

BY-LAWS  
OF THE  
**Lemon Grove Mutual  
Water Company**

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Adopted September 16th, 1905

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## BY-LAWS

### ARTICLE I.

#### STOCK.

Sec. 1. Each share of stock in the Lemon Grove Mutual Water Company shall represent one-sixteenth (1-16) of an inch carrying capacity of water, perpetual flow.

Sec. 2.—Any shareholder may locate one or more shares of stock on any one acre or fraction of an acre of land owned by him and now connected with the company's main pipe or flume line, or its distributing system, provided that no shareholder shall own more than four shares of stock for every acre of land owned by him and tributary to the company's system. Stock having once been located on a certain tract or parcel of land shall not be transferred to or located upon any other tract without the consent of the Board of Directors.

Location of  
Stock

Sec. 3. The certificates of stock shall be of such form and device as the Board of Directors may order, and each certificate shall be signed by the President, countersigned by the Secretary, and sealed with the seal of the company, and express upon its face its number, the date of its issue and

Issuing Stock

the name of the person to whom it is issued, the conditions of the transfer, and if located upon land, a description of the land to which the stock is to be attached.

Treasury  
Stock, Pur-  
poses for  
which it may  
be Sold.

Sec. 4. Of the 2560 shares of stock authorized, 1280 shares only may be issued at present and the remaining 1280 shares shall be held as treasury stock, to be sold only for the purpose of raising money necessary to enlarge the main pipe and flume line of the company, extending the distributing system, or in payment of any indebtedness other than such as may be incurred in operating and maintaining the system.

Ratification.

Sec. 5. The acceptance by any stockholder of a certificate of stock in this corporation shall be considered as a ratification by him of any and all transfers of property to this corporation, and especially of any transfer made or contemplated to be made by the corporation known as the "Lemon Grove Water Company" and the "Allison Flume Company."

## ARTICLE II. MEETINGS.

Annual  
Meeting of  
Stockholders.

Sec. 1. The regular meeting of the stockholders of this company shall be held in the schoolhouse at Lemon Grove, San Diego County, California, or such other place as the Directors

may designate, on the first Monday of the month of April in each year, at which annual meeting a Board of Directors shall be elected.

Election of  
Directors.

Sec. 2. At such annual meeting the stockholders shall elect by ballot five directors, each of whom shall own not less than four shares of stock in his own name in this corporation.

Vote and  
Proxy.

Sec. 3. Any stockholder, either in person or by written proxy filed with the secretary and spread upon the minutes, shall have as many votes as he has shares of stock, and no business shall be transacted at any stockholders' meeting unless a majority of the outstanding stock be represented.

Special  
Meeting of  
Stockholders.  
Business  
Transacted.

Sec. 4. Special meetings of the stockholders may be called by the President, or in his absence or refusal to act, by the Vice-president when requested to do so by a majority of the directors, or by a number of the stockholders who in the aggregate represent one-third (1-3) of the stock issued, provided that no business shall be transacted at such special meeting except that which was specified in the notice.

Sec. 5. Notice of annual meetings of stockholders shall be given in writing by postal card or letter mailed to each stockholder at his last known residence as shown by the books of the company, which notice shall be

Notice of  
Annual and  
Special  
Meetings of  
Stockholders.



mailed at least seven (7) days prior to the date fixed in the by-laws for the holding of said annual meeting. Notice of special meetings shall be given in like manner by the President or Vice-president calling such meeting, or by the Secretary at their direction. No published notice of any annual or special meeting of the stockholders shall be required.

Regular  
Meetings of  
Directors.

Sec. 6. Regular meetings of the Board of Directors shall be held the first Monday in April, and the first Monday in October of each year, at 10 o'clock a. m. of said days, at the schoolhouse at Lemon Grove, San Diego County, California, or such other place as the directors may designate.

Special  
Meetings of  
Directors.

Sec. 7. Special meetings of the Board of Directors may be called by the President, after giving twenty-four (24) hours' written notice to each Director, and special meetings of the Board of Directors may be held without notice, provided that all the directors are present, and a waiver of such notice is spread upon the minutes and signed by each of the Directors.

### ARTICLE III.

#### DISTRIBUTION OF WATER

Intake of  
Water.

Sec. 1. Water shall be measured into the main flume or pipe line at the intake through a gate or such other method of measuring as shall

be determined and agreed upon by the San Diego Flume Company and the managing or executive committee of this company.

Sec. 2. Water carried through the main pipe or flume line of the company shall be delivered to the consumers as follows:

Manner of  
Delivery of  
Water.

