

## **Application for Public Service Commission Regulation or Exemption for Water and Wastewater Companies**

Enclosed is an application designed by the Division of Public Utilities (DPU) intended to assist an applicant in determining if a water system qualifies as a public utility and is subject to regulation by the Utah Public Service Commission (PSC) and in providing the appropriate information to the PSC.

In the regulation of water companies, the PSC can issue one of two different designations. The first is a Certificate of Public Convenience and Necessity (CPCN). This is required for any public utility providing service to the public generally. A company with this designation would be regulated by the Public Service Commission. The second designation is a Letter of Exemption (LOE). This is provided to non-profit companies serving its members only such as a Home Owners Association (HOA) and mutually owned water companies. Companies that meet the criteria for this category are exempt from PSC regulation and are considered to be self-governing through their Boards of Directors.

Below is a list of governing rules that will help provide guidance in filing an application with the Public Service Commission. This list is not a complete list of rules that a company may need when applying for a CPCN or LOE.

**Utah Code:** [54-2-1](#) < Use Ctrl+Click to follow link >

Definitions (19) (a). The PSC has jurisdiction to regulate all public utilities, including "... water corporations [and] sewerage corporations ... where the service is performed for, or the commodity delivered to, the public generally..."

**Utah Code:** [54-4-25](#) < Use Ctrl+Click to follow link >

Certificate of convenience and necessity prerequisite to construction and operation.

**Utah Code:** [54-4a-6](#) < Use Ctrl+Click to follow link >

Objectives of Commission

**Utah Administrative Rule:** [R746-330](#) < Use Ctrl+Click to follow link >

Rules for Water and Sewer Utilities Operating in Utah.

**Utah Administrative Rule:** [R746-332](#) < Use Ctrl+Click to follow link >

Depreciation Rates for Water Utilities.

**Utah Administrative Rule:** [R746-401](#) < Use Ctrl+Click to follow link >

Reporting of Construction, Purchase, Acquisition, Sale, Transfer or Disposition of Assets.

**Utah Administrative Rule:** [R746-405](#) < Use Ctrl+Click to follow link >

Filing of Tariffs (Including Format and Construction requirements.)

Legal name of applicant (company name): Harmony Heights Water Company



## Questionnaire

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Please fill out the following questionnaire to assist you in determining if you are subject to PSC regulation. *(Please check only one for each question.)*

**Q1. Is this company providing water to anyone other than the owner (2 houses or more)?:**

☒ **Yes**

If "**Yes**" then please provide the information requested in **Section A**, and continue to **Question Q2**.

☐ **No**

If "**No**": then this company or water distribution system is not subject to PSC regulation. You are not required to register with the PSC as this time. If you circumstances change you may be required to register with the PSC at a later time.

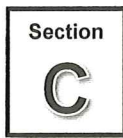
**Q2. Is the company a non-profit serving its members only such as a HOA and mutually owned water companies?**

☒ **Yes**

If "**Yes**" then this company appears to meets the criteria to be exempt from PSC regulation and is considered to be self-governing through their Boards of Directors. Please continue to **Section C** and fill out the "**Application**."

☐ **No**

If "**No**" then this company meets the criteria requiring it to be regulated by the PSC. In addition to providing the information in **Section A**, Please also provide the information requested in **Section B**, and then continue to **Section C** and fill out the "**Application**."



## Application

The following information **MUST** be provided with this application to be considered complete. Incomplete applications will **NOT** be considered.

1. Legal name of applicant (company name): Harmony Heights Water Company

2. Principal office address, phone number and email address:

Address: 722E. 200 S

Address: \_\_\_\_\_

City: New Harmony State: Ut ZIP: 84065

Phone No.: (435) 586-9208 Email address: \_\_\_\_\_

3. Name of the state in which applicant is incorporated and date of incorporation

Name of State: Ut Date of Incorporation: 09/09/1991

*(A certified copy of the Articles of Incorporation and By-laws should accompany this application).*

If not incorporated, describe the type of organization and state in which it is organized.

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4. The officers and directors (or partners) of applicant are as follows:

Name	Title	Phone #	Email
Dallan Jessen	President	(435) 586-9208	
David Jessen	Vice-President	(801) 254-2680	
Darrow Jessen	Secretary	(435) 586-9208	

5. The type of service (water, sewer or both) which applicant proposes to render is:  
(Please check the services that apply.)

☒ Water Only    ☐ Sewer Only    ☐ Both Water and Sewer

6. If the applicant is conducting operations at the present time, please enter the date applicant commenced rendering such service: 1991

7. How Many Connections will the company serve and type (residential / commercial)?

Residential Customers: 84

Commercial Customers:           

Total Number of Customers: 84

8. The names of any water companies that are providing (or proposing to provide) similar service near or in any part of the area covered by this applicant are as follows:

N/A

Section

D

**Applicant Must Sign and Date below:**

I certify that to the best of my knowledge the above information is true, accurate and complete. I am in compliance with and agree to comply with all regulations and requirements of all State and local government agencies.

Legal name of applicant (company name): Harmony Heights Water Co.

Sign Here:  Date: May 3, 2012

Your Name: Dallan J. Jessen Title: President  
(Please enter electronically or print clearly)

*This Application covers the items of interest to the Division of Public Utilities. The list does not necessarily include all items the Public Service Commission and the Division of Public Utilities need to review in the application procedure. Additional items may be requested as the Division and Commission become more familiar with the applicant's particular circumstances.*



they certify that the foregoing has been filed

approved on the 9th day of Sept 1991  
by the Director

Attest: JK Date 9/9/91



PETER VAN ALSTYNE  
DIVISION DIRECTOR

## ARTICLES OF INCORPORATION

OF

### HARMONY HEIGHTS WATER COMPANY

The undersigned natural person over the age of 21 years, acting as the incorporator of a non-profit corporation pursuant to the Utah Non-profit Corporation and Cooperative Association Act, hereby adopts the following Articles of Incorporation of such non-profit corporation.

#### ARTICLE I

##### NAME

The name of the corporation is HARMONY HEIGHTS WATER COMPANY, a non-profit corporation of the State of Utah.

#### ARTICLE II

##### DURATION

The duration of the corporation shall be perpetual unless terminated sooner in the manner provided by law.

#### ARTICLE III

##### PURPOSE AND POWERS

The corporation is organized as a non-profit corporation for the purposes of providing a dependable water supply for beneficial uses by its shareholders and otherwise promoting the general interest and welfare of the shareholders. In furtherance of and in no way in limitation of the powers now or hereafter conferred upon the corporation by the laws of the State of Utah, the nature of business of the corporation and the objects, purposes and powers to be transacted, promoted, exercised or carried on by the corporation are as follows:

- A. To own rights to the use of the water for irrigation, domestic, culinary, livestock, municipal and industrial purposes and to divert,

store, convey and distribute said waters for beneficial use by its shareholders;

B. To acquire water, water rights and water stock by purchase, lease, contract, appropriate, change, exchange or otherwise;

C. To acquire, hold and sell real and personal property necessary or convenient to carry on the corporate purposes and powers;

D. To own water diversions, conveyances, storage and distribution facilities necessary or convenient to the distribution of its water supply to its shareholders;

E. To make, enter into and perform contracts of any kind and description, including contracts with governmental entities for the acquisition of water and water rights, for the use and joint development of sources of water supply, storage, conveyance and distribution facilities, or for the purpose of attaining or furthering any of its objectives;

F. To issue certificates of shares of stock evidencing membership in the corporation;

G. To exercise the power of eminent domain; and

H. To do each and everything necessary, suitable or proper for the accomplishment of any of the purposes herein enumerated, or which may at any time appear conducive to or expedient for the protection or benefit of the corporation.

The foregoing clauses shall be construed both as purposes and powers and are not intended to limit or restrict the general powers of the corporation as conferred by the laws of the State of Utah. It is the further intention that the purposes and powers specified in each of the paragraphs of this Article be regarded as independent purposes and powers.



## ARTICLE IV

### PRINCIPAL OFFICE AND REGISTERED AGENT

The principal place of the business shall be located at New Harmony, County of Washington, State of Utah, but the corporate business may be carried on and branch and transfer office may be established elsewhere in the State of Utah. The initial registered agent of the corporation is Keith Hall, at 453 North 200 West, Hurricane, UT 84737.

## ARTICLE V

### MEMBERSHIP

The corporation shall have one class of members; each member upon purchase of one or more shares of stock of the corporation shall receive a certificate for the share(s) of stock so purchased. Issuance of the share certificate shall entitle the member the use of the percentage of the water acquired by the corporation (by ownership or lease), whether by purchase or lease, equal to the same percentage the number of shares owned bears to the total number of shares outstanding and to vote in elections at the annual meetings after the responsibility for the election of trustees has been turned over to the members on a one vote per share basis.

## ARTICLE VI

### CERTIFICATES OF SHARES OF STOCK

The corporation shall issue certificates evidencing ownership of shares of stock. The total number of shares which the corporation has authority to issue is 1,000.

Each share of capital stock shall represent an equal right in and to the water of the corporation without priority of use over any other share. The corporation shall issue its shares of stock so that at the time of the issue no more than one (1) share shall be issued or outstanding for each .50 acre foot of water

available to the corporation for distribution to its shareholders at the corporation's source of supply. .50 acre foot of water is defined as the aggregate amount of water in one year necessary to cover .50 acre of land one foot deep.

When any shares of stock in this corporation shall be appurtenant to land as provided in the Bylaws and the land shall be conveyed and the grantor of such land shall refuse to convey or transfer such shares to his grantee, the corporation may, at the election of the Board of Trustees, cancel the certificates of the grantor of such land and issue new certificates to his grantee. Such grantee shall then be entitled to all the rights of a shareholder in this corporation.

