

BYLAWS OF THE THREE SISTERS IRRIGATION DISTRICT

2008

Article I Name and Purpose

Section 1 Name

This organization shall be known as the Three Sisters Irrigation District, doing business principally in the County of Deschutes, Oregon and also including the County of Jefferson, Oregon.

Section 2 Purpose (ORS Chapters 198 and 545)

The Three Sisters Irrigation District is a special district acting as a political subdivision of the State of Oregon, duly organized and operated under Oregon law governing special districts and, more particularly, irrigation districts. Its purposes include the following:

- A. Accomplishing the delivery of irrigation water to District water users in accordance with Oregon law and District policies, rules and regulations.
- B. Operating and maintaining District-owned water delivery facilities, including ponds, canals, ditches, measuring devices, etc. in accordance with Oregon law and District policies, rules and regulations.
- C. Providing administrative services, including maintenance of required water rights records, water usage, etc., billing and collecting fees for water and services provided, etc.

Article II Water User and Voting Rights

Section 1 Eligibility

Any person eighteen (18) years of age or older, whether a resident of the District or State or not, within the following geographical confines who is an owner or a vendee under a contract of purchase of land situated within the Three Sisters Irrigation District and subjected to the charges or assessments of the district, is eligible to become a voting water user of the Three Sisters Irrigation District. (ORS 545.002)

Section 2 Voting Rights (ORS 545.007)

(1) In any matter requiring or allowing a vote of the owners of land or the electors of a district:

- (a) If ownership is in estates by the entirety, tenants in common, or in other cases of multiple ownership, only one vote shall be allowed on behalf of all the owners under each multiple ownership. The vote may be cast by any one of the multiple owners. When two or more persons attempt to cast a vote under this paragraph, only the vote of the person who first casts a vote shall be counted.

- (b) Any corporation may vote as a single owner of land through any officer or agent when the officer or agent is authorized to vote by the corporation and the written authorization is filed with the secretary of the board of directors of the district.
 - (c) Any general partnership, limited partnership or limited liability company may vote as a single owner of land through any general partner, member or agent when the general partner, member or agent is authorized to vote by the entity and written evidence of the authority of the general partner, member or agent is filed with the secretary of the board of directors of the district.
 - (d) Any trustee of a trust, guardian, administrator or executor authorized to act as such of a person or estate owning land within the district shall be considered an owner of land for the purposes of the Irrigation District Law, when the owner in fee is not otherwise entitled to vote.
 - (e) An owner of land or elector may vote according to the total amount of acreage within the district owned by the owner or elector that is subject to the charges or assessments of the district on the basis of:
 - (A) One vote for up to 40 acres;
 - (B) Two votes for 40 acres or more but not more than 160 acres; and
 - (C) Three votes for more than 160 acres.
 - (f) When a district is divided into divisions under ORS 545.033 or 545.207 and voting is by the qualified electors within a division for a director from that division, an elector who is permitted under ORS 545.207 to vote in that division may cast the number of votes under subsection (1)(d) of this section that represents the total amount of eligible acreage owned by the elector within the whole district.
- (2) The weighted voting provisions of subsection (1)(d) of this section do not apply in an election for the formation of a district and for its initial board of directors under ORS 545.041 and 545.043 (1). In such an election, each owner of land is entitled to cast one vote. [1995 c.42 s.3; 1995 c.754 s.3]

Section 3 Rights of Water Users

Water Users shall have the right to receive District services, including the delivery of irrigation water in accordance with water rights as provided by Oregon law and in accordance with District rules and regulations. Water Users shall also have the right to fully participate in District affairs, including the right to be heard at meetings and the elections of Directors, as described later in these By-Laws. (ORS 545.402 - 406)

