NORTH PRAIRIE REGIONAL WATER DISTRICT

BY-LAWS
(amended June 2, 2026)

ARTICLE I
GENERAL PURPOSES

Section 1.1: The purpose for which this District is formed is a result of the merger of North Prairie Rural Water District and North Central Regional Water District, and to provide water to its Participating Members located within the District. The powers which the District may exercise are set forth in Chapter 61-35 of the North Dakota Century Code.

ARTICLE II
NAME AND LOCATION

Section 2.1: The name of the District is: North Prairie Regional Water District.

Section 2.2: The principal office of this District is located at 3811 Burdick Expressway East, Minot, North Dakota 58701.

ARTICLE III
SEAL

No seal shall be required for the District.

ARTICLE IV
FISCAL YEAR

The fiscal year of the District is the calendar year.

ARTICLE V
MEMBERS

Section 5.1: Member means an owner of real property that is located within the District, the tenant of real property, or another person acting for the owner with the owner's written consent. Any city having a water distribution system may become a Member of the District.

Section 5.2: Benefit Unit means the fee each Member pays for each service that is planned to be connected to the water system for the privilege of using the District's facilities, in accordance with Chapter 61-35 of the North Dakota Century Code.

Section 5.3: Participating Member means a Member who has subscribed to and paid the established fee for at least one Benefit Unit in the District. Participating Membership shall not be denied because of the applicant's race, color, creed or national origin. Participating Membership may be denied if the capacity of the District's water system is exhausted by the needs of its existing Participating Members, or the proposed use of the applicant would interfere with the existing uses previously authorized by the Board of Directors. All users of North Prairie Rural Water District and North Central Regional Water District will become Participating Members upon the formation of the District without payment of any additional fee. Any city or other entity that is a Participating Member may designate a natural

person to represent them as a participating member. In the absence of a designation, the auditor of a city and the president of a corporation shall be considered the representative. The Board of Directors is authorized to require each applicant to enter into a Participating Member agreement which is a Water Users Agreement that contains the principles and provisions set forth in the District's rules & regulations and policies, as may be adopted from time to time, and these bylaws.

1. Before a Participating Membership is extended to one or more persons claiming an interest in the property to be served, the District shall first attempt to obtain the application for Participating Membership from the owner of the property.
2. Where Participating Membership is granted to one or more persons other than the owner of the property, the District, as a condition to acceptance of the Participating Membership, may require the applicant for the Participating Membership to post such collateral or bond as the Directors determine necessary to fully protect the District from any additional risk that may be by reason of the applicant's lack of legal ownership.

Section 5.4: Each Participating Member shall have one vote for each Benefit Unit subscribed to. Each Benefit Unit shall represent one (1) vote. When more than one person holds an interest in a property served, the vote shall be exercised by the person in whose name the Benefit Unit is registered or by the person the several owners may designate, but in no event shall more than one vote be cast with respect to any Benefit Unit.

Section 5.5: Participating Membership shall be transferable, but the transfer will be effective only when noted on the books of the District. The transfer will be made only to a person who is qualified to be a Participating Member of the District under these bylaws. A Participating Member will transfer his Membership in the District to his successor-in-interest whenever he disposes of his interest in the property. The District office, upon request, will note of the transfer upon the records of the District.

Section 5.6: When a Participating Membership in the District is not transferred, it shall terminate upon the disposition or other termination of the Member's interest in the property. Participating Memberships also may be terminated by action of the Board of Directors where the use of the property is changed so as to materially increase the amount of water consumed to the prejudice of other existing Members or to the prejudice of the orderly operation of the system.

Section 5.7: The termination of the Participating Membership of any Member shall not disqualify subsequent Participating Membership to any other person who has or obtains an interest in the property of the terminated Participating Member and who otherwise meets the requirements of these bylaws.

Section 5.8: In the event a Participating Member's property interest is divested other than by voluntary means, the Participating Membership will pass to the trustee, receiver, personal representative, or the like, who will be entitled either in person or through a designated representative, to exercise all the rights incident to the Participating Membership. The trustee, receiver, personal representative, or the like, may terminate the Participating Membership by written notice to the effect delivered or mailed to the District office. Upon the final disposition of the property rights, the new or replaced owner shall make application for a Participating Membership as provided in Section 5.3.