#### ARTICLE VII

##### CAPITALIZATION AND PAR VALUE OF SHARES

The capitalization and par value of the shares may be increased or decreased, and additional classes of shares may be added, in the manner provided by law, or in the absence of statute, in the manner prescribed by the shareholders in any general meeting or in a special meeting called and held for that purpose.

#### ARTICLE VIII

##### BOARD OF TRUSTEES

The affairs of the corporation shall be managed by a Board of Trustees, consisting of not less than three (3) trustees, as prescribed in the Bylaws. Until such time as the responsibility for electing the trustees of the corporation is turned over to the members, as provided in the Bylaws, the incorporator shall have the exclusive right to appoint such trustees. Except for trustees appointed by the incorporator as herein provided, each trustee must be a member of the corporation. The number of trustees constituting the initial Board of Trustees shall be three (3). The names and addresses of the persons who are to serve as trustees until the first annual meeting of the members held after responsibility for electing trustees is



turned over to the members and until the successor of such trustees are elected and shall qualify are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Keith Hall	453 North 200 West, Hurricane, UT 84737
Dallan Jessen	722 East 200 South, New Harmony, UT 84757
Darrow Jessen	722 East 200 South, New Harmony, UT 84757

#### ARTICLE IX

##### MANAGER

The Board of Trustees may by written contract delegate to a professional management organization or individual such of its managerial duties, responsibilities, functions and powers as are properly delegable.

#### ARTICLE X

##### INCORPORATOR

The name and address of the incorporator are as follows:

Keith Hall	453 North 200 West, Hurricane, UT 84737
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#### ARTICLE XI

##### AMENDMENTS

The Articles of Incorporation may be amended in accordance with Utah law upon the affirmative vote of not less than two-thirds (2/3) of the total votes of the corporation.

#### ARTICLE XII

##### MISCELLANEOUS

In the event this corporation becomes so heavily populated or the contemplated water company has difficulty developing, operating and maintaining the system, then this corporation is specifically authorized, upon the consent of a majority of the shareholders present at the annual meeting, or at any special meeting called for this purpose, to dissolve the corporation and to transfer

the assets thereof to a municipality or a public improvement district created under authority of Section 17-6-1 et seq., Utah Code Annotated (1953) or any other similar act now or hereafter existing under the laws of the State of Utah. The corporation is specifically authorized hereby to transfer its water rights, water system and all appurtenant facilities to such municipality or public district, hereafter created.

### ARTICLE XIII

#### X SHARES OF STOCK APPURTENANT TO LAND

The shares of stock of this corporation when sold with a specific tract of land shall be deemed to be and become an appurtenance to that land, and may not be separately conveyed or otherwise transferred without the express written approval of the corporation.

IN WITNESS WHEREOF, the undersigned has executed these Articles of Incorporation this 8 day of Aug, 1991.

✓ INCORPORATOR

  
Keith Hall

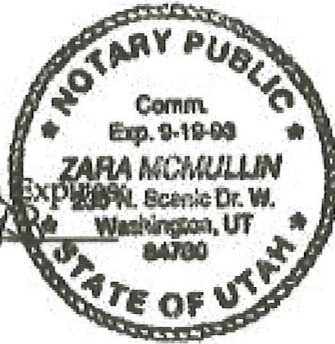
STATE OF UTAH,           )  
                                      : ss.  
County of Washington. )

On the 8<sup>th</sup> day of August, 1991, personally appeared before me KEITH HALL, who, being by me duly sworn, declared that he is the incorporator of HARMONY HEIGHTS WATER COMPANY, that he signed the foregoing Articles of Incorporation of HARMONY HEIGHTS WATER COMPANY as incorporator of such non-profit corporation, and that the statements therein

contained are true and correct.

IN WITNESS WHEREOF, I have hereunto set my hand this 8<sup>th</sup>  
day of August, 1991.

My Commission Expires 9-19-93



Zara McMullin  
Notary Public  
Residing in: Wash. UT



#154838

ARTICLES OF AMENDMENT  
TO THE  
ARTICLES OF INCORPORATION  
OF HARMONY HEIGHTS WATER COMPANY

1995 NOV 20 AM 9:

86

Pursuant to the Utah Non-Profit Corporation and Cooperative Association Act, this instrument is submitted to amend the Articles of Incorporation of Harmony Heights Water Company and the following information is provided:

- (1) The name of the corporation is Harmony Heights Water Company, a Non-Profit Corporation of the State of Utah.
- (2) The Articles of Incorporation of Harmony Heights Water Company, a Utah Non-Profit Corporation, was filed with the State of Utah, Department of Commerce, Division of Corporation and Commercial Code, on September 9, 1991.
- (3) Article V of the Articles of Incorporation is to be amended by and replaced with:

ARTICLE V

MEMBERSHIP

The corporation may have one or more classes of members. The corporation may issue certificates or stock evidencing membership in the corporation and interest in water.

This amendment is made by not less than two-thirds of the members pursuant to (1) vote at the annual meeting (quorum present in person or by proxy) held on November 29, 1994, at 6:00 p.m. at New Harmony Fire Station in New Harmony, Utah, and (2) subsequent written ratification.

IN WITNESS WHEREOF, for the purpose of amending the Articles of Incorporation of Harmony Heights Water Company, the undersigned as principal officers hereby submit this Article of Amendment which has been duly executed on this 5 day of July, 1995.

Dallan Jessen  
Dallan Jessen  
Officer and Trustee

Darrow Jessen  
Darrow Jessen  
Officer and Trustee

Witnessed by:

Keith Hall  
Keith Hall  
Officer and Trustee

State of Utah  
Department of Commerce  
Division of Corporations and Commercial Code

I Herby certify that the foregoing has been filed and approved on the 20 day of Nov 1995 in the office of this Division and hereby issue this Certificate thereof.

Examiner



Supate 12-1-95  
Karla S. Woods

KARLA T. WOODS  
Division Director

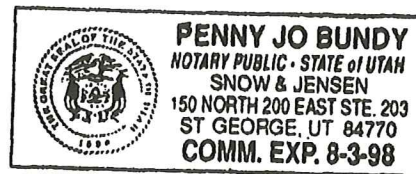


STATE OF UTAH )  
 : ss.  
County of Washington )

On the 5<sup>th</sup> day of July, 1995, personally appeared before me DALLAN JESSEN, the signer of the foregoing instrument, who duly acknowledged to me that he executed the same.

Penny Jo Bundy  
NOTARY PUBLIC

My Commission Expires:  
8-3-98

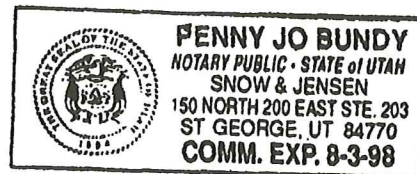


STATE OF UTAH )  
 : ss.  
County of Washington )

On the 5<sup>th</sup> day of July, 1995, personally appeared before me DARROW JESSEN, the signer of the foregoing instrument, who duly acknowledged to me that she executed the same.

Penny Jo Bundy  
NOTARY PUBLIC

My Commission Expires:  
8-3-98

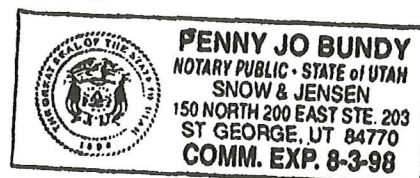


STATE OF UTAH )  
 : ss.  
County of Washington )

On the 5<sup>th</sup> day of July, 1995, personally appeared before me KEITH HALL, the signer of the foregoing instrument, who duly acknowledged to me that he executed the same.

Penny Jo Bundy  
NOTARY PUBLIC

My Commission Expires:  
8-3-98



Hereby certify that the foregoing has been filed  
and approved on this 13 day of April, 2000  
in the office of this Division and hereby issue  
this Certificate thereof.

Examiner

Date

5/1/00



LORENA RIFTO-JENSON  
DIVISION DIRECTOR

*Second (2)* AMENDMENT  
TO  
ARTICLES OF INCORPORATION  
OF HARMONY HEIGHTS WATER COMPANY

FILED

APR 13 2000

Utah Div. Of Corp. & Comm. Code

Pursuant to the Utah Non-Profit Corporation and Cooperative Association Act, this instrument is submitted to amend the Articles of Incorporation of Harmony Heights Water Company and the following information is provided:

- (1) The name of the corporation is Harmony Heights Water Company, a Non-Profit Corporation of the State of Utah.
- (2) The Articles of Incorporation of Harmony Heights Water Company, a Utah Non-Profit Corporation, was filed with the State of Utah, Department of Commerce, Division of Corporation and Commercial Code, on September 9, 1991.
- (3) Article VI of the Articles of Incorporation is to be amended by and replaced with:

ARTICLE VI

CERTIFICATES OF SHARES OF STOCK

The Corporation shall issue certificates evidencing ownership of shares of stock. The total number of shares which the Corporation has authority to issue is 1,000, which may be divided into two classes of stock comprising of 500 shares each. If the corporation has two classes of stock they shall be designated at Class A and B. Class A shall be all owners of stock other than the incorporator, his agents, successor, or assigns. Each Class A stock holder shall be entitled to one vote per share and all Class A stock shall be considered appurtenant to the land first acquired in connection with the Class A stock. Class B stock shall be the incorporator, his agents, successor, or assigns. Each Class B stock holder shall be entitled to three votes for each share owned. Class B stock is the stock held by the incorporator, his successor or assign prior to the stocks initial transfer from the incorporator, his successor or assign to an individual, corporation, or other entity for use in connection with a parcel of land for beneficial use. Unless otherwise specified by the incorporator, his agent, successor, or assign, Class B stock may not be construed as appurtenant to any lands.

