

**EL VALLE WATER ALLIANCE
GOVERNING DOCUMENTS
FOR MANAGING ASSOCIATIONS**

SAN MIGUEL COUNTY, NEW MEXICO

A Non-Profit Association Formed Under the Sanitary Projects Act.

06/2014

El Valle Water Alliance

TABLE OF CONTENTS

	<u>Page</u>
Article I Name.....	3
Article II Objects and Purposes.....	3
Article III Principal Place of Business.....	4
Article IV Period of duration.....	4
Article V Seal.....	4
Article VI Fiscal Year.....	5
Article VII Alliance Membership.....	5
Article VIII Meetings of Alliance.....	7
Article IX Meeting of Members Merged.....	9
Article X Executive Board & Officers of the Alliance.....	10
Article XI Duties of the Executive Board & Officers.....	12
Article XII Membership-Merged Associations.....	14
Article XIII Other	15
Article XIV Amendments to the Bylaws	15

ARTICLE I

Name

The corporate name of this Organization shall be the El Valle Water Alliance, hereinafter referred to as the "Alliance."

ARTICLE II

Mission, objects, and purposes

The Mission of El Valle Water Alliance is to be an association of independent and autonomous mutual domestic water consumers associations (MDWCA's) located along the Upper Pecos Region of San Miguel County in the region known as El Valle and to be a management support structure having the necessary infrastructure improvements to sustain the health of our communities, water table, and watershed for current and future generations.

WHEREAS our Mutual Domestic Water Consumers Associations are governed and manned by volunteer boards,

WHEREAS the growing demands of health standards, environmental concerns, and regulatory requirements have stretched the capacity of these volunteer boards beyond their abilities and resources,

WHEREAS we seek to secure to our communities the same benefits of ample safe drinking and household water that other New Mexicans enjoy, and

WHEREAS due to our lack of professional, technical, and legal staff many of our associations have water rights that are inadequate, or that need to be secured, or which may be legally vulnerable, and others can't keep up with all the reporting requirements, customer demand for service or negligence to pay water,

WHEREAS none of our communities have the resources to mobilize the planning, engineering, and legal research and action needed to secure our water rights and to plan effectively for our water future, having up to date and adequate infrastructure, and

WHEREAS other recognized public organizations within the El Valle region may have similar needs and concerns.

THEREFORE, WE HAVE AGREED AMONG OURSELVES to join together as the El Valle Water Alliance and to seek and provide assistance to assure safe water for our households in the future and to explore ways in which we can support one another in meeting our technical and administrative needs more effectively.

El Valle Alliance in San Miguel County is authorized to exercise its powers and duties in order to accomplish the following objectives, among others:

1. Provide training and sharing of information on regional water planning, forty year planning, and protection of water rights and the state legislative process.

2. Collaborate with each mutual domestic water consumer association and recognized public organizations and assist each other to protect both the quality and quantity of water in our area.
3. Provide a local organization to benefit the needs and interests of mutual domestic water consumers association, their members, and recognized public organizations.
4. Collaborate to provide training and technical assistance that will strengthen water use practices and fiscal management functions of mutual domestic water consumers associations.
5. Educate mutual domestic water consumers associations, their members, and the public, about local, state, and federal policies, regulations, and laws impacting us.
6. Advocate for domestic water issues with San Miguel County Planning and Zoning, and the County and State governments with regard to policies, regulations, and laws impacting us.
7. Educate mutual domestic water consumer associations, their users, and the public, about the importance of local public involvement in well head protection and watershed protection.
8. Collaborate to explore wastewater management.
9. Advance the following goals:
 - a. To protect our water rights, preserving them first and foremost for members of our Alliance and for uses within the region.
 - b. To promote water conservation and the efficient use of water.
 - c. To partner in developing good management of our drinking water systems through a variety of means, such as combining administration fees, contracting services to benefit multiple associations, and through other economically viable options.
 - d. To provide community-wide education.
 - e. To plan for wastewater treatment in our area to avoid contamination of our water sources due to proliferation of septic tanks.
 - f. To bring all mutual domestic water consumers association with in our communities into compliance with all state and federal regulations.
 - g. To share information, equipment, tools, etc. and to help each other in time of emergencies as needed.

ARTICLE III

Principal Place of Business

The principal office of the Alliance shall be located at Entrada de San Ysidro Community Center, South San Ysidro, NM; its mailing address is: El Valle Water Alliance, P.O. Box 453 Ribera, NM. Both may be change from time to time.

ARTICLE IV

Period of duration

The period of duration of the Alliance shall be perpetual.