Section 4 Responsibilities of Water Users

Water users shall be responsible for complying with Oregon law and administrative rules, as well as District policies, rules and regulations concerning irrigation water. This includes the proper appropriation and use of irrigation water, the payment of duly assigned fees and assessments, as well as the maintenance of privately owned water delivery systems and measuring devices. Water users shall also be responsible for furnishing the District with that information concerning water use and farm activities, which the District is legally required to obtain. (ORS 545.381, .471)

Article III Board of Directors

Section 1 Composition

The Board of Directors shall consist of three Directors. One each shall be elected from the three electoral divisions, as defined in the District's Electoral Division Description.(ORS 545.043)

Section 2 Duties and Powers (ORS 545.064, 545.250, 545.432-468)

The Board of Directors, acting corporately and not individually, shall:

- A. Manage and conduct the business and affairs of the District, in accordance with the laws and administrative rules of the State of Oregon governing irrigation districts and with these Bylaws.
- B. .545.183 Compensation and expenses of officers and employees; membership fees in associations.
The board shall fix the compensation to be paid to the other officers and employees of the district. The board may pay, from the funds of the district, annual membership fees and assessments to irrigation, drainage or water users' associations. [Formerly 545.066]
545.221 Powers and duties of board as to management of district; water deliveries. (1) The board shall:
Make and execute all necessary contracts, employ and appoint such agents, officers and employees as may be required, and prescribe their duties.
- C. Establish equitable policies, rules and regulations governing the distribution and use of water among the landowners, in accordance with the laws and administrative rules of the State of Oregon governing the appropriation and use of irrigation water.
- D. Preserve and protect the assets of the District, both physical and monetary. Establish equitable assessments for water delivery which will permit the District to maintain existing delivery systems, as well as to make needed improvements to such systems and to District-owned property.
- E. Meet annually as a Board of Equalization to hear and determine any objections by water users to the assessments and apportionment thereof. (ORS 545.573)
- F. Obtain a monthly financial report indicating year to date and prior month expenditures, current balance, projected expenditures and a reconciliation of actual expenditures with annual budget.

Section 3 Qualifications

A Director shall be a resident of the State of Oregon, eighteen (18) years of age or older and be an owner, shareholder of a bona fide corporate owner, or an owner or a vendee under a contract of purchase of land situated with and subjected to the charges or assessments of the district and located in the electoral division from which elected.(ORS 545.043)

No member of Three Sisters Irrigation District shall be eligible to serve on the Board of Directors at the same time that another member of the individual's family serves on the Board of Directors.

"Member of an individual's family" means the wife, husband, son, daughter, mother, father, brother, brother-in-law, sister, sister-in-law, mother-in-law, father-in-law, aunt, uncle, niece, nephew, stepparent or stepchild of the individual.

Section 4 Election (ORS 545.135-.163)

Directors shall be elected pursuant to the laws of the State of Oregon. Regular elections shall take place, to the extent practicable, on the second Tuesday of November each year and shall be confined to electing a replacement for a Director whose term has expired, unless there shall have occurred a vacancy on the Board of Directors necessitating an election to select a replacement Director (see Section 5). The term of office shall be for three (3) years, to commence on the third Tuesday in January following the election. The terms of the Directors shall be staggered, such that each year one Director's term shall terminate, and an election shall be held to fill the vacancy.

Election of Directors shall be accomplished in a manner consistent with the laws of the State of Oregon as periodically amended. An election procedures guide shall be published and kept up-to-date for the benefit of District officials and electors.

Section 5 Vacancy in the Office of Director

An office may become vacant before the expiration of the term if the election or appointment of the Director is 1) nullified for cause (judicially declared to be void, Director ceases-to qualify in the electoral division from which elected, Director misses three (3) consecutive regular meetings without sufficient cause or is recalled or removed); 2) nullified by reason of physical incapacity or death of the Director or (3) nullified by the Director's voluntary resignation. When a vacancy exists in the office of Director, the remaining Directors shall appoint an eligible person from the electoral division in which the vacancy exists to serve until a successor shall be elected at the next regular election to fill out the unexpired term. (ORS545.187)

