

**BY-LAWS
OF
THE CHERRY VALLEY AND ROCHDALE WATER DISTRICT**

ARTICLE I

This water district shall be designated as the Cherry Valley and Rochdale Water District in accordance with Chapter 105 of the Acts of 1996.

ARTICLE II

Officers and Superintendent

The officers of the district shall be: three water commissioners (who will serve for three years) and a clerk, treasurer and moderator (who will serve for one year), who shall receive such salary as the district may vote. The commissioners shall select a superintendent.

ARTICLE III

Annual Meeting

The annual meeting shall be held on the third Thursday of May of each year.

ARTICLE IV

Fiscal Year

The fiscal year of the water district shall be from July 1st to June 30th of each year.

ARTICLE V

Water Commissioners

All authority granted to the district by Chapter 105 of the Acts of 1996, not otherwise specifically provided for, shall be vested in the board of water commissioners who shall be subject, however, to such instructions, rules and regulations as said district may impose by its vote. A majority of said commissioners shall constitute a quorum for the transaction of business. No money shall be drawn from the district treasury on account of said water works, except by a written order of said commissioners, or a majority of them. Said commissioners shall annually make a full report to said district, in writing, of their doings and expenditures.

ARTICLE VI

Clerk

The district clerk shall keep a correct account of the proceedings of all meetings and furnish a certified copy of all voters, when requested by the water commissioners. The clerk shall obtain from the boards of registrars of voters of the Towns of Leicester and Oxford, each year, a copy of the list of the registered voters, and shall designate thereon those living within the boundaries of this water district.

ARTICLE VII

Treasurer

The treasurer shall receive of all funds due to the water district, directly, or through collectors appointed with the approval of the water commissioners, and shall deposit said funds in one or more banks or trust companies doing business within the Commonwealth, and shall payout same only on orders signed by a majority of the board of water commissioners .

The treasurer, with the assistance of the superintendent and collectors, shall keep a true record of all customers and water takers, together with all charges against those within and without the water district and shall cause all water bills to be sent out at such intervals as the commissioners may determine, but in no event more frequently than monthly. The treasurer shall make financial reports to the water commissioners as they might, from time to time, request, and shall prepare an annual report to be submitted to the board of water commissioners not less than sixty days prior to the annual district meeting.

ARTICLE VIII

Annual Audit

Every year the commissioners shall have an audit of the district's financial affairs prepared by an independent certified public accountant or accounting firm.

ARTICLE IX

Indemnification

The district shall to the extent legally permissible, indemnify its commissioners, officers and agents against all liabilities and expenses, including: amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel fees, reasonably incurred by them in connection with the defense or disposition of any action, suit or other proceeding, whether civil or criminal in which they may be involved or with which they may be threatened, while in office or thereafter by reason of their being or having been such a commissioner, officer or agent, except with respect to any matter as to which they shall have been adjudicated in any proceeding not to have acted in good faith in the reasonable belief that their action was in the best interest of the district.

ARTICLE X

Reimbursement of Expenses

The water commissioners, officers and agents shall be reimbursed by the district for expenses incurred while on district business.

ARTICLE XI

Meetings

Every water district meeting shall be called in pursuant to a warrant under the hands of the water commissioners, notice of which shall be given seven days at least before such meeting. The warrant shall be directed to the district clerk, or to some other person who shall forthwith give notice of such meeting by posting attested copies of the warrant: in three or more public places in the district and by delivering copies to the town clerks of Leicester and Oxford and by advertising in one or more newspapers of general circulation in the Towns of Leicester and

Oxford. Notice of every annual and special water district meeting shall be sent via direct mail to all rate payers in the district at least fourteen (14) days prior to the date of the meeting.

The warrant for all water district meetings shall state the time and place of holding the meeting, and the subjects to be acted upon thereat. The water commissioners shall insert in the warrant for the annual meeting all subjects, the insertion of which shall be requested of them in writing by ten or more registered voters of the Towns of Leicester and Oxford residing in the territory comprising the district, and in the warrant of every special district meeting all subjects the insertion of which shall be requested of them in writing by fifty or more registered voters residing within the territory comprising the district.

Articles for the warrant of the annual meeting must be presented to the commissioners by April 1st of each year, and articles for the warrant of special meetings must be presented to the commissioners at least two weeks before said meeting.

The water commissioners shall call a special district meeting, upon request in writing of one hundred registered voters of the Towns of Leicester and Oxford residing within the territory comprising the district, such meeting to be held not later than thirty days after the receipt of such request, and shall insert in the Warrant therefore all subjects, the insertion of which shall be requested by said petition. No action shall be valid unless the subject matter thereof is contained in the warrant.

Two or more distinct district meetings for distinct purposes may be called by the same warrant. Meetings may be adjourned from time to time for the consideration of any articles in the warrant, except an article calling for the election of district officers. Fifteen registered voters of the district shall constitute a quorum at any meeting for action under any warrant, provided that a number less than a quorum may vote an adjournment.

ARTICLE XII

Elections

The election of water district officers shall take place at the annual meeting. Commissioners shall hold office for a term of three years. One water commissioner shall be elected at each annual meeting. There shall at all times be a resident of the Cherry Valley service area, a resident of the Rochdale service area, and a resident of Greenville service areas (as defined in Chapter 105 of the Acts of 1996). Any vacancy occurring in said board, from any cause, may be filled for remainder of the unexpired term by said district at any legal meeting called for that purpose.

The treasurer, clerk and moderator of the water district shall also be elected at the annual meeting and shall hold office for a term of one year.

Only registered voters of the Towns of Leicester and Oxford who reside within the boundaries of the district ("voters of the district") shall be eligible to vote at district meetings. Candidates for office must notify the clerk of the district in writing at least three (3) days (72 hours) prior to the meeting date before seeking an office for the Cherry Valley and Rochdale Water District, or if the clerk's office is vacant, the written notice must be given to the board of water commissioners.

ARTICLE XIII

Amendments

These By-Laws may be amended by a vote of a majority of the registered voters of the district present at the annual meeting, or at a special meeting called for that purpose, provided that at least twenty-five registered voters of the district are present, but no proposed amendment shall be voted upon unless a copy thereof shall have been furnished to the district clerk at least three weeks before the annual meeting, or the special meeting called for that purpose.