

OPERATING RULES
OF THE BOARD OF DIRECTORS FOR THE
SUN PRAIRIE VILLAGE COUNTY WATER AND SEWER DISTRICT

FIRST MEETING

The first meeting after the general election of directors shall be held on the sixth Monday after the election. In addition to any other matters that may properly come before the Board of Directors at the first meeting, the Board shall:

1. Elect a president, vice president and such other officers from its members as it deems necessary for the conduct of the business of the District;
2. Provide for the time and place of the holding of its meetings and the manner in which its meetings may be called;
3. Establish rules for its proceedings; and
4. At the first meeting, or as soon thereafter as practicable, appoint a general manager, secretary and an auditor for the District.

ALL OTHER MEETINGS OF THE BOARD

Unless otherwise specified at the first meeting of the Board after the general election, regular meetings of the Board shall be held without notice, other than this rule, at 7:30 o'clock p.m. on the second Tuesday of each month after the first meeting after the general election.

Unless otherwise specified at the first meeting of the Board of Directors, all meetings of the Board shall be at a location to be specified by the Board of Directors and within the community known as Sun Prairie Village, Cascade County, Montana.

Special meetings of the Board may be called by, or at the request of, the president or any two directors, and shall be held at such time and place as the directors may determine.

Notice of any special meeting of the directors shall be given at least 72 hours before the time fixed for the meeting, by telephone or by written notice delivered personally or mailed to each director at his or her address. Any director may waive notice of any meeting, and the attendance of a director at a meeting shall constitute a waiver of notice of such meeting.

CONDUCT OF MEETING

All meetings of the Board shall be conducted and presided over by the president or by the vice president in the absence of the president. The secretary shall record all actions taken by the Board in the minutes of the Board and shall record the individual votes either for or against any actions for which there is not unanimous consent. The agenda at each regular meeting of the Board shall include, but not be limited to, the following:

1. Roll call
2. Review and approval of the minutes of the preceding meeting
3. Auditor's report
4. General manager's report
5. Authorization of expenditures

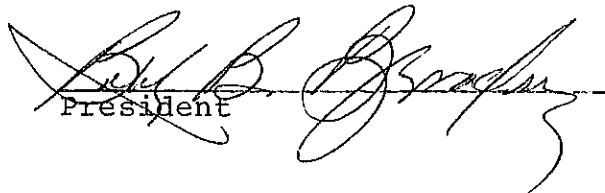
ACTION WITHOUT MEETING

Any action which may be taken at a meeting of the Board may also be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the directors and filed in the minutes of the Board. Such consent shall constitute a waiver of any right to notice of a meeting of the Board and shall have the same effect as a unanimous vote in favor of the action taken.

AMENDMENTS

These rules may be altered, amended or repealed, and new rules may be adopted by the affirmative vote of a majority of the total members of the Board.

DATED this 30th day of October, 1989.


President

ATTEST:

Ann M. Broadway
Secretary

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