

**McINTOSH COUNTY R.W.D. #13
395977 E. 1150 RD.
HENRYETTA, OK 74437**

BY LAWS

ARTICLE I – General Purposes

The purposes for which this District is formed, and the powers, which it may exercise, are set forth in the Articles of Incorporation of the District.

ARTICLE II – Name and Location

Section 1. The name of this District is the McINTOSH COUNTY R.W.D. #13.

Section 2. The principal office of this District shall be located at Ryal, County of McIntosh, State of Oklahoma, but the District may maintain offices and places of business at such other places within the State as the Board of Directors may determine.

Section 3. The words ‘he’ and ‘Chairman’ do not refer to the masculine gender, but to either sex.

ARTICLE III – Seal

The seal of the District shall have inscribed thereon the name of the District, the year of its organization, and the words “District.”

ARTICLE IV – Fiscal Year

The fiscal year of the District shall begin the 1st day of November in each year.

ARTICLE V – Membership

Section 1. The holders of membership certificates of this District are its members. Any applicant who receives approval of the Board of Directors may be admitted to membership upon, (1) subscribing for or otherwise acquiring a membership certificate, and (2) by signing such agreements for the purchase of water service as may be provided and required by the District; provided that no person shall be permitted to acquire membership if the capacity of the District’s water system is exhausted by the needs of its existing members. The District shall charge a membership fee for each single Residence or Business Establishment. The membership fee is non-reimbursable; however, membership certificates may be transferred in accordance with the provisions of these By Laws. Water service will be supplied only to members; however, the Board may make service available to the public for purchase at distribution points as it may establish.

Section 2. In case a member ceases to be eligible to hold membership as provided in Section 1, or willfully fails to comply with these By Laws or the Rules and Regulations or other requirements, or willfully obstructs the purposes and proper activities of the District, the District through the Board of Directors may elect to terminate the membership certificate. Any member whose membership is so terminated for cause other than that of ceasing to be eligible may appeal the action of the Board of Directors to a vote of the members at the next regular meeting if the members or special meeting of the members called for such purpose.

ARTICLE VI – Membership Certificates

Section 1. The membership certificates shall be issued to each holder of a fully paid membership and shall be numbered consecutively, in accordance with the order of issue. Each membership certificate shall bear on its face the following statements:

- (a) This membership certificate, No. _____, is issued and accepted in accordance with and subject to the conditions and restrictions stipulated in the Articles of Incorporation and By Laws and amendments to the same of the McIntosh County R.W.D. # 13.
- (b) Transfers of membership certificates shall be made only upon the books of the District; only to persons eligible to become members; only with the approval of the Board of Directors, and only when the member transferring is free from indebtedness to the District.
- (c) No member of this District shall be entitled to more than one vote at meetings of the members or hold more than one of the membership certificates of the District. Every member upon becoming a member of this District agrees to sign such agreement for the purchase of water from the District as may from time to time be provided and required by the District.

Section 2. All transfers of membership certificates shall be made upon the surrender of the certificates covering the same by the holders thereof, or by their legal representatives, but only with the approval of the Board of Directors, and only to persons eligible to become members, and only when the transferring member is free from indebtedness to the District.

Section 3. Each member agrees to sign such water users' agreements, as the District shall from time to time provide and require.

ARTICLE VII – Meeting of Members

Section 1. The annual meeting of the members of this District shall be held at Ryal School, County of McIntosh, State of Oklahoma at 7:30 o'clock P.M., on the third Tuesday in February of each year, if not a legal holiday, or the next business day.

Section 2. Special meetings of the members may be called at any time by the Board of Directors, and such meetings must be called whenever a petition requesting such meeting is signed by at least twenty-five percent of the members and presented to the Secretary or to the Board of Directors. The purpose of every special meeting shall be stated in the notice thereof, and no business shall be transacted except such as is specified in the notice.

