

## **BYLAWS**

(Serving Primarily Northern Okmulgee County and Southern Tulsa County)

April 22<sup>nd</sup> 2021

This booklet contains the Bylaws of Rural Water District No. 6, Okmulgee County, Oklahoma, as amended, all of which are effective on April 22, 2021.

The Bylaws are subject to amendment, as provided in the Bylaws and by the Statutes of the State of Oklahoma. You are, therefore, on notice that these Bylaws may, from time to time, be amended after printing of this booklet.

Should you have any questions after the effective date of the Bylaws, as set out in this booklet, you should contact the Chairman or Secretary of this corporation.

## **BYLAWS**

### **ARTICLE 1**

#### *Name and Place of Business –*

SECTION 1. The name of this corporation shall be Rural Water District No. 6, Okmulgee County, Oklahoma.

SECTION 2. The principal office of this District shall be located one mile east of US 75 on Hectorville Rd, Okmulgee County, Oklahoma.

### **ARTICLE 2**

#### *Corporate Powers –*

SECTION 1. The corporate powers of the District shall be vested in the Board of Directors, hereinafter referred to as the Board.

### **ARTICLE 3**

#### *Purposes and Objectives –*

SECTION 1. The purposes and objectives of this District are as follows:

- (a) To acquire water and water rights and to build and acquire pipe lines and other facilities, and to operate the same for the purpose of furnishing water to serve the needs of owners and occupants of land located within the District, and others authorized by these Bylaws.
- (b) To borrow money from any Federal and State agency, or from any other source, and to secure said loans by mortgaging or pledging all of the physical assets and revenue and income of the District, including easements and rights-of-way.
  - 1. Any loan made or insured by the FHA/USDA will be authorized by a majority vote of all the members present at a special meeting or at an annual meeting of the members.
- (c) To hold such real and personal property as may come into its possession by will, gifts and purchase or otherwise, as authorized by law, and to acquire and dispose of such real and personal property, including rights-of-way and easements, wherever located, and as may be necessary and convenient for the proper conduct and operation of the business of the District.
- (d) To establish rates and impose charges for water furnished to participating members and others.

- (e) To enter into contracts for the purpose of accomplishing the purposes of the District with any person or governmental agency.
- (f) To cooperate with any person or with any governmental agency in any undertaking designed to further purposes of the District.
- (g) To do and perform any and all acts necessary or desirable for the accomplishment of the purposes of the District which may lawfully be done by such District under the laws of the State of Oklahoma.

#### ARTICLE 4

##### *Water Users –*

SECTION 1. Water shall be supplied only to rural residents of land located within the District. Provided, however, that the Board may make water available to the public for purchase at such distribution points as it may establish.

SECTION 2. No owner of land located within the District shall be eligible to become a water subscriber unless he/she has first subscribed and paid for one or more Benefit Units.

SECTION 3. No owner of land or tenant occupying land shall be eligible to become a water subscriber unless he/she executes an easement, without monetary charge, to the District for water lines and related purposes as required by the District.

#### ARTICLE 5

##### *Right to Vote –*

SECTION 1. Only participating members shall have the right to vote, and each participating member shall be entitled to a single vote, regardless of the number of Benefit Units to which he/she may have subscribed: Provided, all owners of land located within the District shall be eligible to vote at any of the various special or called meetings of landowners until ninety (90) days after declaring of availability of Benefit Units and unit fees have been entered by the Board in its minutes. There shall be no proxy voting, and no dual ownership of Benefit Units for voting purposes. A participating member may be an individual, firm, partnership, association or corporation.

Participating Members shall be:

- (a) Owners of land located within the District who have subscribed to one or more Benefit Units: Provided, payments of charges are current on at least one of the Benefit Units.