(a) To those consumers owning their own distributing system, and entitled to water under schedule one, the water shall be delivered and measured at a point as near the main pipe or flume line as practicable.

(b) To those consumers taking water under schedule two of rates, being those who are served with water from the company's distributing system, the water shall be delivered and measured at the reservoirs at the western terminus of the main pipe or flume line. All water delivered to the consumers under schedule two, shall be again measured at the point where the delivery to the consumer is made, that is to say at the edge of the consumer's land nearest the company's distributing pipe line.

(c) All measurements to the consumers as specified in section 2 hereof shall be through meters, paid for and placed at the expense of the consumer and under the direction and approval of the executive committee. Repairs found necessary shall be

made under the direction of the executive committee and the expense thereof shall be a charge against the individual consumer, and shall be collected in the same manner as service rates.

Appointment  
of Zanjero.

Sec. 3. The zanjero, or caretaker, shall be selected by the Board of Directors, and shall perform such services as the executive committee or managing committee shall direct.

Sec. 4. The zanjero, or caretaker, shall make each day a report upon a printed blank which shall be furnished by the company, which report shall show.

- (1a) Hours devoted to distributing system .....
- (1b) Hours devoted to main line .....
- (2a) Expense of repairs on distributing system .....
- (2b) Expense of repairs on main line .....
- (3a) Quantity of water delivered daily  
under Schedule One .....
- (3b) Quantity of water delivered daily for  
irrigation, and weekly for domestic  
uses, under Schedule Two .....
- (4a) Complaints under Schedule One;  
by whom made .....
- (4b) Time consumed in investigating same .....
- (5a) Complaints made under Schedule  
Two; by whom made .....
- (5b) Time consumed in investigating same  
Date .....

Zanjero.

## ARTICLE IV.

### ORGANIZATION OF THE BOARD OF DIRECTORS.

Sec. 1. The newly elected Board of Directors shall immediately after the adjournment of the annual stockholder's meeting at which they are elected, organize by the election of a President and Vice-president and Secretary and Treasurer. The officers so elected shall hold office for one year, or until their successors are appointed or elected. The President and Vice-president must be members of the Board of Directors.

Sec. 2. The Secretary and Treasurer shall execute to the company an indemnity bond in such amount as shall be fixed by the Board of Directors.

Sec. 3. The President and Secretary elected by the Board of Directors are hereby constituted an executive or managing committee, which shall have full control and management of all the company's affairs pertaining to the distribution of water, the maintenance of the company's system, the collection of service charges, and the direction of all the employees of the company. Said committee may make all necessary contracts with water consumers, and shall have charge of the purchase of all supplies, and shall

Organization  
of the Board  
of Directors.

Term of  
Office.

Bond of  
Secretary and  
Treasurer.

Powers of  
Executive  
Committee.

make and prescribe such rules for the regulation of the distribution of water as are not in conflict with the by-laws, provided that such rules shall at all times be just and equitable, and in the interests of the consumers of water and shareholders in this company.

Report of  
Executive  
Committee.

Sec. 4. The executive or managing committee shall make and submit to each semi-annual meeting of the Board of Directors an estimate of the operating expenses and costs of maintenance, together with an estimate of any sum or sums that may be required to meet the interest charges of the company's indebtedness, or any other obligations accrued or accruing during the following six months. This report shall be accompanied by a recommendation of two schedules of rates, and each schedule shall be based upon the report of estimated expenses in such manner as to make an equitable distribution of all charges of whatsoever kind or nature against the company during the following six months. No distinction shall be made in the schedules in the matter of interest charge, or in any other charge save and except in the operating and maintenance expenses.

Schedules.

Schedules;  
how Estab-  
lished and  
Changed.

Sec. 5. The Board of Directors shall thereupon by resolution reduced to writing and spread upon the minutes,

establish two rates of service charges, and such resolution shall definitely fix the rates paid by consumers under the two respective schedules, until the same shall be altered or modified by the Board of Directors, provided that if it should appear at any time before the next semi-annual meeting of the Board of Directors that the schedule or rates so fixed is unjust or unequitable, that such schedule may be readjusted at a special meeting of the Board of Directors called for that purpose.

Sec. 6. By-laws adopted shall be printed, and a copy furnished to each stockholder and consumer.

Sec. 7. Any rules or regulations adopted by the managing committee must be either printed or typewritten, and a copy furnished to each shareholder and consumer.

Sec. 8. It shall be the duty of the Directors to submit to the annual stockholders' meeting a statement of the company's finances for the preceding fiscal year, which report shall include:

Annual  
Report of  
Directors.

