

AUBURN WATER SYSTEM, INC.

RESOLUTION NUMBER 121619B

A RESOLUTION UPDATING THE POLICIES AND PROCEDURES OF AUBURN WATER SYSTEM, INC. RELATIVE TO THE ELECTION OF BOARD MEMBERS AND DIRECTING SUCH UPDATES TO THE BY-LAWS OF AUBURN WATER SYSTEM AS ARE NECESSARY TO IMPLEMENT SAID CHANGES.

WHEREAS, during the 2019 election cycle, errors in the election process caused additional expense and could have contributed to member confusion as to the election process, and

WHEREAS, the Board of Directors of the Auburn Water System, Inc. ("AWS") desires to formally update the policy of AWS as it relates to the election of Board members so as to reduce expense, reduce the risk of errors and improve member participation, both the manner and amount of per diem paid to Board Members in service to AWS, and

Now Therefore,

BE IT RESOLVED by the Board of Directors of Auburn Water, System, Inc. as follows:

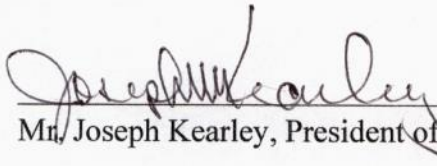
- 1. *Annually, Staff and General Counsel shall coordinate the preparation of a suitable agreement with the Office of the Okaloosa County Supervisor of Elections ("SOE") for the conduct of elections as identified herein ("Elections Agreement"), which agreement shall be presented to the Board for adoption.***
- 2. *Effective with the 2020 elections of Board Members, the process for election shall be as follows:***
 - a. *The election shall be held on the first contiguous Monday and Tuesday in May of each year (the "Election Period") unless because of circumstance, the Board of Directors shall find it necessary to direct another date in the month of May. Election Day shall be deemed to be the Tuesday of the Election Period. Voting may be conducted in person at the offices of AWS from 8am to 6pm during the Election Period.***
 - b. *Staff shall prepare, in accordance with the slate of candidates as approved by the Board, sample ballots together with biographical summaries as provided by each candidate and an explanation of the election process. Said sample ballots, summaries and explanation***

shall be included with the monthly bills provided to members at least 20 days in advance of the date of the election.

- c. The explanation of the election process shall include instructions as to how members may request absentee ballots.*
 - d. Upon receipt of a request for an absentee ballot, staff or SOE staff as the Elections Agreement may direct, shall timely prepare and send an absentee ballot via regular mail to all requesting members. Said ballot shall include a security envelope marked so as to identify the member receiving the ballot. The ballot shall not be marked in any way that would identify the member voting the ballot. A return envelope, postage prepaid, shall also be included allowing for the ballot to be returned directly to the SOE.*
 - e. Members voting via absentee ballot shall have until 6pm on Election Day to make delivery of the absentee ballot for counting which delivery may be by mail or hand delivery. Any ballots received after 6pm on Election Day shall not be counted. Ballots delivered to Auburn Water System shall be delivered to the SOE unopened.*
 - f. During the Election Period, and subject to the Election Agreement, AWS shall employ one or more trained poll workers who have been certified by the SOE to conduct the election at the AWS office. Said poll workers shall not be members of AWS. The poll workers shall have custody of all ballots voted during the Election Period and shall maintain exclusive access to seals and locks on all ballot boxes.*
 - g. Prior to the start of the Election Period, staff shall provide a current membership list to the Poll Workers. The Poll Workers shall verify the eligibility of each member who votes based on the membership list with a valid, government issued picture ID. The voter will sign the membership list at the time of voting. There shall be only one vote per membership. Accounts with multiple listed holders shall be considered one membership. Individuals with multiple accounts shall only be entitled to one vote.*
 - h. At the conclusion of voting, the Poll Workers shall deliver all ballots collected to the SOE who shall tally all votes made and certify and deliver the results to the President of the Board.*
- 3. General Counsel shall prepare and present to the Board for adoption such amendments to the By-Laws as necessary to carry out the intent of this Resolution.*

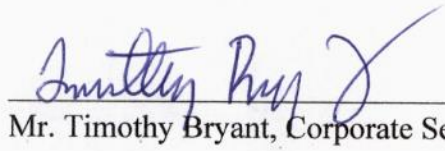
APPROVED AND ACCEPTED this ____ day of December, 2019.

AUBURN WATER SYSTEM, INC.


Mr. Joseph Kearley, President of the Board

ATTEST:

CORPORATE SEAL:


Mr. Timothy Bryant, Corporate Secretary