ARTICLE V

Seal

The Seal of the Alliance shall be in the form of a circle and shall have inscribed in it the name of the Alliance in a circular fashion and the words "Non-Profit Association" in the center of the circle. The secretary of the Alliance shall have custody of the seal.

ARTICLE VI

Fiscal Year

The fiscal year of the Association shall begin on the first of day of July and end on the last day of June of each year.

ARTICLE VII

Alliance Membership

Section 1. Membership Qualification

- A. Mutual Domestic Water Consumers Association (MDWCA as defined in 3-29-2 NMSA 1978) within San Miguel County.
 - 1) Resolution of its own Board of Directors to join the Alliance;
 - 2) Execution by the MDWCA's Board of Directors of the Memorandum of Agreement that forms the Alliance.
 - 3) Execution by the MDWCA's Board of Directors of the Amendment of Memorandum of Agreement.
 - 4) Appointment of a delegate and an alternate to represent the MDWCA in the Alliance and
 - 5) Authorization of those delegates to vote on matters before the Alliance on behalf of the MDWCA they represent.Any restrictions on that authorization (i.e. requirements that the Board of Directors of the member-MDWCA hear and approve particular proposals before the Association is committed) shall be made explicit in the document appointing the delegate and the alternate.

B. Type of Membership

1. Merged Association

- a. An association that has dissolved and merged with the Alliance.
- b. The association is managed and operated totally by the Alliance.
- c. All assets & liabilities are transferred to the Alliance.
- d. Each community merged may have a delegate/local representative to vote at meetings on matters of the Alliance. The Merger Plan of the community shall indicate whether the community will or will not appoint a representative to the Alliance.
- e. The delegate/representative of the communities merged shall first be assigned to the Alliance per the Merger Plan and subsequently elected by the community.
- f. Election of representatives will be conducted at the annual meeting of the Alliance following election procedures set by the Alliance.

2. Active Association

- a. An active association shall assign a delegate to vote at meeting on matters of the Alliance.
- b. The association shall maintain their active board that governs their association.
- c. An active association will allow the Alliance to manage the association including budget, rates, and so forth.
- d. An active association will follow the rules and regulations set forth by the Alliance.
- e. An active association will be required to sign a Memorandum of Agreement and amended Memorandum of Agreement.
- f. El Valle Water Alliance and its active members as identified in the executed Memorandum of Agreements and supplemental No. 1 to the memorandum of agreement shall combine all their net earnings to cover any debt incurred by the alliance, the cost of salaries and benefits for all the El Valle Water Alliance employees and the cost to operate and maintain El Valle Water Alliance Centralized office.

3. Non-Active

- a. Are associations that do not participate in the operations of the Alliance.
- b. Contract for Bookkeeping and or Certified Operator.
- c. Non-Active associations may participate in activities with the Alliance on contract or volunteer basis.
- d. Non-Active associations may agree to sign a Memorandum of Agreement to participate.
- e. Non-Active association do not have a voting right to matters of the Alliance.

C. Provided that Associations comply with section A 1-4 above. The Alliance will consider adding other Associations with in the County on a one to one basis.

Section 2. Membership Application Approval.

All applications for membership shall be approved by the Alliance.

Section 3. Rights, Privileges, and Obligations of Members.

The potential rights, privileges and obligations of all member-MDWCA's of the Alliance shall be equal.

- A. *Indebtedness:* In the event that the Alliance should incur debt in order to finance improvements in the systems communities served. MDWCA's agree to Fair Share repayment as defined in the supplemental Memorandum of Agreement. This includes all indebtedness incurred by the Alliance to finance improvements. This only applies if a MDWCA decides to dissolve from the Alliance. Members agree on an appropriate and equitable share of repayment, and enter into an agreement binding the individual member-MDWCA's to the repayment they agree is appropriate. Such agreements will not be affected by subsequent changes in the parties' membership in the Alliance.

- B. *Allocation of Resources:* In the event that the Alliance should receive a grant or loan grant combo to finance improvements, the Alliance shall prioritize project for funding on the criteria for allocation of these resources prior to award if possible.

Should agreement not be achieved, mediation shall be sought. Mediation in this context, means a process whereby an independent individual or organization who is acceptable to all parties, (the "mediator") attempts to help the Alliance members reach a consensus through negotiation and problem-solving.

- C. *Ownership of property acquired with Alliance funds:* Improvements made to the water systems of Member-MDWCA's shall be the sole property of the member-MDWCA. Equipment and supplies purchased by the Alliance for the benefit of all of its Member-MDWCA's shall be the sole property of the Alliance until such time as they are dedicated to the use of a Member-MDWCA at which time they become the property of the Member. Individual Members shall not have any legal interest or ownership in the assets of the Alliance.