Section 3. Notice of meeting of members of the District will be given by a notice mailed to each member of record, directed to the address shown upon the books of the District, at least ten days prior to the meeting. Such a notice shall state the time, place and purpose of the meeting, but no failure or irregularity of notice of any annual meeting, regularly held, shall affect any proceedings taken thereat. Districts having 300 members or more may give notice of special meeting of members by publication in a newspaper having general circulation in the county; however, the annual meeting will be by written notice.

ARTICLE VIII – Directors and Officers

Section 1. The Board of Directors of this District shall consist of five members, all of whom shall be members of the District. The Directors named in the Articles of Incorporation shall serve as the Board of Directors until the first meeting of the members at which time their successors will be elected. Within 90 days from the date of incorporation the initial Board of Directors will call a special meeting of the members, in accordance with ARTICLE VII hereof, to review the By Laws and elect a permanent Board of Directors. One Director shall be elected for a term of one year, two Directors for a term of two years and two Directors for a term of three years. At each annual meeting thereafter, the members shall elect for a term of three years the number of Directors whose terms of office have expired.

Section 2. The order of business at the regular Annual Meeting of the members and, as far as possible, at other meetings of members shall be:

- (a) Call to order
- (b) Proof of notice of meeting
- (c) Reading and approval of minutes of last meeting
- (d) Reading financial or audit report
- (e) Report of officers or committees
- (f) Election of Directors
- (g) Unfinished and new business
- (h) Adjournment

Section 3. The permanent Board of Directors shall meet within ten days after the first election held at the first annual meeting of members, and within ten days after each annual election of directors, and shall elect by ballot a Chairman, Vice-Chairman and a Secretary-Treasurer from among themselves, each of whom shall hold office until the next annual meeting and until the election and qualification of his successor, unless sooner removed by death, resignation or for other cause. Any Director missing four consecutive meetings, unless excused by a majority of the Board members present at the meetings, including both special and regular Board meetings, will automatically be removed for cause.

Section 4. If the office of any Director becomes vacant by reason of death, resignation, retirement, disqualification or otherwise, except by removal from office, the remaining Directors shall, by a majority vote, choose a successor who shall hold office until the next regular meeting of the members of the District, at which time the members shall elect a Director for the unexpired term or terms, provided that in the call of such regular meeting a notice of such election shall be given.

Section 5. The Board of Directors shall meet monthly at a designated time as may be determined by the Board, or upon call by the Chairman or any two members of the Board. Notice of all meetings except regularly scheduled meetings, shall be by mailing a notice to the last known address of each board member at least two days before the holding of such meeting. At least 3 Directors are required to be present to conduct District business. A majority of those present at any Board of Directors' meeting shall constitute a quorum.

Section 6. Directors shall receive no compensation for their services as such. Directors can only receive compensation for specific extra duties, such as Bookkeeper.

Section 7. Any Director may be removed from the Board of Directors by affirmative vote of a majority of the members of the District. Such action may be taken at any regular meeting or any special meeting at which due notice of the proposed removal shall have been duly given to the members together with or as a part of the notice of the meeting. Such removal may be accomplished with or without cause, but the Director involved shall be given an opportunity to be present and to be heard at the meeting at which his removal is

considered. The removal of a Director may be initiated at a regular meeting of members by a motion made at the meeting, and at a special meeting by petition signed and submitted to the Secretary by not less than twenty-five percent (25%) of the voting members. More than one Director may be considered for removal under a single motion or by a single petition, but vote on the motion or petition for removal shall be separate as to each Director. The vacancy created by the removal of a Director under the foregoing provisions shall be filled only by vote of the members. Such vote may be taken at the same meeting at which the removal of the Director was accomplished, or at such later meeting, regular or special, as the members may decide.

Section 8. All members elected to the Board of Directors must sign a written pledge that they will attend six hours of workshop training within one year of election, as required by Oklahoma Statute 1324.16. All new and existing board members shall be required to obtain continuing education by attending a minimum of six (6) hours of workshop training every three (3) years.