#### ARTICLE 6

##### *Benefit Units –*

SECTION 1. The Board shall at the proper time, cause declaration of availability of Benefit Units for subscription to be entered in its minutes and shall establish a unit price for said subscriptions. The meter deposits of existing users shall be credited toward the price of a Benefit Unit. Each Benefit shall carry with it the obligation of paying a minimum monthly meter charge from the time service is available. The Board in its discretion may, from time to time if the capacity of the District's facilities permit makes additional Benefit Units available. Subscriptions for Benefit Units shall be given preference and priority in order in which received. The Board may refuse subscription for a Benefit Unit in favor of a particular tract of land located within the District, or impose special conditions on granting the same if in the judgment of the Board, the granting of said subscription and the furnishing of water pursuant thereto, would impair the service to other water users in that locality or be uneconomical, unfeasible, and place an undue burden on the District. Any landowner who feels himself/ herself/themself aggrieved by such denial, or imposition of special conditions may appeal from the action of the Board to a vote of the members at the next regular meeting of the members or special meeting of the members called for such purpose. Provided, the decision of the Board shall stand, unless 3/4ths of all participating members (or landowners at meeting where only qualification to vote is ownership of land with District), vote in favor of motion to overrule the decision of the Board.

SECTION 2. Upon the purchase of Benefit Units (membership), the owners of land shall designate the tract of land to which the Benefit Unit shall be assigned, and the Benefit Unit shall not be transferred from one tract of land to another within the District without the approval of the Board. The Benefit Unit (meter) must be located on property owned by the subscriber and serve the subscriber's property or the necessary easement provided to place meter on land not owned by the Member.

SECTION 3. The consideration paid for Benefit Units shall be considered a Membership Fee and may not be refunded after the member's account is established. The Board may approve a refund prior to establishment of the account.

SECTION 4. Benefit Units (membership) shall follow the title of the land unless the owner of the land designates otherwise. Owners may transfer Benefit Units from one tract of land to another tract owned by them or to another land owner within the District, subject however, to the approval of the Board. No transfers will be approved unless all charges against the account are paid and the necessary transfer forms are completed by the seller and the buyer.

SECTION 5. Each Benefit Unit shall entitle the owner to not to exceed one line from the District's water system. Each line shall serve not to exceed one residence or business establishment together with the necessary and usual outbuildings.

- (a) The limit of one line to each Benefit Unit shall be subject to modification in exceptional circumstances where the Board determines and resolves that one Benefit Unit shall be entitled to more than one line. Further, the Board may determine and resolve that more than one Benefit Unit may be served by one line.

SECTION 6. Failure to pay the minimum monthly charge or failure to pay for water used through a meter for a period of six (6) months shall constitute a forfeiture of the Benefit Unit (membership) on behalf of which such failure occurs. Notice of such default shall be mailed by certified mail and by regular mail to the landowners when the account becomes 90 days delinquent. This notice shall include date the Benefit Unit (membership) will forfeit back to the District.

## ARTICLE 7

SECTION 1. The Board of this District consists of seven (7) directors, of which two (2) shall reside (primary residence), and be a participating member in Ward No. 1; two (2) shall reside (primary residence), and be a participating member in Ward No. 2; three (3) shall reside (primary residence), and be a participating member in Ward No. 3. Any qualifying member of the District who desires to serve on the Board of Directors must file with the District Office his/her intent to run for a position on the Board of Directors by completing a Registration Form during the filing period from November 1<sup>st</sup> through December 1<sup>st</sup> for the election to be held at the following Annual Meeting of Participating Members. Each candidate filing for a position must indicate on the Registration Form which position vacancy he/she is filing, must reside in (primary residence), and be a participating member in the Ward he/she is to be a candidate. Provided further, any incumbent Board Member wishing to run for re-election, must also complete a Registration Form during filing period previously stated and meets same qualifications as a new candidate. Any newly elected Board Member shall be required to attend a minimum of six (6) hours approved training and shall pledge to attend such training at time of registration as a candidate. Said training attendance shall be completed prior to Director's first anniversary on the Board. Approved training will be limited to training organized by the Oklahoma Water Resources Board OR Oklahoma Rural Water Association with the purpose of study and instruction in areas of District financing, law, and the ethics, duties and responsibilities of District Board Members. The District shall reimburse all reasonable expenses incurred by any Board Member for attending such training workshop. Any Director not otherwise excluded by law, these Bylaws or the Rules and Regulations, shall be eligible to succeed himself. At each Annual Meeting of the Participating Members, the members shall elect the number of Directors whose term of office has expired. The term of office shall be three (3) years.

