

RURAL WATER, SEWER, GAS AND SOLID WASTE MANAGEMENT DISTRICT NO. 8
MCINTOSH COUNTY, OKLAHOMA

BY LAWS

Article 1

Name and Place of Business

Section 1. The name of this corporation shall be Rural Water, Sewer, Gas and Solid Waste Management District No. 8, McIntosh County, Oklahoma.

Section 2. The principal office of this District shall be located in McIntosh County, Oklahoma.

Article 2

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 3

Purposes and Objectives

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

(a) To acquire water and water rights and gas and gas rights and to build and acquire pipelines and other facilities, to build, operate and maintain a sewage disposal system and to acquire, operate and maintain a solid waste management system and to operate the same for the purpose of furnishing water, gas and sewerage collection and treatment and solid waste management to serve the needs of owners and occupants of land located within the district, and others as authorized by the bylaws.

(b) To borrow money from any Federal or 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.

(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 proper conduct and operation of the business of the District.

(d) To establish rates and impose charges for water, sewer, gas and solid waste management services furnished to participating members and others.

(e) To enter into contracts for the purpose of accomplish-

ing the purposes of the District with any person, firm, corporation, partnership, association or governmental agency.

(f) To cooperate with any person, firm, corporation, partnership, association or with any governmental agency in any undertaking designed to further the purpose 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

Users

Section 1. Water, Sewer, Gas and Solid Waste Management service shall be supplied only to rural residents of land located within the District. Provided, however, that the Board may take 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 user of the facility unless he has first subscribed and paid for one or more Benefit Units. Tenants occupying land located within the District may become users of the facility: 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 or premises occupied by the tenant.

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 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 has 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 a

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 in incorporated towns who desire to continue to be users shall be credited toward the price of a Benefit Unit. Each Benefit Unit shall carry with it the obligation of paying a minimum monthly meter charge and/or waste disposal 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. 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 and/or gas and/or sewer and /or solid waste management services pursuant thereto would impair the service to other users in that locality or be uneconomical, unfeasible, and place an undue burden on the district. Any landowner who feels himself 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 three-fourths of all participating members (or landowners at meetings where the 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 of said tract where he intends to utilize said Benefit Units and no major change in location shall made without the approval of the Board. Benefit Unit Certificates shall be issued by the Board, signed by the Chairman and Secretary, 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 in no event and under no circumstances be refunded to the subscriber.

Section 4. Benefit Units 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 within 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 not to exceed one line from the District's water system and/or one line from the District's sewage system and/or one line from the District's gas system and or solid waste management service for one residence or business. Each line and waste disposal service shall serve not to exceed one residence or business establishment together with the necessary and usual outbuildings.

Section 6. Failure to pay the minimum monthly meter charge and/or sewer, gas and solid waste management charge, or failure to pay for water used through a meter shall constitute a forfeiture of the Benefit Unit on behalf of which such failure occurs: Provided, that such Benefit Unit shall be reinstated if within three months after such failure all back charges are paid in full, plus 10 percent interest and reasonable labor charges necessary to effect such reconnections. Provided, further, that the Board may permit such reinstatement within six months after such failure upon payment of all back charges, plus 10 percent interest, and reasonable labor charges necessary to effect such reconnection: Provided, further, that if the defaulting subscriber is a tenant, the time set out above shall not commence to run until the Secretary of the District has mailed or caused to be mailed, by registered or certified mail notice of such default of the tenant to the landowner at his last known address as shown on the books of the District.

Article 7

Election of Directors

Section 1. The Board of this District shall consist of 5 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. When a city or town is part of a Rural Water, Sewer, Gas and Solid Waste Management District, the Board of Directors must be composed of residents of said city or town in direct proportion to the number of users in said city or town; Provided further that when a Rural Water, Sewer, Gas and Solid Waste Management District is totally within the municipal city limits of a city or town, the Board of Directors of the District shall be the Governing Body of the town. Amended 1986.

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 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 three-fourths 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 3 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. When the Board of Directors is the governing body of the the city or town, they may not be removed except by due process of city government.

Section 6. Any Director who misses three consecutive meetings or a total of four meetings in a fiscal year will automatically forfeit the position of Director. The vacancy will be filled as provided for in the Bylaws. (Section 6 added to Bylaws 1991)

Article 8

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 other negotiable and transferrable instruments, mortgages, deeds of 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, sewer, gas or solid waste management user for services rendered by the District to him, 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, and 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 depositaries 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 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 upcoming year, adjust rates, if necessary to produce sufficient revenue required by such budget, cause an annual audit of the District records and accounts to be made by a licensed municipal public accountant or a qualified independent 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 District 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 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 possession; maintain his 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 other times and in such forms as the Board may direct; carefully preserve and turn over to his successor all books, records, documents, and correspondence pertaining to the business of the District which may come into his posses-

sion; 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 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 he 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, provided that all checks must be countersigned by the Treasurer. 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 keep a record of the proceedings of the meetings of the Board and of the District. He 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 his absence, inability, refusal or neglect to do so, then such notices may 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 receive and account for all funds of the District, shall deposit the same in some bank designated by the Board of the depository, and pay the amounts, or cause them to be paid out of the depository only in the checks of the Chairman, or someone authorized to sign on the Chairman's behalf, countersigned by the Treasurer. At each annual meeting of the District, he shall submit for the information of the participating members a complete statement of his account for the past year and he shall discharge such other duties pertaining to his 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.