Section 5.9: Upon the transfer of a Participating Membership, the District will seek to collect all charges from the individual who incurred the charges. The District may seek to assess the property

itself as if a judgment lien had been duly perfected against the property. In the event the charges or assessment are not collected from the individual who incurred them on the property, the District will look to the successor-in-interest for payment of any past due amounts before the Participating Membership is transferred.

ARTICLE VI
MEMBERSHIP CERTIFICATES

Section 6.1: This District shall not issue Participating Member certificates. Memberships shall be evidenced by entry upon the books and records of the District.

ARTICLE VII
MEETING OF MEMBERS

Section 7.1: The Annual Meeting of the Participating Members of the District will be held at a location and time designated by the Board of Directors. Written notice of the time and place of the meeting shall be sent to all Participating Members of record by US mail, directed to the address shown upon the records and books of the District, not less than ten (10) nor more than thirty (30) days before the meeting. Notice of the Annual Meeting must also be published in the official newspaper of each county served by the District not less than ten (10) nor more than thirty (30) days before the meeting. No failure or irregularity of notice of any Annual Meeting shall affect any proceedings taken at the meeting.

Section 7.2: Special meetings of the Participating Members may be called at any time by the action of the Board of Directors. Such meetings must be called whenever a petition requesting a special meeting signed by at least five percent (5%) of the Participating Members is presented to the District office or the Board of Directors. The purpose of every special meeting shall be stated in the notice or the petition and no business shall be transacted at the special meeting except as specified in the notice. Notice of special meetings of Participating Members of the District shall be given by notice, mailed by US mail, to each Participating Member of record, directed to the address shown upon the books and records of the District, not less than ten (10) nor more than thirty (30) days prior to the special meeting. The notice shall state the nature, time, place, and purpose of the meeting. Notice of the special meeting must also be published in the official newspaper of each county served by the District not less than ten (10) nor more than thirty (30) days before the meeting. No failure or irregularity of notice of any special meeting, regularly held, shall affect any proceedings taken at the meeting.

Section 7.3: The presence at an Annual or Special Meeting of Participating Members entitled to cast their own vote shall constitute a quorum.

Section 7.4: Directors of this District shall be elected at the Annual Meeting of the Participating Members as provided under these bylaws.

Section 7.5: The order of business at the regular annual meetings and so far as possible at all other meetings shall comply with Robert's Rules of Order. The regular annual meeting agenda shall include:

1. Call to order
2. Reading and action on any unapproved minutes
3. Reports of officers and committees
4. Election of directors
5. Unfinished business
6. New business
7. Adjournment

ARTICLE VIII
ELECTION OF DIRECTORS

Section 8.1: Each Participating Member seeking election to the board shall present a petition containing signatures of ten Participating Members. All petitions must be submitted to the Secretary of the Board at least forty-five days before the election or by the mail election deadline established under the district's bylaws. Any Participating Member who submits a petition must be added to the ballot, provided they reside in the appropriate district and qualify to serve as a director under the district's bylaws.

Section 8.2: Election of Directors: Election of Directors, from the list of candidates, shall be by printed ballot that will be distributed to each Participating Member in attendance and entitled to vote. A Participating Member shall have one vote as provided in Section 5.4 of these bylaws. At the meeting of the Participating Members where an election of one or more Directors will occur, the presiding officer shall appoint an Election Board to consist of three (3) Participating Members who shall, at the meeting only, preside over the distribution, collection, counting, and tally of ballots. In the event of a tie vote, the election shall be determined by lot in such manner as shall be selected or determined by the Election Board.

ARTICLE IX
DIRECTORS AND OFFICERS

Section 9.1: The Board of Directors of the District shall consist of seven (7) members, one (1) Director from each of the six (6) districts set forth in **Exhibit A**, and one (1) at-large Director. Each Director must be a Participating Member of the District. Each Director must reside in the District he/she represents, with the exception of the at-large Director who may reside anywhere in the District. The initial Board of Directors shall consist of seven (7) Directors, previously elected by North Prairie Regional Water District, who shall continue to serve until their successors are elected and have qualified. The Directors shall be divided into classes according to the existing remaining terms of the previously elected Directors of North Prairie Regional Water District. Two (2) Directors shall continue to serve for a term of one year; two (2) Directors for a term of two years; and three (3) Directors for a term of three years. At each Annual Meeting, the Participating Members shall elect for a term of three years the number of Directors whose terms of office have expired. Each Director shall hold office for the term for which he/she is elected and until his/her successor shall have been elected and qualified.

