the Board, shall receive and handle any requests from the general membership relative to agenda items, and shall perform all duties incident to the office of Secretary.

Section 5. Directors: The two (2) Directors shall attend all meetings and participate in all matters pertaining to the Association. Each may serve as Chairman of a committee or committees and may perform duties as directed by the President or the Board.

Article VIII --- Management and Limitations

Section 1. Limitation of Individual Benefits. While the Association may participate in educational activities involving non-members, and benefits from Association activities may be community- wide, the Association shall not extend legal or financial aid to any individual who is not a member.

Section 2. Legal and Administrative Filings. The Association may take legal actions to protect water rights of its membership. The prerequisite for any administrative or legal filing by the Association is a binding resolution.

Section 3. Binding Resolutions.

A. Any and all resolutions approved by a majority of the members present and voting at a general membership meeting and by a majority of the Board (four (4) Board members must approve the resolution) are deemed binding resolutions and shall direct actions taken by the entire Association. Binding resolutions are passed only in a general membership meetings. Board and general membership votes on resolutions shall be by roll call vote and must occur in the same general meeting. No proxy votes will be accepted.

- B. Binding Resolutions may be rescinded in the same manner.
- C. All Binding Resolutions shall be numbered in sequence.
- D. Binding Resolutions which require expenditure of Association funds shall contain:
 - a. An estimate of probable expenses to be incurred by the Association, and
 - b. A maximum expense to be incurred by the Association administering the resolution without re-authorization by a majority vote at another general meeting.

Section 4. General Fund. Monies in the General Fund may accrue from receipts of membership dues, fees, voluntary contributions and fund-raising efforts.

Section 5. The Association Year shall be January 1 through December 31 for accounting and membership purposes.

ARTICLE IX---MEETINGS AND QUORUM

Section. 1. General membership meetings shall be held and established by the Board.

Section 2. Board meetings shall be held one to two weeks prior to the general meetings at the time and location favorable to the Board. Emergency Board meetings may call at any time and by any officer, with notification by, any communication means.

Section 3. Special general meetings may be called at any time when deemed necessary by the Board. Notification may be by written notice or by telephone.

Section 4. A quorum of the Board for board meetings shall consist of four (4) of the officers and directors.

Section 5. A quorum for any general meeting shall be a minimum of ten (10%) percent of the voting membership plus a minimum of three (3) members of the Board.

Section 6. Meetings shall be conducted according to Roberts Rules of Order.

ARTICLE X --- NOMINATION AND ELECTION OF OFFICERS AND DIRECTORS

Section 1. Election and installation of officers and directors shall take place at the last meeting of the calendar year.

Section. 2. The election of Officers and Directors shall be elected by majority vote of the members present at the meeting and voting. No proxy votes shall be accepted.

Section 3. The unexpired term of any elected office shall be filled by the Board of Directors after considering the recommend action of the regular members.

ARTICLE XI---COMMITTEES

Section 1. The President, with approval of the Board, may appoint chairs of committees as needed from time to time. Committee chairs may be any active members, including members of the Board.

Section 2. Standing Committees may include, but not limited to: A) Publicity, B) Telephone, C) Education, D) Conversation, E) Assistance, F) Membership.

Section 3. Committees shall report on their activities at general membership meetings or as requested by the President or the Board. Committee functions shall be guided by consensus of the membership.

ARTICLE XII---AMENDMENTS

These By-Laws may be amended or repealed by the affirmative vote of two-thirds of the active members present and voting at any general or special meetings of the Association, provided the language of the purposed amendment or repeal has been considered and finalized at a prior meeting, and that the notice of proposed amendment or repeal is contained in the notice of such meeting. Written notice of meetings wherein By-Laws are to be amended, is required.

ARTICLE XIII---DISSOLUTION

In the event of dissolution or liquidation of this Association:

Section 1. Any and all assets remaining after the payment of Association debts shall be donated to the local charitable Institution as designated by the membership.

Section 2. No portion of remaining assets shall be distributed to members of the Association.

ARTICLE XIV---APPROVAL AND ADOPTION

These By-Laws shall be effective immediately upon affirmative adoption by the Board.

Adopted _____

President

Secretary