

BYLAWS

ARTICLE I.

NAME AND PLACE OF BUSINESS

- Section 1.** The name of this corporation shall be Rural Water District No. 13, Jefferson County, Kansas.
- Section 2.** The principal office of this District shall be located in Jefferson County, Kansas.

ARTICLE II.

CORPORATE POWERS

- Section 1.** The corporate powers of this District shall be vested in the Board of Directors, hereinafter referred to as the Board.

ARTICLE III.

PURPOSE 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 for domestic, garden, live stock and other purposes to owners and occupants of land located within the District.
 - (b) To borrow money and accept grant funds for the purposes aforesaid and in connection therewith to execute evidence of indebtedness, security instruments and appropriate covenants and agreements.
 - (c) To hold such real and personal property as may come into its possession by will, gift, 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 the purposes of the District.
- (g) To do ad Performa 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 Kansas.

**ARTICLE IV.
WATER USERS**

Section 1. Water shall be supplied only to 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 the owner has first subscribed and paid for one or more Benefit Units. Tenants occupying land located within the District may become water subscribers: Provided that the owner, or someone on behalf of the owner, has subscribed and paid for one or more Benefit Units in favor of the land the tenant is occupying.

**ARTICLE V.
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 they may have subscribed: Provided, all owners of land located within the District shall be eligible to vote at meetings of landowners until ninety (90) days after a declaration 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 has subscribed to one or more Benefit Units: Provided, payments of charges are current on all of the Benefit Units.

**ARTICLE VI.
BENEFIT UNITS**

Section 1. The Board shall at the proper time cause a declaration of availability of Benefit Units for subscription to be entered in its minutes and shall establish a unit price for said subscriptions. Each Benefit Unit 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 make additional Benefit Units available pending feasibility study approval. Subscriptions for Benefit Units shall be given preference and priority in order in which received. The

Board may refuse the 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 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 3/4 ths of all participating members (or landowners at meetings where only qualification to vote is ownership of land within the District), vote in favor of a motion to overrule the decision of the Board.

Section 2. Upon the purchase of Benefit Units, the owners of land shall designate the tract of land to which the Benefit Units 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 owner of lands subscribing for more than one Benefit Unit to be assigned to one tract of land shall, at the time of said subscription, designate as nearly as practical the location on said tract where the owner intends to utilize said Benefit Units and no major change in location shall be made without the approval of the Board. Benefit Unit Certificates shall be issued by the Board, signed by the Chairperson and Secretary, or their designated representatives, showing name of owner, and tract of land to which the Benefit Unit is assigned, numbered consecutively in the order in which issued.

Section 3. The consideration paid for Benefit Units shall be considered donations to the District and shall not be refunded to the subscribers, provided that the Board may authorize the refund of

all or a part of each consideration, if through no fault of the subscriber the District is unable to supply water to the unit.

Section 4. Benefit Units shall follow the title of the land unless the owner of the land designated otherwise. Owners may transfer Benefit Units from one tract of land to another tract owned by them with the District, subject, however, to the approval of the Board. No transfer in ownership of Benefit Units shall be permitted without the approval of the Board. No transfer will be approved unless all charges against the Benefit Unit are paid. All transfers when approved shall be recorded in the books of the District.

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 primary residence, farm, or business establishment, together with usual outbuildings.

Section 6. Failure to timely pay any charges or fees payable to the District, or violation of any of these Bylaws or the Rules and Regulations of the District, shall be cause for termination of water service. The Board shall provide for the procedure to be followed before water service is terminated.

Section 7. A Benefit Unit shall be subject to forfeiture any time that any minimum monthly charge or charge for metered water remains unpaid for six months or longer after becoming first due and payable. Forfeiture shall occur only in accordance with the following procedure: Notice shall be given to the Benefit Unit owner at the owner's last known address by restricted mail, return receipt requested. Such notice shall state that the Benefit Unit is subject to forfeiture, the reason therefore, the date time and place of the next regular meeting of the Board of Directors, and that the Benefit Unit shall be subject to forfeiture by action of the Board of Directors at its next regular meeting unless the Benefit Unit owner

appears and shows cause why the Benefit Unit should not be forfeited. If the Benefit Unit is not forfeited at that meeting, the same notice shall be given again before that Benefit Unit is forfeited.

ARTICLE VII. ELECTION OF DIRECTORS

Section 1. The Board of this District shall consist of 7 members, all of whom shall be participating members of the District: Provided, however, that the original Board shall consist of owners of land located in the District. The Directors elected at the time of the incorporation of the District shall be elected for staggered terms of one, two and three years, and shall serve until the expiration of the term for which they were elected as shown by the minutes of the original meeting of the landowners, and until their successors are elected and have qualified. At each annual meeting of the participating members, the participating members shall elect for a term of three years the number of Directors whose terms of office have expired.