Except as otherwise limited by the Articles of Incorporation, Bylaws, or law, each share of stock shall represent an equal right in and to the water of the corporation without priority of use over any other share. The Corporation shall issue its shares of stock so that at the time of issuance no more than one (1) share shall be issued or outstanding for each .50 acre foot of water available to the Corporation for distribution to its shareholders at the Corporation's

Receipt Number: 13934

Amount Paid: \$15.00



source of supply. .50 acre foot of water is defined as the aggregate amount of water in one year necessary to cover .50 acre of land one foot deep.

The Harmony Heights Water Company shall have the power to make reasonable assessments against its shares of stock on either a pro rata or other than a pro rata basis upon a showing of need for the purpose of raising funds to accomplish the purpose or purposes for which organized or to pay its debts or obligations.

This amendment is made by not less than the request two-thirds of the shares entitled to vote and having voted in favor of such amendment.

IN WITNESS WHEREOF, for the purpose of amending the Articles of Incorporation of Harmony Heights Water Company, the undersigned as principal officers hereby submit this Article of Amendment which has been duly executed on this 28 day of march, 2000

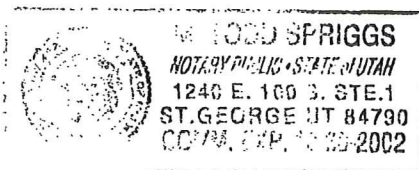
Dallan Jessen  
Dallan Jessen  
Officer and Trustee

Darrow Jessen  
Darrow Jessen  
Officer and Trustee

Keith Hall  
Keith Hall  
Officer and Trustee

STATE OF UTAH )  
: ss.  
County of Washington )

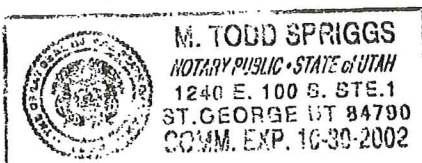
On the 5<sup>th</sup> day of April, 2000, personally appeared before me DALLAN JESSEN, the signer of the foregoing instrument, who duly acknowledged to me that he executed the same.



[Signature]  
NOTARY PUBLIC

STATE OF UTAH )  
: ss.  
County of Washington )

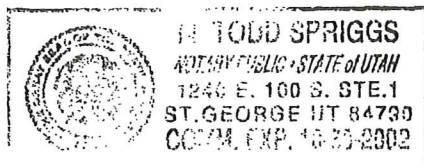
On the 5<sup>th</sup> day of April, 2000, personally appeared before me DARROW JESSEN, the signer of the foregoing instrument, who duly acknowledged to me that she executed the same.



[Signature]  
NOTARY PUBLIC

STATE OF UTAH                     )  
  : ss.  
County of Washington            )

On the 5<sup>th</sup> day of April, 2000, personally appeared before me KEITH HALL, the  
signer of the foregoing instrument, who duly acknowledged to me that he executed the same.



*[Signature]*  
NOTARY PUBLIC



**AMENDED AND RESTATED BYLAWS**  
**OF THE**  
**HARMONY HEIGHTS WATER COMPANY**

AMENDED AND RESTATED APRIL 6, 2015

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## ARTICLE I

### NAME, PRINCIPAL OFFICE, MUTUAL WATER COMPANY

#### 1.1 Name of Corporation

The name of this nonprofit corporation is **HARMONY HEIGHTS WATER COMPANY**, hereafter referred to as "the Company."

#### 1.2 Principal Office

The principal place of business shall be located at: **722 East 200 South, New Harmony, County of Washington, State of Utah**. The principal place of business may be changed to any other place in the State of Utah at any regular or special meeting called for that purpose by a majority of the votes entitled to be cast, represented at the meeting either in person or by proxy.

#### 1.3 Mutual Water Company

The Company was incorporated as a nonprofit mutual water company. However, the incorporator filed for and received from the Public Service Commission a Certificate of Convenience and Necessity to provide water service within a specified service area. The Public Service Commission must approve jurisdiction, all assessments, rates, tariffs, and expansions and extensions of the Company. Upon 80% of the total voting power of the company, or when the Articles or amended Articles provide for two classes of voting stock, then upon 80% of the total voting power of the Company represented by Class A and Class B shares as set out in Section 3.10 of these Bylaws is vested in the Class A members, the Company may file for exemption from Public Service Commission jurisdiction and upon the Public Service Commission's granting an exemption, the Company shall be exempt from Public Service Commission jurisdiction.

## ARTICLE II

### BOARD OF TRUSTEES/BOARD OF DIRECTORS

#### 2.1 Board of Trustees/Board of Directors

Subject to the limitations of the Company's Articles of Incorporation, these Bylaws, and of the Utah Nonprofit Corporation and Co-operative Association Act as to action to be authorized or approved by the members, all corporate powers, the business and affairs of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be controlled by, the Board of Trustees (the "Board").

##### 2.1.1 Powers of the Board

Without limiting the general powers of the board to exercise control of the company described in Section 2.1, the Board may, among other things:

- A. buy, sell, exchange, or dispose of the real and personal property of the Company as may be deemed necessary. However, no sale, exchange, lease or other disposal or alienation of water rights, water works or other real or personal property that would diminish or decrease the members' rights to the delivery of 0.5 acre foot of water per share will be valid until approved by a majority of all shares entitled to vote represented in person or proxy at a regular or special meeting of the members called for that purpose;
- B. regulate the transfer of Company stock, prescribe the duties of its officers, agents, and employees, and fill all vacancies in the Board or committees caused by death, resignation or otherwise;
- C. locate and construct pipelines, head gates, diversions, and such other acts necessary to provide for the storage and delivery of waters to its members or to individuals or entities entitled water use under its members or agreements for use;
- D. levy assessments on all stock or shares in the Company and collect these assessments;

E. employ engineers, attorneys, superintendents, and other subordinate officers, agents and laborers as in their judgment the business of the Company may require, prescribe their duties, and provide for their compensation;

F. to initiate legal action when necessary to protect corporate assets;

G. to make resolutions not inconsistent with the Articles of Incorporation or laws of the State of Utah, for the administration and regulation of affairs of the corporation; and

H. to have and exercise all powers necessary or convenient to effect any or all of the purposes for which the corporation is organized so long as such actions are not inconsistent with law or the Company's Articles of Incorporation or these Bylaws.

I. the Board may occasionally waive a section of the bylaws.

### **2.1.2 Enforcement Powers of the Board**

When expenses are incurred by the Company, arising from a complaint by a member or members (meaning a group of members), the Company shall comply with all requirements instituted by any regulatory agency (county, federal or state) and will pay all expenses incurred.

If the Company is found to be out of compliance as a result of said complaint/complaints, all expenses incurred to come into compliance to the required regulation will be borne by the Company.

If the Company is found to be in compliance, then the individual member/members will then be liable for all expenses expended to verify such compliance. The Company will pay said expenses. These expenses may include all and any legal fees, consulting fees, engineering or other such fees, accounting, labor, and travel fees that could be incurred as a result of said complaint/complaints.

The Company will then bill the individual member/members for all said expense. The individual member/members will then have ninety-day (90) in which to pay to the Company all monies paid out as the result of the complaint/complaints.

If said individual member/members fail to meet this obligation, then the Company may take any legal means at its disposal to recover these expenses. Any money expended for collection will be passed onto the member/members who lodged the complaint/complaints.

## **2.2 Number and Qualification of Trustees**

### **2.2.1 Authorized Number**

The initial authorized number of trustees of the Company shall be three (3); provided that this number may be increased or changed from time to time as provided hereafter.

### **2.2.2 Change in Authorized Number**

The number of Trustees can be increased to four (4) or more Trustees only by a majority of the votes entitled to be cast, represented in person or by proxy. The minimum number of Trustees shall not be reduced below three (3).

### **2.2.3 Qualifications**

Except for trustees appointed by the Incorporator, as provided for in Section 2.3.1, each trustee thereafter must be a member of the Company.

## **2.3 Election of Trustees: Term**

### **2.3.1 First Election of Trustees**

The incorporator, his agent, successor, or assignee shall, until such time as 80% or more of the total voting



power of the Company or if two classes of stock exist, 80% or more of the total voting power represented by Class A and Class B shares as set out in Section 3.10 of these Bylaws is vested in the Class B members, who have the exclusive right to appoint and remove the Trustees. Such Trustees so appointed must be a member of the Company.

At the annual meeting first following the time that 80% of the total voting power as shown on the Company's most current stock transfer ledger is held by one class of stock or by the Class A stock, if class A and Class B exists as provided above, then such Class A members shall have the power to elect the Board. Such Trustees so appointed or elected must be a member of the Company.

### **2.3.2 Term of Office**

Trustees elected by the members will hold such office until the next annual meeting and/or should the elected Trustee sell, move or is otherwise incapacitated, the acting Board shall appoint a member of the Company to fulfill the vacant position until a successor has been elected and qualified.

### **2.3.3 Reduction in Number of Trustees**

Each trustee, including a trustee elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified. No reduction in the authorized number of trustees shall have the effect of removing any trustee prior to the expiration of that trustee's term of office.

## **2.4 Resignation and Removal of Trustees**

### **2.4.1 Resignation**

Any trustee may resign by giving written notice of resignation to the Board. If any trustee tenders a resignation to take effect at a future time, the Board or the members shall have the power to elect a successor to take office at such time as the resignation shall become effective.

### **2.4.2 Removal**

The entire Board, or any individual trustee, may be removed from office with or without cause by the members at any regular meeting of said members or any special meeting called for that purpose by the owners of a majority of the votes entitled to be cast, represented in person or by proxy.