Section 4. Voting.

- A. Each delegate of an active Member-MDWCA or Merged Association shall be entitled to one vote on each matter submitted to vote at a meeting of the Alliance, regardless of how many connections.
- B. Voting shall only be in person or via telephone if unable to attend the public meetings. Quorum shall be determined as set out in Article VIII section 2 below and only those Member MDWCA's or Merged Association with a delegate present shall be permitted to vote. Voting by proxy shall not be permitted. Voting by mail shall not be permitted.

Section 5. Terminating Membership.

- A. Member-MDWCA's may withdraw from the Alliance by providing a written proposal to withdraw in the form of a resolution of the MDWCA's governing body, signed by its elected officials. The Proposal shall be delivered to a member of the Alliance Executive Board at least thirty (30) days prior to the Alliance meeting at which time the proposal will be acted on.
- B. Any legal and financial obligation assumed by the member-MDWCA that proposes to leave the Alliance continues to be binding after the party's withdrawal, until fully discharged; any reporting requirements that bear on the member-MDWCA as a result of programs in which it participated while a member of the Alliance shall likewise be complied with in the event of withdrawal, until fully discharged. The Alliance may condition any withdrawal upon performance of these obligations. These conditions are as to both Memorandum of Agreement, Supplemental to the Memorandum of Agreement and section 3 as stated above.
- C. The Alliance Executive Board shall act upon any pending proposals to withdraw as the first item of business at each Alliance meeting.
- D. Once a party has withdrawn from the Alliance, that party must re-apply to re-enter the Alliance.

ARTICLE VIII Meetings of Alliance

Section 1. Alliance Meetings.

Meetings of the Alliance will be in accordance with the Open Meetings Act Resolution approved at the beginning of each year.

Section 2. Quorum.

For decisions that are set out on the pre-distributed agenda three (3) members of the Executive Board will constitute a quorum. If the delegate of any Member-MDWCA or Merged Association is unable to attend a meeting at which a decision will be made, and the Member-MDWCA or Merged Association wishes its delegate to be heard before the decision is made, that delegate shall contact the Secretary prior to the meeting, and ask that the decision be held until the following meeting.

Section 3. Calling for a Special Meeting.

Special meetings of the Alliance may be called at any time by the President or upon a written request signed by any three members, with notice to be given in accordance with the Open Meetings Act Resolution approved at the beginning of each year. Only issues stated on the public notice will be discussed at the Special Meeting.

Section 4. Notice of Meetings.

Notice of all meetings shall follow the Open Meetings Act Resolution, and unless otherwise specified in that Resolution, notice will be given as follows: at least seven (7) days prior to a regular meeting: three (3) days prior to a special meeting: and one (1) day prior to an emergency meeting. Notice will state the nature, time, place and purpose of the meeting. The failure of any Member-MDWCA to receive notice of an annual or special meeting of the Alliance shall not invalidate any action that may be taken by the Alliance at such meeting.

Section 5. Meeting Agenda.

The order of business at Alliance meetings shall be:

1. Calling to order and proof of the quorum
2. Proof of notice of meeting
3. Approval of Agenda
4. Reading and/or approval of any minutes
5. Report and Approval of officers and committees,
6. Unfinished business
7. New Business
8. Next meeting Date and Agenda
9. Adjournment

ARTICLE IX

Executive Board and Officers of the Alliance

- Section 1. Function of the Executive Board. A committee of five (5) members shall manage the business and affairs of the Alliance. The powers and responsibilities of such Committee shall not include those conferred or reserved to the Member-MDWCA's by law, the Articles of Incorporation, or these By-Laws. The Executive Board of the Alliance and has the responsibilities of keeping in compliance with the Sanitary Project Act including but not limited to the following:
1. Conduct Alliance meetings, and bring decisions to the Alliance membership for discussion and action;
 2. Represent the Alliance at meetings and conferences if stakeholders at which interests of the Alliance are discussed;
 3. Maintain records and make records available in conformance with the Inspection of Public Records Act;
 4. Select personnel for the management of the Alliance's daily business affairs;
 5. Maintain control of expenditures by authorizing budgets, maintaining mandated expenditure limitations and ensuring cash availability;
 6. Keep Alliance members informed of Alliance business;
 7. Keep in compliance with all governing agencies that require action by the Alliance including but not limited to DFA-budget requirements, State Auditor-audits, OSE-water rights, Taxation and Revenue-GRT and Water conservation, Secretary of State-corporate reports, Attorney General-open meeting act.
 8. Arrange for audits from time to time as deemed necessary or required by funding agencies and/or the laws of the State of New Mexico;
 9. Require approval from the Alliance on any supportive correspondence, contractual agreements, Joint Powers Agreements and/or Memoranda of Agreements that the officers assume will be beneficial to one or all of its members.
- Section 2. Term and Election of Executive Board.
- The Executive Board shall be elected from the body of Alliance members to hold staggering terms of two (2) years each; with three (3) directors elected during even numbered years and two (2) directors elected during odd-numbered years. Elections shall take place at the January meeting each year.
- Section 3. Election and/or Meeting of the Officers.
- The Executive Board shall meet as soon as possible after election tabulations are determined, but in any event within ten (10) days of that time and elect a president, Vice-President, Treasurer, Secretary, and member at Large from among themselves, each of whom shall hold office until the next election of the officers and/or the qualification of his/her successor if removed sooner.
- Section 4. Compensation of Members and of Executive Board.