Section 2. Immediately following the annual meeting of the participating members, the Board shall meet and shall elect a Chairperson, Vice-Chairperson, Secretary and 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 cause. The office of the Secretary and Treasurer may be held by one person.

Section 3. Any vacancy in the Board, other than from the expiration of a term of office, shall be filled by appointment by the remaining members of the Board. The disqualification of a Director as a participating member of the District or failure of any original Director to become a participating member within 30 days after subscription to Benefit Units are made available through action of the Board, shall operate to disqualify him as a Director and to create 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 3/4ths of the participating members of the District at any annual or special meeting called for that purpose. The Director shall be informed in writing of the charges preferred against him at least ten (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 4 of the members of the Board, and employees and agents discharged or removed from office or employment at any time by action of the Board.

Section 6. Nominations for the expired regular terms of any director standing for election at an annual meeting (or special meeting called for the purpose of electing directors) shall be made as follows:

- a) The Board of Directors shall nominate one nominee for each vacancy on the Board of Directors standing for election; in addition
- b) Any participating member may submit one nomination for each vacancy on the Board of Directors standing for election. Such nominations must be received in the office of the District by the third Thursday in February on a form designated by the Board of Directors, together with the signature of the nominator; in addition
- c) No other nominations shall be allowed at any meeting called for the purpose of electing directors, except those made pursuant to (a) or (b) above.

Section 7. After the receipt of all nominations which have been timely submitted, the nominees of the Board of Directors and up to a maximum of three nominees who shall have received the

most nominations from participating members shall constitute all of the nominees for election of director.

Section 8. Participating members shall be entitled to vote on any issue submitted for consideration, including the election of directors, at any annual or special meeting through mail-in balloting. The Board of Directors shall establish such policies and procedure from time to time to assure the integrity, validity, secrecy, timely tabulation and availability of a mail-in balloting process for use by participating members.

ARTICLE VIII. POWERS AND DUTIES OF 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 or remove such 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 revenue bonds, and other negotiable and transferable instruments, and to apply for and expend grant funds obtained from the Federal or State Governments or any agency thereof, mortgages, 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 the water user , 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, the 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, and the person by whom the same shall be signed on behalf of the Chairperson, 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 rates, if necessary, to produce sufficient revenue required by such budget, cause an annual audit of the District records and accounts to be made and made a report on said matters at each annual meeting of participating members.

ARTICLE IX.
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. The manager shall also, so far as is 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 the managers possession; maintain the records and accounts in such a manner that the true and correct condition of the business may be ascertained there from 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 other times and in such forms as the Board may direct; carefully preserve and turn over to the successor all books, records, documents, and correspondence pertaining to the business of the District which may come into the managers possession; and to perform such other duties as may be prescribed by the Board.

ARTICLE X.
DUTIES OF OFFICERS

Section 1. CHAIRPERSON: The Chairperson, who shall be a member of the Board, shall preside over all meetings 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 Certificates and such other papers of the District as may be authorized or directed to sign by the Board, provided the Board may authorize any Board member to sign checks, on behalf of the District. The Chairperson shall perform such other duties as may be prescribed by the Board.

Section 2. VICE-CHAIRPERSON: In the absence or disability of the Chairperson, the Vice-Chairperson, who shall be a member of the Board, shall perform the duties of the Chairperson.

Section 3. SECRETARY: It shall be the duty of the Secretary, who shall be a member of the Board, to keep a record of the proceedings of the meetings of the Board and of the District. The Secretary shall serve, or cause to be served, all notices required to be served by law or the Bylaws of the District; and in case of the Secretary's absence, inability, refusal or neglect to do so, then such notices may be served by any member of the Board directed by the Chairperson.

Section 4. TREASURER: The Treasurer, who shall be a member of the Board, shall account for all funds of the District, authorize deposit in some bank designated by the Board as a depository, and pay the amounts, or cause them to be paid out of the depository only on the checks of the District signed by the Chairperson, or a Board member authorized to sign on behalf of the Chairperson, countersigned by the Treasurer or a Board member authorized to sign on behalf of the Treasurer. At each annual meeting of the District, the Treasurer shall submit for the information of the participating members a complete statement of the accounts for the past year and shall discharge such

other duties pertaining to the office as shall be prescribed by the Board, and shall give a good and sufficient bond in such amount as may be fixed by the Board. In the event of the Treasurer's absence, the acting Chairperson may designate a Board member authorized to sign for the Treasurer.