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 between January 1 and March 1 of each year. Amended 1987.

Section 2. Special meetings 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 percent 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 meeting, regularly held, shall effect 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 transacting 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

Section 1. The Board shall meet each year to adopt a budget for the following year, and will also meet annually to elect officers immediately following the time for election of any new Director. The Board shall meet at such and other 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 shall be by mailing a notice to the last known business or residence address of each Director, at least two (2) 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 thereat shall be as valid as though the previous written notice aforesaid has been given.

Article 14

Manner of Election and Votings

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 15

Seal

Section 1. The District shall have a corporate seal, consisting of a circle having in its circumference and face the words, "Rural Water, Sewer, Gas and Solid Waste Management District No. 8, McIntosh 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 three-fourths of the participating members present at any regular 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 affect 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 (10) days before such meeting and must set forth the amendments to be considered.

Article 18

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 19

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 water supply and/or gas 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. The District shall also install, maintain, and operate a sewage disposal system with lines running from points designated by the Board of Directors as sewer delivery points for each participating member, to main sewage disposal lines and then to a sewage disposal facility. The district shall operate a solid waste disposal system including containers at designated pick up points and the sanitary landfill or other disposal facility.

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, sewer, gas or solid waste management services for domestic and other such 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 and/or gas delivered to each participating member shall be metered.

Section 3. In the event the total water supply and/or gas 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 and/or gas, the District may prorate the water and/or gas 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 and must satisfy all needs of all the participating members for domestic and livestock purposes before supplying water for gardens and other purposes.

Article 20

Printing

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

A F F I D A V I I

STATE OF OKLAHOMA)
) ss.
COUNTY OF MCINTOSH)

Jim Dunford, Max Kincaid, Bernice Savers, Audie Urquhart, and Larry Lockett, being first duly sworn, depose and state each for himself, that he is a Director of Rural Water, Sewer, Gas and Solid Waste Management District No. 8, McIntosh County, Oklahoma, and that the foregoing bylaws were adopted at a meeting of land owners of said District, duly held on the 27th day of February, 1978. That there were 125 landowners present in person and that the vote for the adoption of the bylaws was unanimous.

Jim Dunford
Jim Dunford

Max E. Kincaid
Max Kincaid

Bernice Savers
Bernice Savers

Audie Urquhart
Audie Urquhart

Larry Lockett
Larry Lockett

Subscribed and sworn to before me this 23rd day of March, 1978.

Norothy Lloyd
Notary Public

My Commission Expires:
May 28, 1980

AMENDMENT TO BYLAWS
RURAL WATER, SEWER, GAS AND SOLID WASTE MANAGEMENT
DISTRICT NO. 8 MCINTOSH COUNTY, OKLAHOMA

By resolution duly adopted by the Board of Directors of Rural Water, Sewer, Gas and Solid Waste Management District No. 8 McIntosh County, Oklahoma the Rules and Regulations of said Water District shall be and same hereby amended as follows:

Article 7

Election of Directors

Section 1. The Board of this District shall consist of five 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. Provided, however, that after January 1, 1986, no participating member, not having served for a period of at least one year on the Board, shall be qualified to serve on the Board of Directors unless he or she signs a written pledge that if elected he or she will attend six (6) hours of work shop training as provided for in 82 O.S. 1324.16. When a city or town is part of a Rural Water, Sewer, and Solid Waste Management District, the Board of Directors must be composed of residents of said city or town in direct proportion to the number of users in said city or town; Provided futher that when a Rural Water, Sewer, and Solid Waste Management District is totally within the municipal city limits of a city or town, the Board of Directors of the District shall be the Governing Body of the town. (Article 7 Section 1 amended 1986)

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 at a date so set each year by the Board of Directors. (Article 12 Section 1 amended 1987)

Article 7

Election of Directors

Section 6. Any Director who misses three consecutive meetings or a total of four meetings in a fiscal year will automatically forfeit the position of Director. The vacancy will be filled as provided for in the Bylaws. (Section 6 added to Bylaws 1991)

RURAL WATER DISTRICT NO.8
RT. 4 BOX 991
EUFAULA, OK 74432
918-689-2117

AMENDMENTS TO BYLAWS

ARTICLE 9 SECTION 1 PAGE 6

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 DISTRICT UNDER THE GENERAL CONTROL, SUPERVISION, AND DIRECTION OF THE BOARD. THE MANAGER SHALL BE BONDED. 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. HE/SHE WILL DEPOSIT IN THE BANK SELECTED BY THE BOARD ALL MONIES 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 OTHER 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 COME INTO HIS/HER POSSESSION; AND TO PERFORM SUCH OTHER DUTIES AS MAYBE PRESCRIBED BY THE BOARD.