Neither Members of the Executive Board nor Alliance Members shall be compensated for attending meetings of the Executive Board for the membership. However, Alliance Members traveling on official Alliance business may be reimbursed per diem and/or mileage at the Alliance's established approved rate. Members can be paid for services other than regular membership activities.

Section 5. Meetings of the Executive Board.

The Executive Board shall hold meetings at such regular intervals as stated in the Alliance's Policies and Procedures and Open Meetings Act Resolution. A majority of the Executive Board at any meetings shall constitute a quorum for the conduct of business thereat. If at any time during the meeting the quorum is destroyed, the Executive Board may continue the meeting, follow the approved agenda, and the meeting shall not be adjourned. All meetings of the Executive Board are open to the Membership/public as require by the Open Meetings Act of 1978.

Special or emergency meetings of the Executive Board may be cancelled by the President or by any three (3) Members, who shall fix the time and place for the holding of the meeting. The Open Meetings Act resolution shall govern the required timing, content, and location of the requisite notice.

Section 6. Powers of the Executive Board.

The Executive Board shall have the general power to act for the Alliance in any manner not prohibited by Statue or the Articles of Incorporation. If the Alliance shall, at any time, borrow or receive by way of grant, any property of the United States and the State of New Mexico, through any of its agencies, the Executive Board shall pursue such management methods, including accounting and audits, as such agency may prescribe.

Section 7. Vacancies.

If the office of any Member of the Executive Board becomes vacant by reason of death, resignation, retirement, disqualification, or otherwise, except by removal from office by the membership, a majority of the remaining Executive Board members, through less than a quorum, shall by a majority vote, choose a successor who shall hold office until the next January meeting, of the Alliance, at which time the Members shall elect a Executive Board member for the unexpired term or terms, providing that in the call of such regular meeting a notice of such election shall be given.

Section 8. Removal of Executive Board Member.

- A. Any Member of the Executive Board may be removed from office for cause shown by a vote of not less than $\frac{1}{2}$ of the Members of the Alliance present at any annual meeting, or at any special meeting called for that purpose, provided that a quorum is present. A Executive Board Member shall be considered for removal under this section upon filing of a petition signed by no fewer than fifty percent (50%) of Alliance Members. The Executive Board Member shall be informed in writing of the charges against him/her at least ten (10) days before such meetings. The Executive Board Member may appear in person or by counsel and present witness in his/her behalf. The Alliance shall establish the procedures to be used at such a meeting.

- B. Self-Removal of Executive Board Members. Any Executive Board Member who fails to attend as many as three (3) regularly scheduled consecutive meeting of the Executive Board in a one-year period and without prior notification and cause shall be deemed to have resigned from the Executive Board.

ARTICLE X

Duties of Executive Board and Officers

Section 1. Duties of the President.

The President shall preside over all meetings of the Alliance and the Executive Board, shall call special meetings of the Executive Board and perform all acts and duties usually performed by an executive and presiding officer. He or She shall sign all notes, bonds, mortgages, contracts and other instruments on behalf of the Alliance. He or she shall be an ex-officio member of all standing committees and shall have such powers and shall perform such other duties as may be properly required of him or her by the Executive Board.

Section 2. Duties of the Vice-President.

The Vice-President, in the absence or disability of the President, shall perform the duties of the President. However, in case of death, resignation or disability of the President, refer to section seven article IX.

Section 3. Duties of the Secretary.