Section 6 Removal or Recall of Director

A Director may be removed or recalled from office only upon having acted in such a way as to bring substantial injury to the interests of the District by having demonstrated irresponsible or dishonest behavior with respect to District affairs and assets. Such removal or recall must be initiated by a petition containing signatures representing fifteen percent (15%) of votes in the electoral division from which said Director was elected. The signed petition shall be filed with the Secretary-Treasurer of the Board of Directors, or if that is not feasible or possible, with the Deschutes County Clerk. Final action shall be taken only upon a majority vote for recall by participating voters in the affected electoral division. Such vote must be held within 30 days following a legitimate request for recall. Should circumstances warrant, the remaining Directors may suspend a Director from further participation in District affairs pending the results of the recall election.(ORS 545.189, 198.410)

Article IV Officers (ORS 545.181)

Section 1 Election

At a board meeting prior to the annual water users meeting, the Directors shall elect from among their number a President, Vice-President and a Secretary-Treasurer.

Section 2 Term of Office

The length of term of each office is one (1) year. The length of term may be shortened and a vacancy declared under the circumstances contained in Article III of these Bylaws. Should a

vacancy exist, the remaining Directors shall appoint a replacement to fill out the unexpired term as officer of the Board of Directors.

Section 3 Description of Duties

President:

The President shall serve in all respects as the other Directors and, in addition, shall preside over all meetings and perform the functions of the chief executive officer of the District.

Vice-President:

The Vice-President shall serve in all respects as the other Directors and, in addition, shall assume the duties of President in the President's absence when circumstances so warrant.

Secretary-Treasurer:

The Secretary-Treasurer shall serve in all respects as the other Directors and, in addition, shall cause to be made an accurate recording and transcript of all District meetings, shall perform such duties in connection with election of Directors as prescribed by Oregon law, shall maintain custody of all District funds and shall cause to be made a complete and accurate accounting of all District funds and the uses to which they are put.

Article V Meetings

Section 1 Election Canvassing and Declaration of Winner (ORS 545.149, .153)

Upon the election of a new Director(s) on the second Tuesday in November, the Board of Directors shall meet at the District office on the following Monday to canvass the returns and declare the winner(s), at which time the Secretary shall complete a certificate of election to be immediately delivered to each winner.

Section 2 Annual Meeting

On the third Tuesday of January the Board of Directors shall hold an annual meeting of the water users to:

- A. Elect the officers of the Board for the upcoming year.
- B. Report the activities and results of the previous year, plans and commitments for the current year (as well as future years to the extent possible).
- C. Report on the current and projected financial status of the District and present the budget for the upcoming year.
- D. Present for a vote any changes in the Bylaws duly recommended.(See Article VIII below.)
- E. Designate the day and time of regular Board of Directors meetings for the upcoming year. (ORS 545.185)
- F. Designate the day and time for meeting as a Board of Equalization.

Section 3 Section 2 - Regular Meetings (ORS 545.185)

The Board of Directors shall hold regular meetings at least monthly at the District office. The regular meetings shall ordinarily be held on the same day and at the same time each month, as designated by the Board at the annual meeting; however, for good cause, the Board may change the place, date or time of one or more regular meetings provided that each Director is given notice of

the change at least five (5) days in advance of the change and that the change is posted in the District office not less than five (5) days in advance.

Section 4 Special Meetings (ORS 545.185, 192.640 (3))

When required for the proper transaction of business, special meetings may be held when ordered by a majority of the Board of Directors provided that five (5) days notice of such meeting is given to each Director not joining in the order. The notice shall specify all the business to be transacted at such special meeting, and no business other than that specified may be transacted unless all Directors are present. Notice of special meetings shall be posted at the District office not less than five (5) days in advance.

Section 5 Emergency Meetings (ORS192.640(3))

An emergency meeting may be held upon such notice as is appropriate to the circumstances. Any action taken at an emergency meeting must be ratified at the next regular meeting, and the reason for the emergency meeting recited.

