

TURLEY WATER IMPROVEMENT DISTRICT NO. 3

6108 North Peoria

Turley (Tulsa), Oklahoma 74126

918-425-1745

AMENDMENT TO BY-LAWS DATED APRIL 28, 2006

ARTICLE 1

Name and Place of Business

Turley Water Improvement District No. 3, 6108 North Peoria, Turley (Tulsa), Oklahoma 74126

ARTICLE 2

Company Powers

Hereinafter shall be referred to as "Improvement District Powers or District." The Improvement District Powers of this District shall be vested in the Board, herein after referred to as the "Board" comprised of Board Members and a Manager.

ARTICLE 3

Purposes and Objectives

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

(a) To acquire water, water rights, to build and maintain pipelines, acquire pipelines 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 as authorized by these By-Laws.

(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 right-of-ways.

(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 right-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 purpose 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 and perform any and all acts necessary or desirable for the accomplishment of the purpose 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 the 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 has first subscribed and paid for one or more Benefit Units (AKA Water Tap). 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 or premises occupied by the tenant. Without a contract signed by the owner of Benefit Units, units could be removed, and the current price for reinstalling a unit would be charged. The District is not required to do business with third parties. Therefore, tenants or third parties occupying the land may not be provided with water service unless the property owner has co-signed a contract. This makes the property owner responsible for the bill if the tenant or third-party defaults on payment of a bill. A non-payment of water bill may result in cut-off or removal of the water meter until such bill is paid in full. Current fees will be charged for re-establishing the service.

ARTICLE 5

Benefit Units

Section 1. The Board shall at the proper time make 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. Subscriptions for Benefit Units shall be given preference and priority in the order in which they are 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 himself aggrieved by such denial, or imposition of special conditions, may appeal the action to 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 he intends to utilize said Benefit Units and no major change in location shall be made without the approval of the Board. Benefit Units shall follow the title of the land unless the owner of the land designates. No transfer of ownership of Benefit Units shall be permitted without the approval of the board. No transfers will be approved unless all charges against the Benefit Units are paid. All transfers when approved shall be recorded in the books of the District.

Section 3. Each Benefit Unit shall entitle the owner to not exceed one line from the Districts water system. Each line shall not exceed one resident or business establishment, together with the necessary and usual out-buildings.

Section 4. Failure to pay minimum monthly meter 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 (3) months after such failure all back charges are paid in full, plus 10% interest and reasonable labor charges necessary to effect such reconnections. Provided, further that the Board may permit such re-instatement within six months after such failure upon payment of all back charges, plus ten percent (10%) interest, and reasonable labor charges, necessary to effect such reconnection: Provided, further, that if the defaulting

water subscriber is a tenant, the time set out above shall not commence to run until the Manager 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.

Section 5. Violation shall constitute an immediate forfeiture of the Benefit Unit: Provided, that a new Benefit Unit may be obtained upon payment of all damages incurred, plus the Benefit Unit fee. Any participating member whose Benefit Unit is forfeited as provided herein shall have the right to appeal such action to the Board within ten (10) days. The decision of the Board upon appeal in all cases shall be final.

ARTICLE 6

Election of Board Members

Section 1. The Board of the District shall consist of three (3) members, all of whom shall be participating members of the District. The Board shall consist of owners of land located in the District.

Section 2. They shall serve until the expiration of a three (3) year term from which they were elected and until their successors have been qualified and elected. Additionally, at the discretion of the remaining Board Members, an expiring Board member may be re-elected to the Board for an additional three (3) year term(s).

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 Board Member as a participating member of the District or failure of any Board Member to become a participating member within thirty (30) days after subscription to Benefit Units are made available through action of the Board, shall operate to disqualify him as a Board Member and to create a vacancy in the office of the Board.

Section 4. Any Board Member of the District may be removed from office for cause by a vote of a simple majority of the participating members of the District at any annual or special meeting called for that purpose. The Board Member 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 two (2) of the members of the Board, and employees and agents discharged or removed from office or employment at any time by action of the majority of the Board.

Section 5. All Board Members shall attend a minimum of six (6) hours of workshop training provided, at the next available class following election to the Board, through the Oklahoma Rural Water Association (ORWA), per Oklahoma Statute 82 O.S. 1991, Section 1324.16 as amended by Section 3, Chapter 175 O.S.L. 1994 (82 O.S. Supp. 1996, Section 1324.16). Failure to attend the training is cause for removal from the Board by the remaining Board Members.

Section 6. A majority of the Board shall constitute a quorum at any meeting of the Board.

ARTICLE 7

Powers and Duties of Board Members

Section 1. The Board, subject to the restrictions of law, and these By-Laws, 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 By-Laws, fix their compensation, provide insurance(s), retirement packages, and pay for faithful service.
- (b) To maintain a level of CONFIDENTIALITY regarding employee files and District information.
 - a. Personnel records are to remain **CONFIDENTIAL**. 1. Including but not limited to: Internal personnel investigations including examination and selection material for employment, hiring, appointment, promotion, demotion, discipline, or resignation; or 2. Where disclosure would constitute a clearly unwarranted invasion of personal privacy such as employee evaluations, payroll deductions, employment applications, transcripts from institutions of higher education maintained in the personnel files; or 3. Any final disciplinary action resulting in loss of pay, suspension, demotion of position, or termination; 5. Employees home address, telephone numbers, social security numbers and W2 information shall remain **COMPLETELY CONFIDENTIAL** and will not be made available outside of Turley Water Improvement District 3. Any visual inspection shall have all **COMPLETELY CONFIDENTIAL** information **BLACKED OUT**; 6. Employees shall have the right to access their own personnel file.

- b. Certain information discussed during monthly/annual meetings, unless otherwise stated, shall be considered **CONFIDENTIAL** and not to be discussed outside of a meeting of the Board. This includes **anything** that pertains to employee information, banking and savings account information, grant monies and specifics regarding application process, and anything that would be detrimental or disrupt day-to-day operations, employees, or Board members of the District.
- c. Discussion of **CONFIDENTIAL** information outside the Turley Water Improvement District 3 office or a Board meeting is grounds for immediate removal from the Board.

(c) To borrow from any 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.

(d) 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.

(e) To fix charges to be paid by each water user for services rendered by the District to him, the time of payment, and the manner of collection, and to establish equal rates for all members according to the amount of services furnished.

(f) 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.

(g) 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 Board, with the power to change such bank or person signing the checks and the form thereof at will.

(h) Prepare annually an estimated budget for the coming year, adjust water rates, if necessary to produce a 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 certified public accountant, and make a report on said matters at each annual meeting of participating members.

ARTICLE 8

Powers and Duties of Manager

Section 1. The Board shall employ for the District an Office Manager, who shall have charge of the business of the Improvement District under the general control, supervision, and direction of the Board. No Board Member shall serve as Manager. 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 all books, records, documents and correspondence pertaining to the business of the District which may come into his possession for the purpose of an annual audit; and to perform such other duties as may be prescribed by the Board. The Office Manager shall be responsible for preparing the agenda and recording of the minutes of all meetings and be provided to the Board in a timely manner following said meetings.

ARTICLE 9

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 Board, shall, during all reasonable business hours, be subject to inspection of any landowner or participating member of the District.

ARTICLE 10

Board Meetings

Section 1. The Board shall meet the last working Thursday of each month.

ARTICLE 11

Amendment

Section 1. These By-Laws may be repealed or amended by a vote of 2/3rds of the participating Board 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 By-Laws as to affect a fundamental change in the policies of the District.

Amendment of By-Laws

Adopted _____, 2024

Signature

Date

Signature

Date

Signature

Date

Signature

Date