## **2.5 Vacancies on Board**

### **2.5.1 Events Creating Vacancies**

A vacancy in the Board shall be deemed to exist in the case of the death, resignation or removal of any trustee, if a trustee has been declared of unsound mind by order of Court or convicted of a felony, or if the authorized number of trustees is increased, or if the members shall fail to elect a qualified trustee, either authorized or at an adjournment thereof, or at any other time, to elect the full number of authorized trustees.

### **2.5.2 Filling of Vacancies on Board**

Subject to the provisions of Section 2.3.1, vacancies in the Board, except for a vacancy created by the removal of a trustee, may be filled by a majority of the remaining trustees, or by a sole remaining trustee, and each trustee so elected shall hold office until the next annual meeting of the members and until a successor has been elected and qualified. A vacancy created by the removal of a trustee may be filled only by a vote of the majority of the shares entitled to be voted at a duly held meeting of the members. The members may at any time elect trustees to fill any other vacancies not filled by the trustees, but any such election made by written consent shall require the consent of a majority of the shares entitled to be voted.



## **2.6 Meetings of the Board**

### **2.6.1 Place of Meeting**

Meetings of the Board shall be held at the principal executive office of the Company, or at such other place as may be designated from time to time by resolution of the Board. Any meeting, wherever held, shall be valid if held with Trustees, given either before or after the meeting and filed with the person acting as Secretary during the meeting.

### **2.6.2 Annual Meetings**

The first annual meeting should be held within one year from the date of incorporation. Thereafter, annual meetings of the Board may be held without notice at the place of the annual meeting of members immediately following the adjournment of the annual members meeting, for the purpose of organizing the Board, electing any officers desired to be elected, and transacting such other business as may properly come before the meeting.

### **2.6.3 Other Regular Meetings**

Other regular meetings of the Board shall be held without call at such time as may be designated from time to time by resolution of the Board. No notice need be given of such regular meetings.

### **2.6.4 Special Meetings: Notices**

A. Special meetings of the Board may be called for any purpose at any time by two (2) trustees.

B. Notice of the time and place of special meetings shall be delivered or communicated personally to each trustee by telephone, or by facsimile or mail, charges prepaid, addressed to each trustee at the address of that trustee as it is shown upon the records of the Company, or if such address is not readily ascertainable, at the place in which the meetings of the trustees are regularly held. Notice by mail shall be deposited in the United States mail at least four (4) days prior to the scheduled time of the meeting, and notice by facsimile shall be delivered at least forty-eight (48) hours prior to the scheduled time of the meeting. Should notice be delivered personally or by telephone, it shall be delivered at least forty-eight (48) hours prior to the scheduled time of the meeting. Notice given by mail, facsimile or by delivery in person within the time provided by this Section shall be sufficient notice if communicated to a person at the office of the trustee for whom intended in the reasonable belief that such person will promptly communicate such notice to that trustee.

### **2.6.5 Conference Telephone Meetings**

Any meeting, regular or special, may be held by conference telephone or similar communications equipment as long as all trustees participating in the meeting can hear one another, and any such participation shall constitute presence in person at the meeting.

### **2.6.6 Waiver of Notice**

The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as action taken at a meeting regularly called and noticed if all the trustees are present and sign a consent thereto on the records of such meeting, or if a majority of the trustees are present and each of those not present, either before or after the meeting, signs a written waiver of notice, or a consent to holding the meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

### **2.6.7 Quorum Requirements**

A majority of the authorized number of trustees shall be necessary to constitute a quorum for the transaction of business (other than to adjourn) and the action of a majority of the trustees present at a meeting duly held at which a quorum is present shall be valid as the act of the Board unless a greater number is required by the

Articles of Incorporation or these Bylaws. A meeting at which a quorum initially is present may continue to transact business, notwithstanding the withdrawal of one or more trustees, if any action taken is approved by at least a majority of the required quorum for that meeting.

#### **2.6.8 Adjourned Meetings**

A majority of the trustees present, whether not a quorum, may adjourn from time to time by fixing a new time and place prior to taking adjournment, but if any meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time or place shall be given prior to reconvening of the adjourned meeting to any trustees not present at the time the adjournment was waived.

#### **2.7 Trustee Action without a Meeting**

Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to that action. Each such written consent shall be filed with the minutes of the proceedings of the Board, and shall have the same force and effect as a unanimous vote of the trustees.

#### **2.8 Compensation**

By resolution of the Board, the Trustees may be paid their expenses, if any, of attendance at each meeting of the Board and may be paid a reasonable amount for services rendered. No such payment shall preclude any trustee from serving the company in any other capacity and receiving compensation therefor.

#### **2.9 Presumption of Assent**

A trustee of the Company who is present at a meeting of the Board at which action on any company matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered into the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof. Such action to dissent shall not apply to a trustee who voted in favor of such action.

#### **2.10 Committees of Trustees**

##### **2.10.1 Appointment of Executive Committees**

The Board, by resolutions adopted by a majority of the authorized number of trustees, may establish one or more committees, including an Executive Committee, each consisting of two or more trustees, to serve at the pleasure of the Board, and may designate one or more alternate trustees to replace any absent committee members at any meeting of the Committee. The Board may delegate to any such committee any of the powers and authority of the Board in the business and affairs of the Company; provided, however, that such delegation of authority shall not operate to relieve the Board (or any trustee) of any responsibility imposed upon it (or him or her) by law; provided further that such delegation shall be void as to those matters deemed non-delegable under Utah law.

##### **2.10.2 Meetings and Actions of Committees**

A. Meetings of committees shall be held and actions of committees shall be taken in the same manner as is provided by these Bylaws for meetings of trustees, except that the time of regular meetings of committees may be determined either by resolution of the Board or by the members of the committee. Alternate committee members shall be entitled to attend all committee meetings and to receive notice of special meetings of the committee. The Board may adopt rules for the governing of any committee not inconsistent with the provisions of these Bylaws.

B. All committees upon appointment or election will immediately, or within three (3) days, meet and elect a chairperson (known hereafter as the "Chair"), who will call and conduct all meetings and act as liaison with the Secretary of the Board.



### **2.10.3 Architectural Control Committees (ACC)**

The Company, through its Board, possesses the discretionary power to appoint at least one Architectural Control Committee ("ACC"), and perhaps more, to approve and enforce the Protective Covenants and Declarations of Building and Use Restrictions for Harmony Heights Subdivision Phases I, II, and III, and any future subdivisions that may come under its jurisdiction.

### **2.10.4 Number of Members of ACCs**

The Board shall have the power to appoint the primary members of the ACCs until such time as seventy-five percent (75%) of the lots in said subdivision (Phases) have been sold by Declarants. The number established for each ACC will be three (3) members who must be Class A water members, known as "Acting Members." When seventy-five percent (75%) of the lots in said subdivision (Phases) have been sold by Declarants and water stock transferred to new owners, said plans and specifications shall be approved by an ACC elected by a majority vote of the owners of said stock in the subdivision at the next annual members meeting; and only owners of said stock shall be privileged to vote for said ACC members.

### **2.10.5 Member Requirements**

- A. An Acting Member must live in said subdivision no less than seventy-five (75%) of the term of office.
- B. A member must be in "good standing" as a member. The term "good-standing" means: (1) all monthly water fees and/or any other assessments are current, and (2) the member is in compliance with all rules and regulations established by the ACC of said subdivision.

### **2.10.6 Term of ACC and Chairperson**

In the appointment or election of the ACC, a Chair shall be elected to serve a term of two years. Only one (1), as the Chair unless re-elected, and one (1) year as an Acting Member. An appointment or election of the other two Acting Members will be for the term of one (1) year. A person thus appointed or elected may serve more than one (1) term.

### **2.10.7 Alternate Member Requirements**

- A. The Acting Members of each ACC may select an alternate member ("Alternate Member").
- B. Alternate Members are subject to the member requirements of Section 2.10.5.
- C. The Chair shall allow at least seven (7) days in which to contact an Acting Member before contacting the Alternate Member for any action needed. If the chair is unable to locate an Acting Member, they will contact the Secretary of the Board in their effort to locate said person.
- D. If an Acting Member is not available and every effort has failed to locate said member; the chair will then contact the Alternate Member.

### **2.10.8 Resignation of ACC Member**

Any Acting Member or Alternate Member may resign by giving a written notice of resignation to the Chair of the ACC. If any Acting Member or Alternate Member tenders a resignation to take effect immediately or at a future date, the remaining members of the ACC shall have the power to elect a successor to serve until the next election or appointment by the Board.

### **2.10.9 Duties of the ACC**

- A. The Protective Covenants and Declarations of Building and Use Restrictions, hereinafter known as



“Covenants,” for Harmony Heights require three signatures for approval of any building plans. These three signatures may consist of all three Acting Members, or two Acting Members and one Alternate Member when the third Acting Member is unavailable.

B. When a request from a lot owner for connection to the Harmony Heights water system is made, the lot owner shall obtain a form known as the “Application for Service Connection” from the Secretary of the Board. This completed form must be presented to the Chair of the ACC, which then must be signed by two (2) Acting Members of the ACC. (The signature of the Alternate Member is not valid on this form).

C. Infractions

If a member of the Company sees or has a sure knowledge of any infraction or infractions, that member must report said finding in writing to the ACC.

If the ACC receives such notification from a member, then the Chair shall call a meeting of the ACC within seven (7) days of receipt of said finding. At least two Acting Members of the ACC will investigate the allegations. If said infraction is verified, the ACC will meet in a duly called meeting of which minutes must be kept, dated and signed by all ACC members attending.

If the ACC comes to a unanimous decision on such infraction in their meeting, the Chair is to notify the Secretary of the Board. The Chair also has the duty of notifying the lot owner in writing (posted with a return receipt) of any said infraction or infractions of the Covenants. This letter must have the signature of two of the Acting Members of the ACC. (The signature of the Alternate Member is not valid on this letter.) A copy of this letter must be posted to the Secretary of the Board as a “notification only” and not a notice of legal action.