Section 6 Notice (ORS 192.640 (1))

All meetings of the Board of Directors shall be public and be duly announced by providing public notice, reasonably calculated to give actual notice to interested persons, including news media which have requested notice, of the time and place for holding regular and special meetings. The notice shall also include a list of the principal subjects anticipated to be considered at the meetings, but this requirement shall not limit the ability to consider additional subjects.

Section 7 Executive Session (ORS 192.660)

In conjunction with any duly convened regular, special and emergency meeting, any member of the Board may call for a portion of such meeting to be held in executive session. Executive session is defined as attendance and participation by duly constituted Board members only, together with invited persons who are vital to the issue at hand. Representatives from the news media shall be allowed to attend executive sessions with the exception of deliberations with persons designated to carry on labor negotiations; however, the Board can require that specific information not be disclosed. Executive session may be called for discussion purposes only to consider the following topics:

- A. Consideration of the employment of an employee or staff member of the District.
- B. Consideration of the dismissal or disciplining of, or to hear complaints or charges against, an employee or staff member of the District.
- C. Deliberation with persons designated to carry on labor negotiations for the Board.
- D. Deliberation with persons negotiating real property transactions.
- E. Consideration of records exempt by law from public inspection.
- F. Consideration of preliminary negotiations involving matters of trade or commerce where the Board would be in competition with governing bodies in other states.
- G. Consultation with legal counsel concerning legal rights and duties of the Board with regard to current litigation or litigation likely to be filed.

Final actions or decisions shall not be made during executive session, but shall be made at the first subsequent open session, whether during the same meeting or at the first subsequent separate meeting.

Section 8 Meetings by Means of Telephonic or Electronic Communication (ORS 192.670)

Any meeting, including an executive session, of the Board of Directors that is held through the use of telephone, or other electronic communication, shall be conducted in accordance with the provisions of these Bylaws and with Oregon statute governing meetings. When telephone or other electronic means of communication is used and the meeting is not an executive session, the Board of Directors shall make available to the District members at least one place where the members can listen to the communication at the time it occurs by means of speakers or other devices. The place provided may be a place where no member of the Board of Directors is present.

Section 9 Conduct of Meetings

Board meetings shall not be held in the absence of a quorum. A quorum is defined as the presence of two of the three Directors. A motion or resolution may be adopted upon receiving an affirmative vote of a majority of the Directors in attendance and voting. The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern District meetings in all cases in which they are applicable and in which they are not inconsistent with these Bylaws and any special rules of order the District may adopt. The Board, through the Presiding Officer, shall provide for, and control, the participation of the public and make such rulings as may be necessary to guide the decorum of a meeting.

Section 10 Minutes (ORS 192.650)

Written minutes shall be taken at all meetings, including executive sessions. With the exception of minutes taken at executive sessions, the minutes shall be available to the public in a reasonable time after the meeting. Minutes shall give a true reflection of the matters discussed at the meeting and the views of the participants, and they shall include at least the following:

- A. Members of the Board of Directors and others present.
- B. Motions, proposals, resolutions, orders and measures proposed and their disposition.
- C. Results of all votes, and unless unanimous, the vote of each Board member by name.
- D. The substance of all discussions.
- E. Reference to any document discussed, except those exempt from disclosure under the public record laws of the State of Oregon.

Instead of written minutes, a record of any executive session may be kept on a sound tape recording, which need not be transcribed unless otherwise provided by law. (ORS 192.660)

Article VI Committees

Section 1 Appointment

The Board of Directors shall from time to time appoint such committees, either standing or special, as they deem necessary or desirable to carry on the work of the District. Such committees shall consist of at least a board member and two additional voting water users of the district, preferably

from among all electoral divisions of the district. Each committee shall select a chairperson from among themselves to serve as a liaison between the committee and the Board of Directors.