FIRST: The total receipts for the year under the following headings:

- (a) Receipts for service charges under schedule one.
- (b) Receipts for service charges under schedule two.



(c) Receipts from sale of shares of stock.

(d) Collections on account of principal and interest on any indebtedness due the company.

SECOND: A statement of any sums of money due the company under the following headings:

(a) Any sums due for service charges under schedule one, and from whom due.

(b) Any sums due for service charges under schedule two, and from whom due.

(c) A statement of all moneys due the company other than those included under the last two headings.

THIRD: Expenditures under the following heads:

(a) Expenses of labor maintaining and operating the main pipe or flume line.

(b) Expenses of materials in maintaining and operating the main pipe or flume line.

(c) Expense of labor in maintaining and operating distributing system.

(d) Expense of material in maintaining and operating distributing system.

(e) Interest paid on company's indebtedness.

(f) Incidental expenses.

FOURTH: Statement of the indebtedness of the company under the following headings:

(a) To whom owing, and for what.

(b) Amount due on principal and on interest, if any.

## ARTICLE V.

### VIOLATION OF BY-LAWS AND REGULATIONS.

Sec. 1. Any stockholder or consumer wilfully violating any of the by-laws or written rules or regulations herein provided for shall be liable to a fine of \$10.00 for each offense, to be paid to the treasurer upon the imposition of such fine by the executive committee.

Penalty for  
Violation of  
By-Laws.

Sec. 2. It shall be the duty of every officer, shareholder, consumer or employee to report all alleged violations of the by-laws or written rules or regulations to the secretary. The executive committee shall thereupon fix the date upon which the party complained of shall have a hearing. Five days' notice shall be given the accused of such hearing, and if at that time the executive committee finds that there has been a violation of any written rules or regulations, they may impose a fine not exceeding \$10.00, upon the accused for each offense. If said fine be not promptly paid, the executive committee may suspend the

Violations;  
How Reported  
and Manner  
of Hearing  
Accused.



right of the person fined to have water delivered through the company's system to his land, until the same is paid, and the executive committee shall have the right of entry upon the private lands of consumers for the purpose of enforcing this by-law.

Signing By-Laws. Sec. 3. Each stockholder and consumer is required, in order that the provisions herein may be binding upon all, to sign the by-laws before water is delivered to him, through the company's distributing system, pipe or flume line.

## ARTICLE VI.

### DUTIES OF OFFICERS.

Sec. 1. The President shall perform the usual duties pertaining to that office, and in addition thereto, those duties which are herein specifically set out.

Sec. 2. The Secretary shall perform the duties pertaining to his office, and shall keep a ledger account with each water consumer, in which shall be entered all service and other charges. He shall make out a statement of the service charges due from each consumer at the commencement of each quarter. Unless the amount due from each consumer as shown by the ledger account is paid within ten days from the first day of

the quarter, a statement thereof shall be given to the caretaker for collection.

Sec. 3. All service charges under both schedules, herein provided for, shall be a lien against the lands of the shareholder or consumer upon which the water is used. **Lien Upon Lands.**

Sec. 4. Thezanjero, or caretaker, shall report all collections made by him to the secretary or treasurer at least once a week. **Caretaker's Report.**

Sec. 5. All moneys of the company shall be kept in the Merchants National Bank of San Diego, in the name of the company, which bank is hereby designated as the company's depository. All sums paid by the company in excess of one dollar (\$1.00) shall be paid by check, signed by the President and countersigned by the Secretary, and an accurate statement made upon the stub of each check of the number and amount of the check, and the purpose for which it is drawn, and receipts shall be taken for all sums disbursed. **Company's Depository, Disbursements, etc.**

Sec. 6. An auditing committee of three shall be selected by the Board of Directors at their semi-annual meeting in October, and shall serve for one year. Two of the members of said auditing committee shall be shareholders in the corporation. One member of said committee may be a non- **Auditing Committee.**

shareholder and an expert accountant. Such auditing committee shall, upon the request of the President, audit the books of any officer of the company, and it shall be their duty, at least once a year, and within ten days prior to the annual meeting of the stockholders, to audit all the accounts of the company, and to report the result thereof in such form as can be readily understood by all, together with recommendations, if they have any, to the stockholders at their annual meeting.

Appointment  
and Duties of  
Arbitrator.