SECTION 2. Immediately following the Annual Meeting of the Participating Members, the Board shall meet and shall elect a Chairman, Vice-Chairman, Secretary and Treasurer, from among themselves, each of whom shall hold office until the next Annual Meeting of the Participating Members and until the election and qualification of his/her successor unless sooner removed by death, resignation or for cause. The office of the Secretary and Treasurer may be held by one person.

SECTION 3. Any vacancy in the Board, other than from expiration of a term of office, may be filled by appointment by the remaining Members of the Board for the remainder of the term. A Director who no longer qualifies as a participating member of said Ward and District, or fails to complete training requirements, will no longer be eligible to serve as a member of the Board, creating a vacancy in the office of the Director.

SECTION 4. A majority of the Board shall constitute a quorum at any meeting of the Board.

SECTION 5. Any Director of the District may be removed from office for cause by a vote of not less than 3/4<sup>th</sup> of the participating members of the District at any annual or special meeting called for that purpose. The Directors shall be informed in writing of the charges preferred against him/her at least 10 days before such meeting, whether regular or special, and at the meeting shall have an opportunity to present witnesses and be heard in person in answer thereto. Officers of the Board may be removed for cause by vote of 3/4ths of the members of the Board, and employees and agents discharged or removed from office or employment at any time by action of the of the Board. When the Board of Directors is the governing body of the city or town, they may not be removed except by due process of city government. Failure to attend three consecutive meetings shall constitute just cause for removal from the board.

## ARTICLE 8

### *Powers and Duties of the Directors –*

SECTION 1. The Board, subject to the restrictions of law and these Bylaws, shall exercise all the powers of the District and without prejudice to or limitation upon their general powers, it is hereby expressly provided that the Board shall have, and is hereby given full power and authority in respect to the matters as hereinafter set out:

- (a) To select and appoint all agents and employees of the District for just cause, prescribe such duties and designate such powers as may not be inconsistent with these Bylaws, and fix their compensation and pay for faithful services.
- (b) To borrow from any source money, goods or services and to make and issue notes, and other negotiable and transferable instruments, mortgages, deeds or trust and trust agreements, and to do every act and thing necessary to effectuate the same.
- (c) To prescribe, adopt and amend from time to time, such equitable and uniform rules and regulations as, in their discretion, may be deemed essential or convenient for the conduct of the business and affairs of the District and the guidance and control of its agents and employees.
- (d) To fix charges to be paid by each water user for services rendered by the District to him/her/them the time of payment and the manner of collection, and to establish equal rates for farm members and non-farm members according to the amount of services furnished.
- (e) To require all officers, agents, and employees charged with the responsibility for the custody of any funds of the District to give adequate bond, cost thereof to be paid by the District, and it shall be mandatory upon the Directors to so require.
- (f) To select one or more banks to act as depositories of the funds of the District and to determine the manner of receiving, depositing and disbursing the funds of the District in

the form of checks/ bank drafts and the person by whom the same shall be signed on behalf of the Chairman, with the power to change such bank or person signing such checks and the form thereof at will.

- (g) Prepare annually an estimated budget for the coming year, adjust water rate, if necessary to produce sufficient revenue required by such budget, cause an annual audit of the District records and account to be made by a licensed municipal public accountant or certified public accountant, and make a report on said matters at each annual meeting of participating members.