ARTICLE 11: SECTION 1: PAGE 7

BOOKS AND RECORDS:

THE BOOKS AND RECORDS OF THE DISTRICT AND SUCH PAPERS AS MAYBE PLACED ON FILE BY VOTE OF THE DISTRICT OR DIRECTORS, SHALL DURING ALL REASONABLE BUSINESS HOURS, BE SUBJECT TO INSPECTION OF ANY LANDOWNERS OR PARTICIPATING MEMBER OF THE DISTRICT. A FEE FOR SEARCHING RECORDS WILL BE IMPOSED.

ARTICLE 12: SECTION 3: PAGE 8

ANNUAL MEETING OF PARTICIPATING MEMBERS:

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 (20) DAYS PRIOR TO THE MEETING. SUCH NOTICE SHALL STATE THE NATURE, TIME, PLACE, AND PURPOSE TO THE MEETING, BUT NO FAILURE OR IRREGULARITY OF A NOTICE OF ANY ANNUAL MEETING, REGULARLY HELD, SHALL EFFECT ANY PROCESSING TAKEN THEREAT.

ARTICLE 13: SECTION 1: PAGE 8

BOARD MEETINGS:

THE BOARD SHALL MEET EACH YEAR TO ADOPT A BUDGET FOR THE FOLLOWING YEAR, AND WILL ALSO MEET ANNUALLY TO ELECT OFFICERS IMMEDIATELY FOLLOWING THE TIME FOR ELECTION OF ANY NEW DIRECTOR; AND WILL AT THAT TIME CONSIDER AND EVALUATE ANNUAL EMPLOYEES PAY RAISES. THE BOARD SHALL MEET AT SUCH AND OTHER TIMES AS MAYBE DETERMINED BY THE BOARD, OR UPON CALL BY THE CHAIRMAN OR ANY TWO MEMBERS OF THE BOARD. NOTICE OF ALL MEETINGS OF THE BOARD SHALL BE BY MAILING A NOTICE TO THE LAST KNOWN BUSINESS OR RESIDENCE ADDRESS OF EACH DIRECTOR, AT LEAST TWO (2) DAYS BEFORE HOLDING OF SUCH A MEETING; PROVIDED HOWEVER, THAT WHEN ALL OF THE DIRECTORS ARE PRESENT AT ANY MEETING, HOWEVER CALLED, OR CONSENT IN WRITING THAT SUCH MEETINGS MAYBE HELD, THE PROCEEDING THEREAT SHALL BE AS VALID AS THOUGH THE PREVIOUS WRITTEN NOTICE AFORE SAID HAS BEEN GIVEN.

ARTICLE 17: SECTION 1: PAGE 9

AMENDMENT:

THESE BYLAWS MAY BE REPEALED OR AMENDED BY A VOTE OF THREE-FOURTHS OF THE PARTICIPATING MEMBERS PRESENT AT ANY REGULAR 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 PURPOSE 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 AFFECT A FUNDAMENTAL CHANGE IN THE POLICES 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 (20) DAYS BEFORE SUCH MEETING AND MUST SET FORTH THE AMENDMENTS TO BE CONSIDERED.

Rural Water District #8
Rt 4 Box 7040
Eufaula, OK 74432

Amendment to By-Laws
9/7/06

Article 7

Election of Directors

Section 1. The Board of this District shall consist of five 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. ~~Prior to each annual meeting, each member will be notified of the opportunity to nominate a member for the Director position(s) expiring at the annual meeting. Each member will be notified at least 30 days before the Annual Meeting with a nominating form to be returned to the headquarters of RWD#8 Corporate office with the members name to be nominated and with the members signature to show his or her willingness to serve and meet the requirements to become a Board Member. This form must be submitted at least 10 calendar days prior to the Annual Meeting. This will conclude the nominating process and no nominations will be taken from the floor of the Annual Meeting.~~ 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. Provided, however, that after January 1, 1986, no participating member, not having served for a period of at least one year on the Board, shall be qualified to serve on the Board of Directors unless he or she signs a written pledge that if elected he or she will attend six (6) hours of work shop training of provided for in 82 O.S.1324.16. when a city or town is part of a Rural Water, Sewer, and Solid Waste Management District, the Board of Directors must be composed of residents of said city or town in direct proportion to the number of users in said city or town; Provided further that when a Rural Water, Sewer, and Solid Waste Management District is totally within the municipal city limits of a city or town, the Board of Directors of the District shall be the Governing Body of the town. (Article 7 Section 1 amended 1986)