ARTICLE XI.
BOOKS AND RECORDS

Section 1. The books and records of the District, and such papers as may be filed by vote of the District or Directors, shall during all reasonable business hours, be subject to inspection of any Benefit Unit holder of the District.

ARTICLE XII.
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 on the third Thursday in March.

Section 2. Special meetings of participating members may be called at any time by the Chairperson or upon resolution of the Board, or upon written petition to the Chairperson 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 at said meeting 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 meeting, regularly held, shall affect any proceeding taken at said meeting.

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

Section 5. The order of business at the annual 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 Annual Meeting;
- (d) Report of Officers and Committees;
- (e) Election of Directors;
- (f) Unfinished Business;
- (g) New Business;
- (h) Adjournment.

ARTICLE XIII. BOARD MEETINGS

Section 1. The Board shall meet annually, immediately following the meeting of the participating members, and may meet at such or other times as may be determined by the Board, or upon call by the Chairperson or any two members of the Board. Notice of all meetings of the Board, other than the annual meeting, shall be by electronic mail or regular mailing a notice to last known business or residence address of each Director, at least two days before the holding of such meeting: Provided, however; that when all of the Directors are present at any meeting, however called, or consent in writing that such meeting may be held, the proceedings at said meeting shall be as valid as though the previous written notice aforesaid had been given.

ARTICLE XIV.
MANNER OF ELECTION AND VOTING

Section 1. At all meetings of the District, each participating member, qualified as stated in these Bylaws, shall be entitled to vote upon all propositions coming before said District. No cumulative voting shall be permitted and each participating member of the District shall have but one vote.

ARTICLE XV.
SEAL

Section 1. The District shall have a corporate seal, consisting of a circle having in its circumference and face the words, “**Rural Water District No. 13, Jefferson County, Kansas,**”

ARTICLE XVI.
FISCAL YEAR

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

ARTICLE XVII.
AMENDMENT

Section 1. These Bylaws may be repealed or amended by a vote of 3/4ths of the participating members present at any regular meeting of the District, or at 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 Kansas, 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 regular or special meeting of the participating

members must be given at least ten (10) days before such meeting and must set forth the amendments to be considered.

ARTICLE XVIII.
BASIS OF OPERATION

Section 1. The District shall at all times be operated on a non-profit basis for the mutual benefit of its participating members.

ARTICLE XIX.
BENEFITS AND DUTIES OF MEMBERS

Section 1. The District shall install, maintain and operate a main distribution pipe line or lines from the source of the water supply, and lines from the main distribution pipe line or lines, 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 2. Each participating member shall be entitled to purchase from the District, pursuant to such agreement as may from time to time to 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 users, or in the event there is a shortage of water, the District may prorate 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 of 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 any water for livestock purposes.

ARTICLE XX.
PRINTING

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

Amended February 2000

Amended February 2009

Amended February 2011

Amended March 2013

Amended February 2014

Amended February 2016

Amended February 2017

Amended October 2020

AFFIDAVIT

STATE OF KANSAS)
) ss:
COUNTY OF DOUGLAS)

Junius Underwood, Irvin Youngberg, Curtis Dalton, Everett Nottingham, Levi Daniels, Mrs. Ruby Wiggins, and Raybert Thornton, being first duly sworn, depose and state, each for himself, that he is a Director of Rural Water District No. 13, Jefferson County, Kansas, that the foregoing Bylaws were adopted at a meeting of the landowners of said District, duly held on the 4th day of January, 1974, at 4:00 o'clock p.m. That there were eight (8) landowners present, in person, and that the vote for the adoption of the Bylaws was unanimous.

The following signed the original affidavit:

- | | |
|------------------|--------------------|
| Raybert Thornton | Levi W. Daniels |
| Junius Underwood | Everett Nottingham |
| Curtis W. Dalton | Irvin Youngberg |
| Ruby Wiggins | |

Subscribed and sworn to before me this 4th day of January, 1974.

Stamped and signed by Notary Public

Seal

My Commission expires: June 21, 1974

[Revised – February 20, 1986]

Gordon Brest, Dawn Hein, Greg Hazen, George Pogge, Larry Means, Andrew Breuer, and John Hachmeister, Directors of Rural Water District No. 13, Jefferson County, Kansas, affirm that the foregoing amended Bylaws were adopted at a meeting of the Benefit Unit owners of said District, duly held on the 15th day of October, 2020, at 7:00 o'clock p.m. That there were 8 Benefit Unit owners present, in person, and that the vote in favor of the adoption of the Bylaws was 8 to 0.