D. Enforcement Power

Said “enforcement power” shall be exercised in the following manner:

1. Upon the Board’s receipt of written notice of an infraction of said Covenants from the ACC, and if the Board deems that there is the potentiality of legal action, the Board may:
  - a. assign two (2) of the Board investigate the matter entirely on their own and thereafter enforce any penalties or take any action they may feel is warranted pursuant to the Board’s enforcement powers;
  - b. delegate a review of the matter by forming a special “subcommittee” to review such allegations of said infraction or infractions and recommend such action as it feels would be necessary for the protection of all parties involved; or
  - c. assign all Acting Member of the ACC pertaining to the subdivision in which the infraction occurred to make a full investigation, and upon completion thereof, having come to a unanimous decision, shall provide to the Board a written description of their findings and any recommendation for enforcement measures or action that said committee feels should be taken, based on what they unanimously believe to be in the best interest of all parties involved in protection of the subdivision.

Upon receipt of the committee’s report, the Board may either pursue whatever enforcement action it believes is appropriate, or may within its discretionary power, issue a written directive to the ACC, identifying a specific course of action to be taken. If the Board’s directive includes obtaining a majority approval of the proposed action by the members within the subdivision before such action can be taken, the ACC shall have the responsibility to obtain the necessary approval from the members in a “Special Members Meeting.”

2. The engagement of legal counsel to assist in any enforcement action under this Section, requires the approval of the Board, unless the Board specifically delegated the matter to the ACC by appropriate written resolution.
3. The enforcement powers and methods described in this Section are not intended to exclude or in any way limit or restrict the legal rights and remedies possessed by individual member (lot owners). As a

member in the Company, said member may individually fund and pursue any legal or equitable action for violation or enforcement of specific covenants that they desire, unless such action would be deemed "unlawful or illegal" by the law of the land.

E. Enforcement of Covenants

The ACC, on their own or at the direction of the Company, shall notify the members of their non-compliance condition. The notification shall be delivered in writing via certified return receipt mail. Members shall have ninety (90) days from the date of written notification of non-compliance to become compliant with the Covenants. A fine may be levied against the member by the Company if the member is not in compliance with the Covenants at the end of the ninety (90) day period. The fine shall be levied on a monthly basis beginning on the ninety first (91<sup>st</sup>) day following notification of non-compliance and continue until the member has come into compliance with the Covenants. In addition, interest shall accrue on the unpaid balance at an annualized rate of 12%. Interest will be added to the unpaid balance and be subject to compounding. The Company may place a lien on the member's property in the amount of the total fine and legal expenses if the member does not pay the fine within 30 days.

**Construction Infractions** (including but not limited to improper placement of fences, outbuildings, and other structures, as well as homes not completed within the time period specified in the Covenants): \$500.00 per month

**Non-construction Infractions** (includes all infractions not covered under Construction Infractions above): \$250.00 per month

These amounts may be reduced or waived at the discretion of the ACC.

F. Neither the ACC nor any member thereof, acting in good faith, shall be liable to any owner for any damage, loss or prejudice suffered or claimed on account of:

1. the approval or rejection of, or the failure to approve or reject, any plans, drawings, or specifications;
2. the development or manner of development of any of the property; or
3. any engineering or other defect in approved plans and specifications.

The approval of the ACC of any plans and specifications for any work done or proposed shall not constitute a waiver of any right of the ACC to disapprove any similar plans and specifications.

## ARTICLE III MEETINGS OF THE MEMBERS

### 3.1 Place of Meeting

All meetings of the members of this Company shall be held at the regularly appointed meeting place of the Company, or at such other place as may be designated from time to time by the Board.

### 3.2 Action by Members at Meetings

Unless otherwise indicated in the Articles of Incorporation or Bylaws herein, every question receiving a majority of the votes entitled to be cast, represented either in person or proxy, shall be binding on the Company.

### 3.3 Annual Meetings

The annual meeting of the members of this Company for the election of officers, hearing of financial report of the Company's business, and the attending of any other business that may lawfully come before it, shall be held each year, unless otherwise designated by the Board.

#### 3.3.1 Notice of Annual Meeting

The call of the annual meeting of members shall be given by the President, Vice President, or Secretary of the Company, a ten (10) day notice shall be given by mailing said notice to each of the members of record. A proxy



ballot will accompany any notice of an annual members meeting for those who will not be able to attend said meeting.

### **3.3.2 Order of Business**

The order of business at the annual meeting shall include the following points of business: (1) a Roll Call will be read and duly recorded; (2) a reading and approval by vote of any minutes, financial report or any other reports or business as deemed necessary by said Board; and (3) an election of the Board and/or any other board that requires an election of members.

### **3.3.3 Voting**

Voting for officers by secret ballot if encouraged; on other matters, voting may be by ballot or without, as decided by those present.

## **3.4 Special Meetings**

### **3.4.1 Authorization to Call Special Meetings**

Special meetings of the members may be called by the President, or in his absence, the Vice President, or by a majority of the Trustees, or by members holding at least one-third of the outstanding stock of the Company.

### **3.4.2 Procedure for Calling Special Meetings**

Upon the call of a special meeting, notice of the general nature of the business proposed to be transacted and the location of the meeting shall be delivered personally or sent by registered mail to the President, or the Secretary of the Company. The officer receiving the request shall promptly cause notice of the meeting to be sent to the members.

## **3.5 Notice of Meetings**

### **3.5.1 Time of Notice**

Notice of meetings, annual or special, shall be given in writing to each member entitled to vote thereat by the Secretary or President, or in the case of neglect or refusal, by the officer or persons calling the meeting not less than ten (10) nor more than fifty (50) days before the date of the meeting.

### **3.5.2 Procedure for Giving Notice**

Written notice of the meeting shall be given either personally or by first-class mail addressed to the member at the address of the member appearing on the stock transfer books of the Company or given by the member to the Company for the purpose of notice. If no such address for notice appears on the Company's books or has not been given, notice shall be deemed to have been given if sent to the member in care of the Company's principal executive office.

### **3.5.3 Contents of Notice**

Notice of any meeting of members shall specify:

- A. the place, day, date and hour of the meeting;
- B. those matters which the Board, at the time of the mailing of the notice, intends to present for action by the members; and
- C. a proxy certificate, which includes an expiration date. Said proxy must be returned duly signed by the member and dated, in which he/she has appointed an individual to vote their shares of said stock at the annual



members meeting.

### **3.6 Voting Lists**

The officer or agent having charge of the stock transfer books for shares of the Company shall make, at least ten (10) days before each meeting of members a complete list of members entitled to vote at such meeting, or any adjournment thereof, arranged in according to Phases and lot number, and the number of shares held by each, which list, for a period of ten (10) days prior to such meeting, shall be kept on file at the principal office of the company and shall be subject to inspection by any member during the whole time of the meeting. The original stock transfer book shall be prima facie evidence as to who are the members entitled to examine such list or transfer books or to vote at any meeting of members.

### **3.7 Quorum Requirements**

A majority of the votes entitled to be cast, represented in person or by proxy, shall constitute a quorum at a meeting of members. If a quorum is present the affirmative vote of a majority of the votes entitled to be cast shall be the act of the members unless the vote of a greater vote is required by law or the Articles of Incorporation. The members represented at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the votes required to constitute a quorum.

### **3.8 Adjourned Meetings**

If less than a majority of the votes entitled to be cast are represented at a meeting, a majority of the votes so represented may adjourn the meeting from time to time without further notice, provided that the adjourned meeting is set for a time not to exceed forty-five (45) days and no new record date is fixed for the adjourned meeting. At such adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the meeting as originally notified.

### **3.9 Proxies**

At all meetings of members, a member may vote in person or by proxy executed in writing by member or by his duly authorized Attorney-in-fact. Such proxy shall be filed with the secretary of the Company before or at the time of the meeting. No proxy shall be valid after date so stated on proxy certificate, unless otherwise provided in the proxy.

### **3.10 Voting Shares—Classes of Stock**

#### **3.10.1 Classes of Shares—The Company shall have two classes of voting shares for outstanding stock:**

A. **Class A.** Class A members shall be all owners of stock, other than the incorporator, his agent, successor, or assigns. Each Class A member shall be entitled to one (1) vote per share owned. Each 0.5 acre foot of water is equal to 1 share or one vote upon each matter submitted for a vote at meetings of members. Class A stock shall be considered appurtenant to the lands first acquired in connection with Class A stock.

B. **Class B.** Class B members shall be the incorporator, his agent, successors or assigns. Each Class B member shall be entitled to three (3) votes per 0.5 acre foot or six (6) votes per acre foot. Class B stock is the stock held by the incorporator, his successor or assign prior to the stock's initial transfer from the incorporator, his successor or assign, to an individual, corporation or other entity for use in connection a parcel of land for beneficial use. Class B stock shall not be construed as appurtenant to any lands.

C. **Conversion of Class B to Class A Shares.** Upon its initial transfer from the incorporator, his successor or assign to an individual, corporation, partnership or other entity, Class B stock shall become Class A stock. A stock ledger book for Class B stock shall not be required. However, an accounting of the Class B stock shall be required indicating at all times the number of Class B stock outstanding.

D. **Creation of Class B Stock.** Upon the Incorporator's conveyance to the Company of a quantity of unencumbered water, the Company shall be deemed to issue to the Incorporator a number of Class B shares. The number of Class B shares issued to the Incorporator shall equal the number of acre feet conveyed to the Company divided by 0.5 acre feet per Class B share.