Section 9. Anyone elected to the Board of Directors cannot seek employment with McIntosh County R.W.D. #13 for one year after their last date served on the Board.

ARTICLE IX – Duties of Directors

Section 1. The Board of Directors, subject to restrictions of law, including State Nepotism and Open Meeting laws, the Articles of Incorporation, or these By Laws shall exercise all of the powers of the District without prejudice or limitation to their general powers, it is hereby expressly provided that the Board of Directors shall have, and are hereby granted, full power and authority in respect to the matters and as hereinafter set forth,

- (a) to pass upon the qualifications of members, and to cause to be issued appropriate certificates of membership;
- (b) to advertise for, select and appoint all officers, agents or employees of the District or remove such agents or employees of the District for just cause, prescribe such duties and designate such powers as may be consistent with these By Laws, and fix their pay for faithful service;
- (c) to see that the Operator-Manager of the water system is licensed by the Department of Environmental Quality in the same manner as provided in the laws of the State of Oklahoma;
- (d) to borrow from any lawful source, money, goods or services and to make and issue notes and other negotiable and transferable instruments, mortgages, deeds of trust and trust agreements and to do every act and thing necessary to effectuate the same;
- (e) to prescribe, adopt and amend, from time to time, such equitable 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 officers and employees, and to prescribe adequate penalties for the breach thereof;
- (f) to order, at least once each year, an audit of the books and accounts of the District by a competent public auditor. The report prepared by such auditor shall be submitted to the members of the District at their annual meeting;
- (g) to prepare annually an estimated budget for the coming year. To fix the charges to be paid by each member for services rendered by the District to him, the time of payment, and the manner of collection;
- (h) to require all officers, agents and employees charged with responsibility for the custody of any of the funds of the District to give adequate bonds, the cost thereof to be paid by the District, and it shall be mandatory upon the Directors to so require;
- (i) 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 and the form of checks and the person or persons by whom the same shall be signed, with the power to change such banks and the person or persons signing such checks and the form thereof at will;

- (j) to levy assessments against all of the membership certificates of the District and to enforce the collection of such assessments by the forfeiture of delinquent certificates. The Board of Directors shall have the option to declare forfeited any membership certificate on which assessment has not been paid, at any time after ninety days from the date the assessment was made, provided the District must give the member at least thirty days written notice at the address of the member on the books of the District, of its intention to forfeit the certificate if the assessment is not paid.

ARTICLE X – Duties of the Officers

Section 1. Duties of the Chairman: The Chairman shall preside over all meetings of the District and the Board of Directors, call special meetings of the Board of Directors, perform all acts and duties usually performed by an executive and presiding officer, sign all membership certificates and such other papers of the District as he may be authorized or directed to sign by the Board of Directors; provided the Board of Directors may authorize any Board member to sign any or all checks, contracts, and other instruments in writing on behalf of the District. The Chairman shall perform such other duties as may be prescribed by the Board of Directors.

Section 2. Duties of the Vice-Chairman: In the absence or disability of the Chairman, the Vice-Chairman shall perform the duties of the Chairman; provided, that in case of death, resignation or disability of the Chairman, the Board of Directors may declare the office vacant and elect his successor.

Section 3. Duties of the Secretary–Treasurer: The Secretary–Treasurer shall keep a complete record of all meetings of the District and of the Board of Directors and shall have general charge and supervision of the books and records of the District. He shall sign all membership certificates with the Chairman and such other papers pertaining to the District as he may be authorized or directed to do by the Board of Directors. He shall serve all notices required by law and by these By Laws, and shall make a full report of all matters and business pertaining to his office to the members at the annual meeting. He shall keep the corporate seal, complete and countersign all certificates issued, and affix said corporate seal to all papers requiring seal. He shall keep a proper membership certificate record, showing the name of each member of the District and date of issuance, surrender, cancellation or forfeiture. He shall make all reports required by law and shall perform such other duties as may be required of him by the District or the Board of Directors. Upon the election of his successor, the Secretary–Treasurer shall turn over to him all books and other property belonging to the District that he may have in his possession. He shall also perform such duties with respect to the finances of the District as may be prescribed by the Board of Directors.