The Secretary, unless otherwise directed by the Executive Board, shall:

- A. Keep a complete record of all meetings of the Alliance and of the Executive Board;
- B. Attest the President's signature on all papers pertaining to the Alliance;
- C. Keep the corporate seal, and affix said seal to all paper requiring seal;
- D. Keep a proper record of member-MDWCA's, showing the name of each authorized delegate and alternate, date of appointment, and any conditions on the authorization of said delegate;
- E. Prepare, serve, mail, or deliver all notices required by law and by these bylaws;
- F. Make a full report of all matters and business pertaining to his or her office to the Member-MDWCA's at January meeting, or at such other time as the Executive Board may require.

Upon the election of his or her successor, the Secretary shall turn over to said successor all books and other property belonging to the Alliance that the Secretary may have in his or her possession.

Section 4. Duties of the Treasurer.

The Treasurer shall be covered in the performance of his or her duties by a surety bond in an amount to be determined by the Executive Board. The premium for such bond shall be paid by the Alliance. Unless otherwise directed by the Executive Board, the Treasurer shall:

- A. Have a general charge and supervision of the financial books and records of the Alliance;
- B. Maintain a record of the indebtedness of the Alliance and to the Alliance;
- C. Make a full Report of all matters and business pertaining to his or her office to the Member-MDWCA's at the January meeting, or at such other time or times as the Executive Board may require;
- D. Collect all assessments and monies due the Alliance and deposit same in the depository designated by the Executive Board; and,
- E. Disburse funds or assure that disbursement is conducted under direct guidance and oversight, keep the Alliance current of all compliance reports and accounts payable, and shall make a report on the business transacted by him or her on a monthly basis or as requested.
- F. Upon the election of his or her successor, the Treasurer shall turn over to said successor all books and other property belonging to the Alliance that the Treasurer may have in his or her possession.

Section 5. Duties of Executive Board Members at Large.

Shall respond to assignments delegated by the President of the Executive Board. The Member at large may be requested to substitute at a meeting of the Executive Board in any of the regular offices of the Alliance and /or to assume co-chairmanship of any committee the Executive Board of the Membership may see fit to establish. Upon election of a successor, the Members at Large shall relinquish any and all property of the Alliance. However, they retain any and all co-chairmanships of committees which may have been assigned and which have not been terminated by completion of their work or by other action of the Executive Board.

Section 6. Guardian and Custodian of the Records.

The Guardian and Custodian shall be the secretary of the Executive Board. His/her function is to assure that the records of the Alliance are maintained according to the requirements of law and the rules and regulation of the Alliance and made available upon receipt of a written request from any voting Member-MDWCA in compliance with the Inspection of Public Records Act of 1978 and other applicable State Law. A written request shall provide the name, address, and telephone number of the person seeking access to the records and shall identify the records sought with reasonable particularity. The Alliance reserves the right to charge for copying the documents requested.

Section 7. Other Employees or Agents.

If directed to do so by a vote of member-MDWCA's, the Executive Board may hire a manager, certified operator, meter reader, bookkeeper, and other agents/contractors or employees, which may be necessary to superintend the water systems of the Alliance and their construction, maintenance, and repair. Such agents/contractors or employees may be authorized by the Executive Board under its direction and pursuant to its Policies and Procedures of the Alliance to perform services for the Member-MDWCA's of the Alliance. Such agents or employees shall be paid a compensation for the performance of

their duties in an amount determined by the Alliance and paid by the member-MDWCA as determined by them. Employees and agents may be removed from office or employment at any time by action of the Alliance.

ARTICLE XI

Other

Section 1. Inspection of Alliance Records.

Any delegate or alternate of a Member-MDWCA of the Alliance shall have the right, for any proper purpose and at any reasonable time, on written request stating the purpose thereof, to examine and request copies from the relevant books and records of accounts, minutes, and records of the Members of the Alliance subject to review under applicable Federal and State Statutes. But at no time shall any of the records be removed from the office and any request for copies shall be made only at the alliance business office. The cost of copies shall be a reasonable sum.

Section 2. Non-Liability for Debts of the Alliance

The private property of the Member-MDWCA shall be exempt from execution or other liability for the debts of the Alliance and no Member-MDWCA shall be individually liable or responsible for any debts or liabilities of the Alliance.

ARTICLE XII

Amendments to These Procedures

These Procedures may be repealed or amended by a majority vote of El Valle Water Alliance Board present at any meeting of the Alliance called for that purpose, for which the action on the bylaws has been announced to all Member-MDWCA's.

We undersigned below Secretary and President of the El Valle Water Alliance, and Association existing under the laws of the State of New Mexico, hereby certify that the above is a true and correct copy of the Alliance Procedures, together with all amendments thereto, as this 16 day of June, 2014 which were duly adopted on June, 16, 2014

Edward M. Serna
Secretary

Lamin M. Lercero
President