### **3.11 Voting of Shares by Fiduciaries**

Shares held by an administrator, executor, guardian, or conservator may be voted by him either in person or by proxy without a transfer of such stock into his name.

Shares standing in the name of a trustee may be voted by him either in person or by proxy but no trustee shall be entitled to vote shares held by him without a transfer of such shares into his name. Shares standing in the name of a receiver may be voted by such receiver, and shares held by, or under the control of a receiver, may be voted by such receiver without the transfer thereof into his name if authorization to do so is contained in an appropriate order of the court by which such receiver was appointed.

A member whose shares are pledged shall be entitled to vote such shares until the shares shall have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred.

### **3.12 Member Action without a Meeting**

#### **3.12.1 Written Consents**

Unless otherwise provided in the Articles of Incorporation, any action which may be taken at any annual or special meeting of the members may be taken without a meeting and without prior notice if a consent in writing, setting forth the action so taken, shall be signed by all members entitled to vote with respect to the subject matters thereof.

## **ARTICLE IV OFFICERS OF THE COMPANY**

### **4.1 Principal Officers**

The officers of the Company shall be a President, a Vice President, a Secretary, and a Treasurer who shall at all times be members of the Board. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board. The same person may hold any two or more offices.

### **4.2 Election of Officers**

The officers of the Company shall be selected annually by the Board before the annual members meeting. If the election of officers has not been selected previous to the member meeting by the Board, then nominations for the officers of the Company will be required to be nominated from the floor at the annual members meeting.

### **4.3 Qualification of Officers**

Members of the Board may serve as officers of the company. The only other qualification for officers is they be a member in good standing of the Company.

### **4.4 Term of Office**

The term of office for the President of the Company shall be one (1) year. The term of office for the Vice-President of the Company shall be two (2) years. The term of office for the Treasurer of the Company shall be two (2) years. The term of office for the Secretary of the Company shall be three (3) years. Any officer in any position may at any time resign from current position to run in any other position so desired.

Each officer shall hold his/her office until his successor shall has been qualified and duly elected, or removed in the manner hereinafter provided.

### **4.5 Removal**



Elected or appointed officers may be removed by a majority vote of the Board whenever in its judgment the best interests of the Company would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

#### **4.6     Resignation**

Any officer may resign at any time by giving written notice to the Board or to the President, or to the Secretary of the Company. Any such resignation shall take effect upon receipt of such notice or at any later time specified therein, and unless otherwise specified in the notice, the acceptance of such resignation shall not be necessary to make it effective.

#### **4.7     Vacancies in Offices**

A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board for the unexpired portion of the term.

#### **4.8     Responsibilities of Officers**

##### **4.8.1   President**

The President shall be the principal executive officer of the Company, and, subject to the control of the Board, shall in general supervise and control all of the business and affairs of the Company. He shall, when present, preside at all meetings of the members and of the Board. He may sign, with the Secretary or any other proper officer of the Company authorized by the Board, certificates for shares of the Company, any deeds, mortgages, bonds, contracts, or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the Company, or shall be required by law to be otherwise signed or executed. The President shall, in general, perform all duties incident to his office and such other duties as may be fixed and prescribed by the Board from time to time.

##### **4.8.2   Vice President**

In the absence of the President, or in the event of his death, inability, or refusal to act, the Vice President shall perform the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. In the absence of the President, the Vice President may sign, with the Secretary or an Assistant Secretary, certificates for stock of the Company, and shall perform such other duties as from time to time may be assigned to him by the President or by the Board.

##### **4.8.3   Secretary**

The Secretary shall:

- A.     Give a bond for faithful discharge of his duties in a sum and with a surety as prescribed by the Board, if required by the Board;
- B.     Attend all meetings of the Board and all meetings of the members;
- C.     Keep or cause to be kept the minutes of the members and of the Board meetings in one or more books provided for that purpose;
- D.     Give or cause to be given all notices in accordance with the provisions of the Articles of Incorporation and these Bylaws or as otherwise required by law;
- E.     Be custodian of the Company records and of the seal of the Company and see that the seal of the Company is affixed to all documents, the execution of which on behalf of the Company under the seal is duly



authorized;

F. Keep or cause to be kept a register of the post office address of each member, which shall be furnished to the Secretary by such member;

G. Sign with the President certificates for shares of the Company, the issuance of which shall have been authorized by resolution of the Board;

H. Have general charge of the stock transfer book of the Company;

I. Have charge and custody of, and be responsible for, preparing warrants for the disbursement of Company funds and transmitting the warrants to the Treasurer for payment, all funds and securities of the company not delegated to the Treasurer; receive and give receipts for moneys due and payable to the Company from any source whatsoever, and deposit all such moneys in the name of the Company in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article V of these Bylaws; and

J. In general, perform all of the duties incident to the office of Secretary and such other duties as from time to time may be assigned to the Secretary by the President or the Board.

#### **4.8.4 Treasurer**

The Treasurer shall have charge of the Company's bank account and shall prepare and sign checks for payment of Company expenses based on warrants received from the Secretary or President. When required by the Board, the Treasurer shall give a bond for faithful discharge of his duties in such sum and with a surety as determined by the Board. The Treasurer shall render such other services as the President or Board may impose on him.

#### **4.9 Compensation**

The Board shall from time to time fix the compensation of the Company's officers and trustees. The compensation fixed shall be a reasonable amount for the services rendered. No officer shall be prevented from receiving such salary by reason of the fact that he is also a Trustee of the Company. The Board may increase or decrease the reasonable compensation paid at its pleasure.

### **ARTICLE V CONTRACTS LOANS CHECKS DEPOSITS AND FISCAL YEAR**

#### **5.1 Contracts**

The Board may authorize any officer or officer's agents to enter into any contract or execute and deliver any instrument in the name of, and on behalf of, the Company, and such authority may be general or confined to specific instances.

#### **5.2 Loans**

No loans shall be contracted on behalf of the Company, and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances. The Company shall make no loan to any member of the Board or officers of the Company.

#### **5.3 Checks, Drafts, Etc.**

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Company shall be based on warrants issued by the Secretary or President with the check signed by the Treasurer and any other officer or officers, of the Company determined by resolution of the Board.

#### **5.4 Deposits**

All funds of the Company not otherwise employed shall be deposited from time to time to the credit of the company in such banks, trust companies or other depositories as the Board may select.

#### **5.5 Fiscal Year**

The fiscal year of the Company shall run from January 1 to December 31 of each year.

### **ARTICLE VI SHARES AND THEIR TRANSFER**

#### **6.1 Certificates for Stock**

Certificates representing stock of the Company shall be in the form determined by the Board. The certificates shall be signed by the President or Vice President and by the Secretary. All certificates for shares shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the Company. All certificates surrendered to the Company for transfer shall be canceled and no new certificates shall be issued until the former certificates for a like number of shares shall have been surrendered and canceled, except that in case of a lost, destroyed or mutilated certificate, a new one may be issued upon the terms as described in Section 6.7.

#### **6.2 Shares**

The total number of shares, which the Company has authority to issue, is 1,000, unless the Articles of Incorporation are amended as provided therein. Each share represents 0.50 acre feet of water. Thus, the Company may acquire only up to 500 acre feet of water (the equivalent of 1000 shares), unless the Articles of Incorporation are amended to authorize the issuance of more than 1,000 shares. The total number of shares, which actually have been issued (outstanding stock) at any given time, shall be shown upon the Company's stock transfer ledger

#### **6.3 Share Transfer Books**

The name and address of the member, the number of shares, the nature and place of use, any condition(s) or restriction(s) placed thereon, and the date of issue shall be entered in the share transfer books of the Company which shall be kept at the principal office of the Company.

#### **6.4 Member of Record**

The Company shall be entitled to treat the holder of record according to the share transfer books of the Company of any share as the holder in fact thereof, and shall not be bound to recognize any equitable claim or other claim to, or interest in, such share on the part of any other person whether or not the Company shall have express or other notice thereof, except as expressly provided by the laws of this State. The person in whose name shares stand on the books of the Company shall be deemed by the Company to be the owner for all purposes.

#### **6.5 Transfer of Shares**

Transfer of shares of the Company shall be made only on the stock transfer books of the Company by the holder of record thereof or by his legal representative, who shall furnish proper evidence of authority to transfer, or by his attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the Company, and on surrender for cancellation of the certificate for such shares.

Stock in the corporation may be transferred when the Certificate is surrendered to the Secretary, who shall record said transfer in the Water Certificate Ledger. All cancelled certificate numbers must have a replacement number or shown to have been voided. Voided copies will be attached to the copy of said certificate. Each original certificate cancelled must be attached to the copy of the certificate as held by the Company.



## **6.6 Member's Responsibility**

It is the member's responsibility to bring transfers of shares to the attention of the Company. Until the above steps are taken, the owner of shares as recorded on the Company's books remains legally responsible to the Company for payment of all obligations owed to the Company. Upon transfer of property to which any membership share is appurtenant, the new owner shall promptly notify the Company and follow the process for getting a new share certificate. If a new owner fails to obtain a new certificate under this paragraph, the Company may, thirty days after mailing a written notice to the property, discontinue water service to the property until such new share certificate is issued.

## **6.7 Lost or Destroyed Certificates**

Unless otherwise indicated in these Bylaws, the Company will follow the procedure set forth in Utah Code § 70A-8-409.1, which provides a process to replace lost, stolen, or destroyed stock certificates in water companies. As of July 1, 2011, an affidavit will not be permitted to replace the certificate. A Request for a Replacement Certificate (Attachment A) must be made in writing. As determined by the Board, a fee must be paid sufficient to cover all costs associated with the certificate replacement process. The party requesting a replacement certificate must:

- (1) advertise the request (Attachment B) three different times in a local newspaper;
- (2) post the request in public places in the area;
- (3) send copies of the request to specified parties using certified mail; and
- (4) wait 60 days after last publication for any written notice of objection.