Sec. 7. The Board of Directors shall, at the meeting of their organization, and at least once a year thereafter, and oftener if necessary, select one arbitrator, and the person so selected shall be a non-shareholder, and in no wise interested in the distribution of water by the corporation. Any person aggrieved may appeal to the arbitrator thus selected from the decision of the executive committee upon any dispute submitted to it. The statement of the grievance must be made in writing by the aggrieved party, a copy of which must be submitted to the executive committee at or before the time it is filed with the arbitrator. The arbitrator may hear the same upon five days' notice to the aggrieved party, and to the executive committee. Both parties may appear in person, or

by attorney before the arbitrator, whose decision shall be in writing, and shall be final. A copy of such decision shall be filed with the Secretary of the company, and the party losing shall pay all the expenses of the hearing, and also all charges of the arbitrator.

## ARTICLE VII.

### MISCELLANEOUS PROVISIONS.

Sec. 1. The fiscal year of the corporation shall begin on the first day of April, and extend to the thirty-first day of March of each year.

Fiscal Year.

Sec. 2. Shareholders shall not be allowed to use more water, or to use a greater carrying capacity in the company's system than their stock represents, and consumers who are not shareholders shall not be permitted to use greater carrying capacity than provided for in their contracts with the company.

Amount and  
by Whom  
Water may  
be Used.

Sec. 3. The executive or managing committee shall have the right to regulate the irrigation of lands from the company's system by a time schedule, provided the necessity for the same arises, which regulation must be fair and just to all consumers.

Regulation  
of Irrigation.

Sec. 4. Two schedules of rates are hereby established. Each shall be determined as in the manner provided for in these by-laws. Schedule one of

Rate  
Schedules.

rates shall apply to all consumers taking water directly through the main pipe or flume line. Schedule two shall apply to all other consumers taking water through the distributing system.

Distribution  
of Shrinkage.

Sec. 5. All loss by leakage or from any other cause, of water in the main pipe or flume line, shall be ratably distributed among all consumers. Loss of water, either from leakage, evaporation, or any other cause after water has been delivered into the reservoirs at the westerly terminus of the pipe or flume line, shall be ratably distributed among the consumers taking water through the distributing system, under Schedule Two.

Extension of  
System.

Sec. 6. The matter of cost of extension of pipe lines of the distributing system shall be left for adjustment between the Board of Directors and the water consumers interested in each extension as may be just and equitable.

Change of  
By-Laws.

Sec. 7. These by-laws may be altered or modified at any meeting of the stockholders by vote of those who in the aggregate represent two thirds of the capital stock issued, provided that notice of such intention to amend the by-laws shall be filed with the Secretary at least twenty days previous to such meeting, and the altera-

tions proposed shall be substantially set forth in such notice.

Upon the filing of such notice, the Secretary shall at once notify by mail each stockholder and water consumer that such notice has been filed, in order that they may have an opportunity to examine the proposed amendments.

KNOW ALL MEN BY THESE PRESENTS, That we, the undersigned, being the owners of more than two-thirds of the capital stock of the Lemon Grove Mutual Water Company, hereby assent to the foregoing By-Laws, and adopt the same as the By-Laws of said company.

IN WITNESS WHEREOF, We have hereunto subscribed our names this 16th day of September, 1905.

C. E. BAILEY,  
BARKER BURNELL,  
T. J. BRYAN,  
J. C. BRAIDEN,  
GEO. MAXWELL,  
J. F. LAMOND,  
A. AMMON,  
J. L. HIZAR,  
J. W. HARDERTY,  
J. GOLDEN,  
ED. FLETCHER,  
F. A. GARETSON,  
M. D. ARMS,  
I. N. BRYAN,  
JOHN C. BRAIDEN,  
C. A. SHERICK,

M. C. KENNEDY,  
J. B. CEPLEW,  
LEROY A. WRIGHT,  
R. H. HOLMES,  
AGNES B. HILL,  
Executrix,  
A. D. MCKINNEY,  
H. M. FULLER,  
A. LESTER,  
H. L. BATTIN,  
F. D. SILVIS,  
L. TIMMERHANS,  
A. L. DENLINGER,  
ED. DENNEKER,  
A. FELS.

KNOW ALL MEN BY THESE PRESENTS, That we, the Directors and stockholders of the Lemon Grove



SEC  
RANGE  
TD  
125  
-323  
145  
1905

Mutual Water Company, do hereby certify that the above and foregoing by-laws have been duly adopted as the by-laws of said company, and that the same do now constitute the by-laws of said association.

IN WITNESS WHEREOF, We have hereunto subscribed our names this 8th day of December, 1905.

T. J. BRYAN,  
M. C. KENNEDY,  
BARKER BURNELL,  
B. C. LOCKWOOD,  
C. E. BAILEY.

Attest:

C. E. BAILEY, Secretary.

81.55.41