## ARTICLE 9

### *Powers and Duties of Manager –*

SECTION 1. The Board may employ for the District, a manager, who shall have charge of the business of the Association under the general control, supervision and direction of the Board. No Director shall serve as Manager: Subject to the approval of the Board, the Manager shall employ, supervise and dismiss all agents and employees of the District and fix their compensation. He/she shall also, so far as practical, conduct the business in such a way that all patrons receive equal service and treatment, deposit in a bank selected by the Board, all money belonging to the District, which comes into his/her possession; maintain his/her records and accounts in such a manner that the true and correct condition of the business may be ascertained therefrom at any time; furnish the Board a current statement of the business and affairs of the District at each scheduled meeting of the Board and at the end of each fiscal year and at such times and in such forms as the Board may direct; carefully preserve and turn over to his/her successor all books, records, documents and correspondence pertaining to the business of the District which may have come into his/her possession and to perform such other duties as may be prescribed by the Board.

## ARTICLE 10

### *Duties of Officers –*

SECTION 1. CHAIRMAN – The Chairman, who shall be a member of the Board, shall preside over all meeting of the District and the Board, call special meetings of the District and the Board, perform all acts and duties usually performed by an executive and presiding officer, and shall sign all Benefit Unit Applications and such other papers of the District as he/she may be authorized or directed to sign by the Board, provided the Board may authorize any person to sign checks on behalf of the District. The Chairman shall perform such other duties as may be prescribed by the Board.

SECTION 2. VICE-CHAIRMAN – In the absence or disability of the Chairman, the Vice-Chairman, who shall be a member of the Board, shall perform the duties of the Chairman.

SECTION 3. SECRETARY – It shall be the duties of the Secretary, who shall be a member of the Board, to see that a record of proceedings of the meetings of the Board and the District be

kept. He/she shall cause to be served all notices required to be served by law or the Bylaws of the District; and in case of his/her absence, inability, refusal or neglect to do so, then such notices may be served or caused to be served by any member of the Board directed by the Chairman.

SECTION 4. TREASURER – The Treasurer, who shall be a member of the Board, shall see that all funds of the District are accounted for, see that all funds are deposited in a designated bank insured by FDIC, deposits not exceed the maximum insured amount, and cause payments to be made by check from these funds approved by the Board and signed by two (2) Board Members. At each Annual Meeting of the District, he/she shall submit a complete statement of accounts for the past year.

## ARTICLE 11

### *Books and Records –*

SECTION 1. The books and records of the district and such papers as may be placed on file by vote of the District or Directors, shall during all reasonable business hours, be subject to inspection of any landowner or participating member of the District.

## ARTICLE 12

### *Annual Meeting of Participating Members –*

SECTION 1. The annual meeting of the participating members of the District shall be held at some suitable location within the district, designated by the Board, at 7:30 p.m., the last Thursday of February.

SECTION 2. Special meeting of participating members may be called at any time by the Chairman or upon resolution of the Board or upon written petition to the Chairman of the Board, signed by 51% of the participating members of the District. The purpose of every special meeting shall be stated in the notice thereof, and no business shall be transacted thereat except such as is specified in the notice.

SECTION 3. Notice of meetings of participating members of the District shall be given by mail to each participating member of record directed to the address shown upon the books of the District at least 10 days prior to the meeting. Such notice shall state the nature, time, place and purpose of the meeting, but no failure or irregularity of a notice of any annual meetings, regularly held, shall affect any proceeding taken thereat.

SECTION 4. The participating members present at any meeting of participating members shall constitute a quorum for the purpose of the transaction of business.

SECTION 5. The order of business at the regular meeting and so far as possible, at all other meetings, shall be:

(a) *Call to Order*

(b) *Proof of Notice of Meeting*



- (c) Reading and Approval of Minutes of Last Meeting*
- (d) Report of Officers and Committees*
- (e) Election of Directors*
- (f) Unfinished Business*
- (g) New Business*
- (h) Adjournment*

#### ARTICLE 13

##### *Board Meetings –*

The Board shall meet at such times as may be determined by the Board, or upon call by the Chairman or any two Members of the Board. Notice of all meetings of the Board, other than the Annual Meeting to be held on the last Thursday in February of each year shall be by mailing a notice to the last known business or residence address of each Director, at least two days before the holding of such meeting will be held. The proceedings thereat shall be valid as though the previous written notice aforesaid had been given.