The Company has 20 days to begin the process after receiving a request to replace a certificate. If any person objects to the Company issuing a replacement certificate, the Board may, in its sole discretion, elect to proceed in any of the alternatives provided in Utah Code § 70A-8-409.1(5)(f).

## **6.8 Fractional Stock**

It is declared to be the policy of the Company not to issue a certificate of stock for any fractional share. In case of fractional shares the Company will either buy the fraction or sell enough stock to make the fraction a whole share.

# **ARTICLE VII WATER REGULATIONS**

## **7.1 Procedure for Requiring Service Connection**

### **7.1.1 Application**

Whenever any person has acquired by purchase, lease, or otherwise shares of stock in the Company and desires the Company to deliver water at a certain location, the person shall file an application for Service with the Company. The application shall contain the following information:

- (1) the name and mailing address of the applicant;
- (2) a legal description of the land on which the water is to be used;
- (3) the size of the meter; unless requested otherwise and approved by the Board, the application of a 3/4" meter will be assumed and installed; and
- (4) any other information that the Board may require; and
- (5) the stock certificate numbers and the respective number of shares associated therewith of the water to be used on the property as supplied by the Secretary of Company.

### **7.1.2 Filing of Application**

The completed application shall be filed with an officer of the Company, member of the Board or the



Company's authorized agent.

### **7.1.3 Approval, Rejection, or Tabling of the Application**

After consideration of the application by the Board, the Board shall approve, reject or table the Application for Service Connection. If an applicant is not in compliance with the Covenants, the Board may take this fact into consideration as potential grounds for denial of the application.

If the application is rejected or tabled, the Board shall state in writing the reasons therefor and those conditions, if any, under which the application will be approved. An applicant who receives a rejection may request a hearing regarding the same before the Board, which hearing must be held within a reasonable time. If an applicant receives a rejection, in order to be connected to the system he must reapply to the Board and as part of that reapplication must demonstrate that he has remedied the causes of his rejection. The Board shall not unreasonably withhold approval of any such reapplication. Upon approval, the applicant shall be notified in writing and upon submission of the appropriate connection fee, which fee shall be determined from time to time by the Board, the Company shall provide the requested service connection within a reasonable time.

### **7.1.4 Reapplication Fee**

A reapplication fee of seventy-five dollars (\$75.00) must accompany the reapplication request.

### **7.1.5 Service Where Main Line Extension is Required**

Where granting the Applicant's request for service connection would require an extension of the Company's distribution system, the Applicant shall comply with the preceding application procedures and the Company shall determine the size of pipe for accommodating the requested service extension. The diameter of the pipe shall not be less than six inches (6") unless authorized by the Board, or as required from time to time by Washington County law. The Company shall also have the authority to limit the number of connections and meter size that may be made to any extension of its distribution system. In all cases, the Applicant will be required to pay for the pipe, fittings and other materials, installation, easement acquisitions, preparation of legal descriptions and legal documents and field surveying associated with the extension of the Company's distribution system.

## **7.2 Use of Water**

Each share of stock in the company represents the right to the use of 0.5 acre feet of water per year in twelve (12) more or less equal monthly quantities. According to State and County regulations require no less than one (1) acre foot for the domestic use of one family for one year. Domestic water usage in excess of this quantity on a yearly basis is highly discouraged. The Board may, at its discretion, adopt rules and regulations to terminate the supply of water to those connections from the time of excess water usage to the beginning of the new year. All water usage shall be reasonable quantities and flow rates and shall not be wasted.

## **7.3 Water Connections**

Upon the approval of a service connection, and the applicant's tender of the connection fee and any other charges for extension of the Company's distribution as described in 7.1.4, the Company shall install the connection and deliver water to the member at the designated shut off already installed. It is the responsibility of the member to provide and install all materials and labor to connect to the Company's meter at his property line. No new connection may be made into the Company's line without following the procedure outlined in this Section.

## **7.4 Water Code**

The Board may from time to time adopt additional such rules and regulations governing the construction of water systems by its members as it deems necessary to ensure the efficient distribution and use of water to its members. A compilation of these rules and regulations shall be maintained and kept current at all times by the secretary for the use of the members and contractors in the area.

### **7.5     Inspections**

The Company, or its authorized representatives, shall have the right to inspect the connection made into the Company's system and any other water system constructed by the member, including any system within any dwelling or other structure to determine the workmanlike construction and compliance with the water code to prevent waste of water through negligent construction.

### **7.6     Acceptance**

After the lines extending the Company's distribution system have been constructed and inspected to the satisfaction of the Company, the Company shall issue a Certificate of Acceptance for the extension to the Company's distribution system. The extension shall then become part of the distribution system owned by the Company.

### **7.7     Water Service Area**

The Company has the right to provide water service to the area identified in Exhibit A attached hereto and incorporated herein.

### **7.8     Cross Connection Control**

It is necessary to protect the water supply of the Company from contamination or pollution from any cross connections existing or potential. The Company shall therefore adopt and enforce rules and regulations governing cross connection and backflow control. These rules and regulations are intended to comply with Section R309.105.12 of the Utah Public Drinking Water Rules and the Utah Plumbing Code, and their amendments. As of October 5, 2009, such rules and regulations include those described in Company Resolution Nos. 18 and 23.

## **ARTICLE VIII METHOD OF ASSESSMENT**

### **8.1     Assessments, Rates and Fees**

The Board may from time to time, change the amount of assessments, rates and fees charged by the company for water delivered to the members and for administrative expenses. All rates and charges shall be fixed assessments in the manner required by law to preserve the private ownership of any water rights of the Company and the delivery of its water. All assessments, rates, fees and charges levied by the Company through its Board shall be due and payable on the fifteenth (15<sup>th</sup>) day of each month.

### **8.2     Delinquent Assessments**

Delinquent moneys shall bear interest at eighteen percent (18%) per annum; said interest shall begin to accrue thirty (30) days from the date of said billings. Alternatively, the company may charge a late fee equal to 25% of the delinquent amount.

The Company shall obtain a lien on the delinquent owner's land and shares of stock for all assessments, rates and charges for water furnished to the owners of shares of stock, regardless if said property is leased or not.

The Company shall provide for the enforcement of all such liens and the sale or foreclosure on member's shares of stock and land for failure to pay assessments, rates and charges in accordance with the provisions of the applicable Utah law.

The Company shall not be required to transfer shares on its books, or to furnish water on account thereof to such members or to any persons claiming water thereunder, or to the land to which such shares may at the time be appurtenant until all moneys due and interest on said moneys are brought current.

All legal, court, filing, and other fees that shall be required for execution of any of the above stated enforcement's shall be paid by the member, to which the required action has been taken.



### **8.3 Pro Rata or Other Assessment**

Ordinarily the assessments, rates, fees and charges will be on a pro rata basis according to the quantity of water used or the number of shares owned. However, the Board may, at their discretion, apportion rates, charges and assessments when the equities appear to justify the imposition of charges on other than a pro rata basis.

### **8.4 Class B Stock Assessments**

Class B stock shall not be assessable.

## **ARTICLE IX SEAL**

### **9.1 SEAL**

The Board shall provide a corporate seal, which shall be circular in form and shall have inscribed thereon the name of the Company and the state of incorporation and the words, "Corporate Seal."

## **ARTICLE X WAIVER OF NOTICE**

### **10.1 Waiver of Notice**

Whenever any notice is required to be given to any member or Trustee of the Company under the provisions of these Bylaws or under the provisions of the Articles of Incorporation or under the provisions of the Utah Nonprofit Corporation and Cooperative Association Act, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

## **ARTICLE XI AMENDMENTS TO BYLAWS**

### **11.1 Amendments by Members**

These Bylaws may be repealed or amended, or new Bylaws may be adopted, by the affirmative vote of a majority of the votes entitled to be cast or by the written consent of all members entitled to vote such shares, subject, however, to any restrictions on such amendments imposed by the Utah Nonprofit Corporation and Cooperative Association Act, the Articles of Incorporation, or other provisions of these Bylaws.

### **11.2 Amendment by the Board**

Subject to the right of members as provided in Section 11.1 to adopt, amend, or repeal Bylaws, the Board may adopt, amend, or repeal Bylaws; provided, however, that no Bylaw or amendment changing the number of trustees of the Company, changing the number of authorized trustees from a fixed to a variable number or vice versa, or making a material amendment to these Bylaws, shall be adopted other than in the manner provided by Section 2.2 of these Bylaws; further provided that bylaws pertaining to the qualification of voting rights and property rights of members and the termination or forfeiture of membership shall not be amended or repealed unless such change receives at least a majority of the votes, which members present or represented by proxy at a duly called meeting of members are entitled to cast.

### **11.3 Record of Amendments**

Any amendment or new Bylaw adopted by the members or the Board shall be copied in the appropriate place in the minute book with the original Bylaws, and the repeal of any Bylaw shall be entered on the original Bylaws, together with the date and manner of such repeal. The original or a copy of the Bylaws as amended to date shall be open to inspection by the members at the Company's principal office in Utah at all reasonable times during office hours.



## ARTICLE XII BOOKS AND REPORTS

### 12.1 Inspection

All books and records shall, during reasonable business hours, be open for inspection by any member or Trustee, for any reasonable purpose.

### 12.2 Financial Report

The President and the Board shall prepare, or cause to be prepared by a qualified accountant, an annual report on the financial condition of the Company at the end of each fiscal year. The president or his designee shall present this report to the members at the annual meeting.