Section 9.2: The Board of Directors shall meet following the Annual Meeting of Participating Members and shall elect a President, Vice-President, Secretary and Treasurer, each of whom shall hold office until the next Annual Meeting of Participating Members and until the election and qualification of his/her successor unless sooner removed by death, resignation or for cause.

Section 9.3: If the position of a Director, or the office held by any Director becomes vacant by reason of death, resignation, retirement, disqualification or otherwise, a majority of the remaining Directors, though less than a quorum shall by majority vote, choose a successor Member of the Board of Directors or officer for the duration of the replaced Directors' term.

Section 9.4: A majority of the Board of Directors shall constitute a quorum at any meeting of the Board. The affirmative vote of the majority of the Directors at a meeting at which a quorum is present shall be the act of the Board.

Section 9.5: Each Member of the Board of Directors shall receive compensation as determined by the Board of Directors and actual mileage expense at the current rate prescribed by the Internal Revenue Service as reimbursement for expenses for each of the Board of Directors' meetings actually attended. In addition, Directors shall receive per diem and lodging for attendance at other meetings while on business for the District according to District policies for its employees.

Section 9.6: Any Participating Member may bring charges against a Director by filing charges in writing with the District office, together with a petition signed by at least fifteen percent (15%) of the certified Participating Members requesting the removal of the Director for the reasons contained in the written charges. The Director against whom the charges have been brought shall be informed in writing of the charges at least thirty-one (31) days prior to the Annual or Special Meeting at which the charges are to be heard in person or by counsel and to present evidence in respect to the charges; and the person or persons bringing the charges against him/her shall have the same opportunity. If no Annual Meeting is to be held within 31 days of the filing of charges, a Special Meeting of the members shall be called to consider the charges according to Article VII of these Bylaws. The question of removal of the Director shall be voted upon at the next Annual or Special Meeting of the Members and any vacancy created by the removal may be filled by Board of Directors according to this Article IX.

ARTICLE X
DUTIES OF DIRECTORS

Section 10.1: The Board of Directors, subject to restriction of law, these bylaws, and Board policies and shall exercise all of the powers of the District without prejudice to or limitation upon their general powers. It is hereby expressly provided that the Board of Directors shall have, and are hereby given; full power and authority in respect to the matters as hereinafter set forth to be exercised by resolution duly adopted by the Board. These powers shall be in addition or supplemental to the powers granted in Chapter 61-35 of the North Dakota Century Code and are to:

1. Select and appoint the Manager and any agents or consultants of the District, remove the Manager and any agents or consultants of the District, prescribe their duties and designate their powers as may not be inconsistent with these bylaws, fix their compensation, and pay for faithful services.
2. Borrow from any source, money, goods or services and make and issue notes and other negotiable or non-negotiable instruments evidencing indebtedness of the District, make and issue mortgages, deeds of trust, pledge of revenue, trust agreements, security agreements and financing statements, and other instruments evidencing a security interest in the assets of the District, and do every act and thing necessary to effectuate the same.
3. Order, at least once a year, an audit of the books and accounts of the District by a certified public accountant.
4. Fix and alter the charges to be paid for each Benefit Unit by Participating Members for services rendered by the District to the Participating Member, including connection fees where such are deemed to be necessary by the Directors, fix and alter the method of billing, time of payment and manner of connection. The Board may establish one or more classes of Participating Members or Benefit Units. All charges shall be uniform and non-discriminatory within each class of Participating Members or benefit units.
5. Levy assessments and late payment penalties against the Participating Members of the District and enforce collection of such assessments by the suspension of water services or other legal methods.
6. Select one or more federally insured financial institutions to act as depositories of the funds of the District and determine the manner of receiving, depositing, and disbursing the funds of the District and the form of checks and the person or persons by whom the same shall be signed, with the power to change banks and the persons or persons signing checks.
7. Require all officers, agents and employees charged with responsibility for the custody of any of the funds of the District to give adequate bonds, the cost of which is to be paid by the District.

ARTICLE XI
DUTIES OF OFFICERS

Section 11.1: Duties of President. The President shall preside over all meetings of the District and the Board of Directors, call Special Meetings of the Board of Directors, perform all acts and duties usually performed by an executive and presiding officer and sign all papers of the District as he/she may be authorized or directed to sign by the Board of Directors. The Board of Directors, by resolution, may authorize a person other than the President to sign any or all checks, contracts, and other instruments on behalf of the District. The President shall perform other duties as may be prescribed by the Board of Directors.

