

BYLAWS

ALGIERS FIRE DISTRICT #1

ARTICLE I

Purpose

This Fire District has been incorporated with limited liability in accordance with Chapter 171 Of Title 20, V.S.A., to design, construct, upgrade, operate, and maintain a sewage and wastewater collection and disposal system, and to provide sewage service to the dwellings and businesses within the area bounded as described in the attached Exhibit A, and the map entitled "Boundaries Of Algiers Fire District #1."

ARTICLE II

Powers

The Fire District shall be empowered to construct, install, maintain, and repair all facilities and equipment necessary for the provision of the aforesaid sewage service; to bill all the users of said service for their pro-rata share of the expense of said service; to take by eminent domain, receive, purchase, own, grant, convey, and sell real property, easements, or personal property in the name of the Fire District and as a corporate entity; and to perform those functions and have those powers as enumerated in Title 20, V.S.A., Sec. 2601-2603, and any amendments thereto.

ARTICLE III

Office

The office of the Fire District shall be maintained at the residence of the Fire District Clerk. The Fire District may alter its designated office and may also maintain offices at such other places within the Fire District as the Prudential Committee may, from time to time, determine.

ARTICLE IV

Meetings of the Fire District

1. Annual Meetings - The Annual Fire District meeting shall be held on the second Tuesday of May each year. The fiscal year of the District shall be July 1 through June 30 of the following year.

2. Special Meetings shall be called on written application of three (3) or more voters of the Fire District, or five percent (5%) of the voters of the Fire District, whichever is greater.

3. Warnings of Meetings - All Annual and Special Meetings of the Fire District shall be warned by the clerk, or in the clerk's absence or neglect, by one of the Prudential Committee. A warning for a Fire District Meeting shall state the business to be transacted, the time, and place at which the meeting shall be held. A warning shall be posted in two (2) or more public places in the District not more than 40 days or less than 30 days before the meeting, and recorded in the office of the Fire District prior to posting.

4. Voting - Persons residing within the Fire District who are voters in Town Meeting shall be voters of the Fire District and shall be entitled to one vote on each matter submitted to a vote at a meeting of the Fire District. The affirmative vote of the majority of voters present at the meeting shall be an act of the Fire District, unless the vote of a greater number is required by statute.

ARTICLE V

Prudential Committee

1. Number, Election, and Term of Office -

a. The number of members of the Prudential Committee shall be three (3).

b. The terms of the Prudential Committee members elected at the first meeting of the Fire District shall be as follows: one term of one (1) year, one term of two (2) years, and one term of three (3) years. Thereafter, the terms of all Prudential Committee members shall be three (3) years.

c. Terms shall expire at the annual meeting, and Prudential Committee members shall be elected at the annual meeting.

2. Duties and Powers - The Prudential Committee shall be the administrative body of the Fire District and shall be responsible for the control and management of the affairs, property, and interests of the Fire District, and may exercise all powers of the Fire District, including execution of contracts, except as are expressly conferred upon or reserved to the voters of the Fire District by statute or by these bylaws. In addition, the Prudential Committee may commence and prosecute actions in the name of the Fire District, defend and adjust claims against the fire district, and settle claims in favor of or against the Fire District.

3. Meetings - The Prudential Committee shall meet on the second and fourth Tuesday of each calendar month, or at such time as the Prudential Committee at any regular or special meeting of said Committee may determine. Said special meetings shall be warned by the Clerk, and said warnings shall state the business to be transacted, the time, and the place at which the

meeting will be held. Said warnings shall be posted in two (2) or more places within the Fire District at least twenty-four (24) hours prior thereto.

4. Chairman - At the first regular meeting of the Prudential Committee following the Annual Meeting of the Fire District the members of the Prudential Committee shall elect from their membership a Chairman and a Vice-Chairman. The Chairman shall preside at all meetings of the Prudential Committee and all meetings of the Fire District. In the absence of the Chairman the Vice-Chairman shall preside.

ARTICLE VI

Officers

1. Titles, Elections, and Terms of Office - At Annual Meeting the Fire District shall elect a Clerk, a Treasurer, and a Collector of Taxes. The offices of Clerk and Treasurer may be held by the same person. Each officer shall serve until the next Annual Meeting and until others are elected. The Prudential Committee shall have the authority to appoint an Assistant Clerk and an Assistant Treasurer as they deem necessary.

2. Duties -

a. The Clerk shall keep record of the meetings, votes, and proceedings of the Fire District and the Prudential Committee for the inspection of the voters.

b. The Treasurer shall accept payment of all accounts on behalf of the Fire District, keep accurate records of all such payments, alert the Prudential Committee of any past due accounts, write and sign checks for the Fire District, and keep accurate records of the financial status of the Fire District.

c. The Collector of Taxes shall collect all past due accounts together with interest and penalties and costs. The Collector of Taxes may take any and all legal action necessary to collect such amounts.

3. Resignation - Any officer may resign at any time by giving written notice of such resignation to the Prudential Committee. Unless otherwise specified in such written notice, such resignation shall take effect upon receipt thereof. The acceptance of such resignation shall not be necessary to make it effective.

4. Vacancy - A vacancy occurring in any Fire District office, other than Prudential Committee Member, caused by death, resignation, removal from the Fire District, or from any other reason, shall be temporarily filled by the Prudential Committee within thirty (30) days after the vacancy occurs and until the date when newly elected officers take office. The vacancy shall then be filled at the next Annual Meeting.

5. Removal - Any officer may be removed by a vote of the Prudential Committee whenever in its best judgment the best interests of the Fire District will be served thereby, and when there is a majority of Prudential Committee members voting for such action.

ARTICLE VII

Sewer Rates and Revenues

The Prudential Committee shall establish rates for the sewer services provided by the Fire District, and all charges for sewer services shall be paid to the District Treasurer. All rates shall be established to provide revenue for the following purposes:

1. To pay current expenses for managing, operating, and maintaining the sewer system, and managing and operating the Fire District;

2. To provide for the payment of interest and principal on any indebtedness created by the district;

If any surplus remains at the end of the year, the Prudential Committee may turn it into a sinking fund or used to pay for the costs of improvements to the sewer system.

ARTICLE VIII

Operating Rules and Regulations

The Prudential Committee shall establish rules and regulations which shall govern the administration, operation, and maintenance of the Fire District and the sewer system. Said rules and regulations shall become effective upon a majority vote of the Prudential Committee.

ARTICLE IX

Tax Exemption

All property of the Fire District shall be exempt from taxes.

ARTICLE X

Amendment of Bylaws

The Bylaws of the Fire District may be amended, added to, or repealed by a vote of at least two-thirds (2/3) of the Fire District voters present at an Annual or Special Meeting convened for this purpose and at which a quorum is present.