#### ARTICLE 14

##### *Manner of Election and Voting –*

SECTION 1. At all meetings of the District participating members, each participating member, qualified as stated in these Bylaws, shall be entitled to vote upon all propositions coming before said District. No cumulative voting or proxy voting shall be permitted and each participating member of the District shall have but one vote. At all Board of Directors' meetings, ONLY elected Board Members shall be allowed to vote upon propositions coming before said Board.

#### ARTICLE 15

##### *Seal –*

SECTION 1. The District shall have a corporate seal, consisting of a circle in its circumference and face the words "Rural Water District No. 6, Okmulgee County, Oklahoma," which shall be in the custody of the Secretary.

#### ARTICLE 16

##### *Fiscal Year –*

SECTION 1. The fiscal year of the District shall begin the first day of January of each year.

#### ARTICLE 17

##### *Amendment –*

SECTION 1. These Bylaws may be repealed or amended by a vote of (75%) of the participating members present at any annual meeting of the District, or any special meeting of the District called for that purpose except that the participating members shall not have the power to change the purposes of the District so as to impair its rights and powers under the laws of the State of Oklahoma, or to waive any requirement of bond or other provision for the safety and security of the property and funds of the District or its participating members or to deprive any participating member or landowner of rights and privileges then existing, or to so amend the Bylaws as to effect a fundamental change in the policies of the District. Notice of any amendment to be made at any annual or special meeting of the participating members must be given at least 10 days before such meeting and must set forth the amendment to be considered.

## ARTICLE 18

### *Benefits and Duties of Members –*

SECTION 1. The District shall install, maintain and operate a main distribution pipe line or lines from the source or sources of water supply to the property of each participating member of the District; provided further, cost of improvements or extensions deemed necessary to serve new applicants for membership shall be at said applicant's expense. Metering equipment shall be purchased, installed, owned and maintained by the District at designated delivery point on participating members' property.

SECTION 2. Each participating member shall be entitled to purchase from the District, pursuant to such agreement as may from time to time be provided and required by the District and the Board, such water for domestic, livestock, garden and other purposes as a participating member may desire, subject, however, to the provisions of these Bylaws and such rules and regulations as may be prescribed by the Board. The water delivered to each participating member shall be metered.

SECTION 3. In the event the total water supply shall be insufficient to meet all of the needs of the members and user, or in the event there is a shortage of water, the District may pro-rate the water available among the various members and users on such basis as is deemed equitable by the Board, and may also prescribe a schedule of hours, covering the use of water for garden purposes and require adherence thereto, or prohibit the use of water for garden purposes if at any time the total water supply shall be insufficient to meet all of the needs of all the participating members for domestic, livestock, garden and other purposes, and the District must first satisfy all the needs of the participating members for domestic purposes before supplying water for livestock purposes and must satisfy all the needs of all the participating members for domestic and livestock purposes before supplying water for gardens and other purposes.

## ARTICLE 19

### *Printing –*

SECTION 1. After adoption, these Bylaws shall be prepared in pamphlet form, a copy thereof shall be delivered to each participating member.

AFFIDAVIT

STATE OF OKLAHOMA)

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COUNTY OF OKMULGEE)

Glenn Shoaf, Stanley Allen, Tom Fuller, Mary Ann Seago, Danny Fowler, Tim Thornton and Phillip Olden, being first duly sworn, depose and state, each for himself/herself, that he/she is a Director of Rural Water District No. 6, Okmulgee County, Oklahoma, and the foregoing Bylaws were amended at a meeting of landowners of said District, duly held on the 22<sup>nd</sup> day of April, 2021, at 7:30 o'clock p.m. That there were 36 eligible voters present in person and that the adoption of the Bylaws amendments was approved by a vote of 75% of the participating members present (eligible voters).

GLENN SHOAF  
STANLEY ALLEN  
TOM FULLER  
MARY ANN SEAGO  
DANNY FOWLER  
TIM THORNTON  
PHILLIP OLDEN

Subscribed and sworn to before me this 22<sup>nd</sup> day of April, 2021.

Jan Caughron  
Notary Public

My commission expires: November 20, 2021.