Section 11.2: Duties of Vice-President. In the absence or disability of the President, the Vice-President shall perform the duties of the President. In the case of death, resignation or disability of the President, the Board of Directors may declare the office vacant and elect his or her successor. The Vice-President shall perform other duties as may be prescribed by the Board of Directors.

Section 11.3: Duties of the Secretary. The Secretary shall cause a complete record of all meetings of the District and of the Board of Directors to be made and shall have general charge and supervision of the books and records of the District and attest the President's signature on all documents.

Section 11.4: Duties of the Treasurer. The Treasurer shall have charge and custody of all funds and securities, receive and give receipts for monies due and payable, deposit all such monies in depositories as shall be selected, and in general perform all duties incident to the Office of Treasurer.

ARTICLE XII
RIGHTS AND DUTIES OF PARTICIPATING MEMBERS

Section 12.1: The District shall furnish, subject to the limitation set out in rules and regulations, and these bylaws and those hereinafter provided for, such quantity of water as the Participating Member may desire in connection with his/her property as described in a Water Users Agreement required by the District.

Section 12.2: The Participating Member will grant the District, its successors or assigns, a perpetual easement in, over, under, and upon their property with the right to construct, erect, install, and lay pipelines and thereafter use, operate, inspect, repair, maintain, replace or remove, together with the right of ingress and egress over adjacent land for the purpose of installing and maintaining water pipelines and appurtenant facilities. At the District’s discretion, such easement may provide for exclusivity.

Section 12.3: The District shall not be liable for damages of any kind whatsoever resulting from water or the use of water on Participating Member's premises or property unless such damage results directly from negligence on the part of the District. The District shall not be responsible for negligence of third persons or forces beyond the control of the District resulting in any interruption of service, nor shall the District be liable for damage of any kind whatsoever resulting from snow melt or rainwater run-off, or act of God.

Section 12.4: The District does not have the ability to provide sufficient water or pressure to be relied upon by the Participating Member for fire protection purposes and the District shall not be liable for the failure of the water system or the District to provide pressure to the Participating Members for fire protection purposes.

ARTICLE XIII
RULES AND REGULATIONS

Section 13.1: The Board of Directors shall have the authority to adopt rules and regulations for the conduct of the business affairs of the District and to amend such rules and regulations as long as the rules and regulations are not contrary to state or federal law or regulation or the bylaws of the District. The District shall provide a copy of the rules and regulations to each Participating Member.

ARTICLE XIV
AMENDMENTS

Section 14.1: These bylaws may be repealed or amended by a vote of a majority of the Participating Members present at any regular meeting of the District or at any special meeting of the District called for that purpose. So long as indebtedness is held by or guaranteed by USDA Rural Utilities Service and/or other lending agencies or their successors or assigns, the Participating Members shall not have the power to change the purposes of the District so as to decrease its rights and powers under the laws of this state, or to waive any requirements of bond or other provision for the safety and security of the property and funds of the District or its Participating Members, or so to amend the bylaws as to effect a fundamental change in the policies of the District without the prior approval of the USDA Rural Utilities Service and/or other lending agencies, their successors or assigns, in writing.

ARTICLE XV
ASSUMPTION OF LIABILITIES

Section 15.1: The District assumes and agrees to pay all debts, obligations and liabilities to its predecessor organizations, North Prairie Rural Water District and North Central Regional Water District, in the same manner as if the District had originally incurred the debt, obligation or liability.

ARTICLE XVI
DIRECTORS' AND OFFICERS' LIABILITY REIMBURSEMENT

Section 16.1: Each Officer, Director, staff member or person serving on a committee of the District shall be indemnified by the District against all costs and expenses actually and necessarily incurred by him or her in connection with the defense of any action, suit or proceedings in which he or she is made a party by reason of being or having been a Director, Officer, staff member or committee representative of the District, whether or not he or she continues to be such at the time of incurring the cost or expense, except in relation to matters as to which he or she shall be adjudged in such action, suit or proceedings to be liable for gross negligence or intentional misconduct in the performance of his or her duties as such Officer, Director, staff member or committee representative. The right of indemnification in this section shall not be exclusive of other rights to which any Officer, Director, staff member or committee representative shall be entitled as a matter of law. The foregoing shall not preclude the collection of insurance benefits that may be available.

DATED: _____

ATTEST:

_____ _____

Secretary President