ARTICLE XI – Benefits and Duties of Members

Section 1. Each member shall be entitled to one or more service lines from the District’s water system; provided, that the member shall be required to pay the current membership fee for each service line. Each line shall serve not to exceed one residence or business establishment with the usual outbuildings. Members desiring service after the facility is constructed and in operation may be charged an additional fee, titled a connection fee, to compensate the District for the actual cost of providing service. Irrespective of any other provision in these By Laws no water service will be furnished to members within the limits of any incorporated town, rural water district or other public body without the written consent of the governing body thereof.

Section 2. The District shall install, maintain and operate a main distribution pipeline or lines from the source of water supply, to the property line of each participating member of the District, at which point designated as delivery points, meters to be purchased, installed, owned and maintained by the District shall be placed.

Section 3. Each participating member shall be entitled to purchase from the District such water for domestic, livestock and other purposes as a participating member may desire, subject to the provisions of these By Laws, and such rules and regulations as may be prescribed by the Board. The water delivered to each participating member shall be metered.

Section 4. In the event the total water supply shall be insufficient to meet all the needs of the members and users, 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 and require adherence thereto.

Section 5. The Board of Directors shall, prior to the beginning of each fiscal year, prepare a budget for the following year and adopt a schedule of water rates sufficient to pay the normal operating and maintenance expenses, all debt service requirements, and the reserves required by the loan resolution. Any decrease or increase in rates shall be subject to the approval of the agency or agencies the District is indebted to on any loans made or insured for the purpose of constructing the water system of the District.

Section 6. Failure to pay the minimum monthly charge, or failure to pay for water used through the meter shall constitute a forfeiture of the membership certificate provided, that such membership certificate shall be reinstated if within three months after such forfeiture, all back charges are paid in full plus six percent (6%) interest and reasonable labor charges necessary to affect such reconnections.

ARTICLE XII – Distribution of Surplus Funds

Section 1. It is not anticipated that there will be any surplus net income. If there should be, then at the end of the fiscal year, after paying the expenses of the District for operation and otherwise, and after setting aside reserves for depreciation on all buildings, equipment, office fixtures and such other reserves as the Board of Directors may deem proper; and, after providing for payments on interest and principal of obligations and amortized debts of the District, and providing for the purchase of proper supplies and equipment, the net earnings shall be used for the retirement of indebtedness or the Board of Directors may make a general rate reduction to the members.

ARTICLE XIII – Amendments

Section 1. These By Laws may be repealed or amended by a vote of a majority of the members present at any regular meeting of the District, or at any special meeting of the District called for that purpose, except that the members shall not have the power to change the purposes of the District so as to decrease its rights and powers under the laws of the State, or to waive any requirements of bond or other provision for the safety and security of the property and funds of the District or its members, or to deprive any member of rights and privileges then existing, or so to amend the By Laws as to effect a fundamental change in the policies of the District. Notice of any amendment to be made at a special meeting must set forth the amendments to be considered. Any amendment to the By Laws as provided herein shall be subject to the approval of the agency or agencies the District is indebted to on any loans made or insured for the purpose of constructing the water system of the District.

Section 2. The Board of Directors shall cause these By Laws to be reviewed every three years, by appointment of the By Law Review Committee of at least three District members. This committee will prepare proposed amendments for consideration by the membership.

***Amended by majority vote of the members present at the Special Participating Member meeting held 6 July 2023, at District Office, Henryetta, Oklahoma.

/s/Vince Williams

Chairman

ATTEST:

/s/R. Wyatt Secor

Director

7/6/23