Section 2 Standing Committees

The Board of Directors shall annually appoint a Bylaws Committee as described in Section 1 above. The Bylaws Committee shall be responsible for reviewing the District Bylaws and the Standing Rules and Regulations. The review shall occur at least annually and the results and recommendations shall be presented to the Board of Directors no later than their regular November meeting.

Section 3 Budget Committee

The Board of Directors shall annually, appoint a Budget and Finance Committee as described in Section 1 above. The Budget and Finance Committee shall prepare a budget proposal for the coming fiscal year and present it to the Board of Directors no later than the November meeting. The budget committee shall meet periodically during the year to monitor budget administration.

Article VII Bonding (ORS 198.220)

Section 1 Bonding Requirement

The District shall require bond of any member of the Board of Directors or any officer or employee of the District who is charged with possession and control of District funds and properties. The amount of the bond shall be fixed by the Board of Directors. The premium shall be paid from District funds.

Article VIII Amendment of Bylaws

Section 1 Amendment

The Bylaws may be amended at the annual meeting, any regular meeting, or at any special meeting of the District water users called for that purpose, upon an affirmative two-thirds (2/3) vote of the water users present and voting. A minimum of ten (10) affirmative votes is required to amend the By-Laws. A copy of any proposed amendment shall be submitted in writing to all District water users not less than thirty (30) days prior to the meeting meeting at which it is to be considered and voted on.

A written record of all amendments and the date they were enacted shall become a part of these bylaws as an attachment hereto. The actual text of the amended document and all previous versions shall be maintained in the District office and a copy will be available to the public upon request.

Article IX Other Governmental Entities

Section 1 Pre-emption of these Bylaws

In the event any of these Bylaws contravene, or are inconsistent with, any provision of Federal or Oregon state law, or county or city ordinance, the statute and/or ordinance will take precedence.

Section 2 Adherence to Laws and Ordinances

All District business affairs shall be conducted in conformance with applicable Federal and Oregon state laws and with applicable county and city ordinances.

Article X Severability

Section 1 Severability

All of the Articles contained in these Bylaws shall be construed together; but if it shall at any time be held that any one or more of such Articles, or part(s) thereof, is invalid or for any reason becomes unenforceable, no other Article, or any part(s) thereof, shall be thereby affected or impaired, unless such other Article, or part(s) thereof, is specifically identified as unseverable from the affected Article.

CERTIFICATE OF THE SECRETARY

I, the undersigned, do hereby certify as follows:

1. I am the duly elected and acting Secretary of the Three Sisters Irrigation District, an Oregon Nonprofit Corporation.
2. On January 16, 1996, the water users of Three Sisters Irrigation District duly approved a motion to replace the existing Bylaws and amendments thereto with the above Bylaws, consisting of twelve (11) pages, including this page.

IN WITNESS WHEREOF, I have hereunder subscribed my name this 1st day of February 2001.

David Keith ~ Secretary _____

STATE OF OREGON)
) SS.
 COUNTY OF DESCHUTES)

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS _____ DAY OF

_____, 2001, AS SIGNED ABOVE IN THE OFFICE OF THREE SISTERS IRRIGATION DISTRICT.

_____ Seal --
 Joyce G. Burdick, Notary

*******RECORD OF DATES OF REVISION*******

WRITTEN	AUGUST 1993	SIGNED BY BOARD SECRETARY Bob Peterson
AMENDED	MARCH 1994	SIGNED BY BOARD SECRETARY Pamela Thalacker
CORRECTIONS	JUNE, 1994	SIGNED BY BOARD SECRETARY Pamela Thalacker
AMENDED	DECEMBER, 1994	SIGNED BY BOARD SECRETARY Pamela Thalacker
AMENDED	AT ANNUAL MEETING JANUARY 16, 1996	SIGNED BY BOARD SECRETARY Lee Christensen
AMENDED	AT ANNUAL MEETING JANUARY 16, 2001	SIGNED BY BOARD SECRETARY David Keith