Each member upon written request shall be provided with a copy of the latest financial report normally prepared by the Treasurer. A fee of fifteen (\$15.00) must accompany this request for a financial report. The Board from time to time has the right to adjust this fee as needed.

## ARTICLE XIII SEVERABILITY CLAUSE

If any provision of these bylaws, or the application of any provision to any person or circumstance, is held invalid, the remainder of the bylaws shall be given effect without the invalid provision or application.

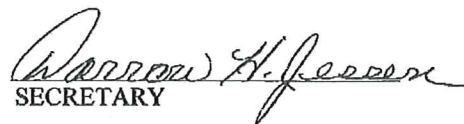
## CERTIFICATE OF SECRETARY

The undersigned, Secretary of **Harmony Heights Water Company**, a Utah nonprofit corporation, does hereby certify that the foregoing Bylaws were duly adopted by the Board of Trustees at a meeting held on the

6<sup>th</sup> day of April, 2015.

IN WITNESS WHEREOF, the undersigned has subscribed his or her name on this 6<sup>th</sup> day of April, 2015.

CORPORATE SEAL

  
SECRETARY



Printout of HHWC active business license status from the  
Utah Department of Commerce website

HARMONY HEIGHTS WATER COMPANY

[Update this Business](#)

**Entity Number:** 1133863-0140

**Company Type:** Corporation - Domestic - Non-Profit

**Address:** 722 E 200 S NEW HARMONY, UT 84757

**State of Origin:** UT

**Registered Agent:** DARROW JESSEN

**Registered Agent Address:**

722 E 200 S PO BOX 487

[View Management Team](#)

NEW HARMONY, UT 84757

Status: Active

[Purchase Certificate of Existence](#)

**Status:** Active ● as of 08/11/2011

**Renew By:** 09/30/2017

**Status Description:** Good Standing

The "Good Standing" status represents that a renewal has been filed, within the most recent renewal period, with the Division of Corporations and Commercial Code.

**Employment Verification:** Not Registered with Verify Utah

History

[View Filed Documents](#)

**Registration Date:** 09/09/1991

**Last Renewed:** 08/26/2016

Additional Information

**NAICS Code:** 2213 **NAICS Title:** 2213-Water, Sewage and Other Systems

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Business Name:

## Utah Department Of Environmental Quality

### Division Of Drinking Water

<b>HARMONY HEIGHTS WATER COMPANY</b>	<b>PWS ID: UTAH27082</b>	<b>Rating: Approved</b>	<b>12/30/1899</b>	<b>Active</b>
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**Legal Contact**

HARMONY HEIGHTS WATER COMPANY  
 DARROW H JESSEN  
 PO BOX 487  
 NEW HARMONY, UT 84757  
 Phone: 435-586-9208  
 County: WASHINGTON COUNTY  
 System Type: Community  
 Population: 120

**Site Updates**

Last Inventory Update: 05/17/2017  
 Last Surveyor Update: 11/17/2015  
 Surveyor: MICHAEL S MOSS  
 Operating Period: 1/1 - 12/31  
 Last IPS Update: 05/17/2017 07:00:00

**Consumptive Use Zone**

Irrigation Zone: 4  
 Date: 02/15/2013

**Admin Contacts**

Name	Title	Office	Emergency	Email
JESSEN, DARROW H		435-586-9208	435-586-9208	business@djessen.com



# Division of Drinking Water — Water System Capacity Calculation Sheet (Last Update 2/12/2016)

*\*Enter the green cells only\**

System Name **Harmony Heights**

System Number **27082**

## 1.1 Indoor Water Use

Convert "Number of other connections" (Cell E9) to ERCs here. [ERCs of other connections = peak day demand of other connections in gal per day / 800 gpd]

Number of residential connections -----

**84**

Number of other connections --- **0**

ERCs of other connections

**0.0**

(Example: water use of 2 factories equals to water use of 55 homes.)

Enter number of non-residential connections, e.g., 2 industrial connections.

Total Equivalent Residential Connections (ERCs) **84.0**

MINIMUM REQUIREMENTS FOR INDOOR WATER USE					
Source		Storage		Water Rights	
gpd/ERC	Total (gpm)	Gallons/ERC	Total (gallons)	ac-ft/yr/ERC	Total (ac-ft/yr)
800	46.7	400	33,600	0.45	37.80

## 1.2 Outdoor Water Use

Enter estimated irrigated acre

Is the drinking water used for outdoor irrigation?

☒

Yes

☐

No

limited

Residential ERCs using drinking water for irrigation ----- > > **84**

Percentage of Residential ERCs using DW for irrigation ----- > > **100%**

Average irrigated acreage per residential connection ----- > > **0.30**

Total irrigated acreage of other connections (park, school, etc.) ----- > > **0.00**

(Enter notes here regarding whether and what % of irrigation water is supplied by PWS.)

Enter total irrigated acres of other connections here.

Irrigation zone

**4**

Select Irrigated Zone # from the pick list. See "Irrigation Demands & Map" tab on the bottom of the screen.

MINIMUM REQUIREMENTS FOR IRRIGATION USE					
Source		Storage		Water Rights	
gpd/ERC	Total (gpm)	Gallons/ERC	Total (gallons)	ac-ft/yr/ERC	Total (ac-ft/yr)
1,682	98.1	840	70,573	0.55	46.34

## 1.3 Fire Flow Water Use

Enter fire flow in gpm.

Does the water system provide fire protection?

☒

Yes

☐

No

Maximum fire flow demand (in gpm) for water system or pressure zone ----- > > **1,000**

Maximum fire suppression duration (in hours) for water system or pressure zone ----- > > **1**

Required Fire Suppression Storage (in gallons) ----- > > **60,000**

(\*Verify req'd fire flow and duration with local fire code officials.\* Enter notes here, e.g. fire official contact info or comments.)

Enter duration in hours.

## 2. Summary of Water System Capacity Requirements

MINIMUM CAPACITY REQUIREMENTS FOR WATER SYSTEM					
Source (indoor + outdoor)		Storage (indoor + outdoor + fire)		Water Rights (indoor + outdoor)	
gpd/ERC	Total (gpm)	Gallons/ERC	Total (gallons)	ac-ft/yr/ERC	Total (ac-ft/yr)
2,482	144.8	1,240	164,173	1.00	84.14

### 2.1 Does this system have adequate source capacity (per R309-510-7)?

This source capacity assessment is a general overall system calculation. It may not reflect the variations in individual areas or pressure zones.

Required Source Capacity 144.8

gpm

Existing Source Capacity 0.0

gpm

Source Capacity Deficit 144.8

gpm

Existing % of Total Req'd 0.0%

Autolink to 2 "Total Source" cell above.

Autolink to 4.2 "Total Existing Source Capacity" cell below.

Source deficit indicates that: (1) additional source capacity is needed, and (2) source deficiency should be assessed.

Less than 100% indicates: (1) additional source capacity is needed, and (2) source deficiency should be assessed.



**2.2 Does this system have adequate storage capacity (per R309-510-8)?**

This storage capacity assessment is a general overall system calculation. It may not reflect the variations in individual areas or pressure zones.

Total Required Storage	164,173	gal	Autolink to 2 "Total Storage" cell above.
Existing Storage Capacity	188,000	gal	Autolink to 4.3 "Total Existing Storage Capacity" cell below.
Storage Capacity Deficit	None	gal	Storage deficit indicates that: (1) additional storage volume is needed, and (2) storage deficiency should be assessed.
Required Fire Storage	60,000	gal	
Is storage deficiency <u>solely</u> due to fire storage?	Not Applicable		If NO, answer one of question set 2.01 to 2.05 in ESS. If YES, answer one of question set 2.06 to 2.10 in ESS.
Existing % of Total Req'd	114.5%		Less than 100% indicates: (1) additional storage capacity is needed, and (2) storage deficiency should be assessed.

**3. Transient PWS Indoor Water Use — ERC Calculation** (See R309-510, Tables 510-1, 2, & 4 for other facility types.)

Facility Type	MINIMUM REQUIREMENTS FOR INDOOR USE						Total # of sites/pads	ERCs
	Source		Storage			ERC/site or pad		
	GPD/person*	GPD/site or pad	Gallons/person	Gallon/site or pad				
Modern Recreation Camp (cap of around 200 people)	60	240	30	120		0.30	0	0.0
Semi-Developed Camp w/ flush toilets	20	80	10	40		0.10	0	0.0
Semi-Developed Camp w/o flush toilets	5	20	2.5	10		0.03	0	0.0
Restaurant (per seat)	N/A	35	N/A	17.5		0.04	0	0.0
Number of people per camp site	4							
	Source (GPD/vehicle)	Storage (Gal./vehicle)	ERC/1000 vehicles served	Vehicles served/day		ERCs		
Roadway Rest Stop w/ flushometer valves	7	3.5	8.8	0		0.0		

**4. Data Input for Calculating ERCs, Source and Storage****Harmony Heights****4.1 Projected ERCs Calculation (optional)**

Total Projected ERCs	0
Existing Residential Connections	
Obligated Future ERCs (enter below)	0

Approximate number of total lots on system for future

Use this number in Cell I8 ("Number of residential connections") on Page 1 to calculate PROJECTED demand & req'ts (including both existing & future connections).

Diaphragm or air pressure tanks shall NOT be considered effective storage volume for (1) community systems, or (2) NTNC with significant demand UNLESS an exception has been granted.

**4.2 Summary - Existing Sources (enter in green cells below)**

Total Existing Source Capacity (in gpm)	0
WS001 Well #1	
Maximum ERCs (assuming indoor use only)	0

**4.3 Summary - Existing Storage Tanks (enter below)**

Total Existing Storage Cap. (in gallons)	188,000
ST001 100K Tank	104,000
ST002 80K Tank	80,000
ST003 Small Water Tank	4,000