

BY-LAWS OF
LOUISIANA RURAL WATER ASSOCIATION, INCORPORATED

BY-LAW I: General Purposes

The purpose for which the corporation is formed and the powers which it may exercise are set forth in the Articles of Incorporation of the corporation.

BY-LAW II: Name and Location

Section 1. The name of this corporation is Louisiana Rural Water Association, Incorporated. Hereafter referred to as "The Corporation".

Section 2. The registered office of this corporation shall be determined by the Board of Directors.

BY-LAW III: Seal

The seal of the corporation shall have inscribed thereon the name of the corporation, the year of its organization, and the words "Non-Stock Corporation."

BY-LAW IV: Fiscal Year

The fiscal year of the corporation shall begin the first day of July each year.

BY-LAW V: Membership

Section 1. Eligibility for Membership: Membership in the corporation shall be limited to the following classes of members:

A. Original incorporators who shall serve as members and directors until their successors are elected.

B. Rural water districts, non-profit corporations, public authorities, or rural towns with populations of less than 10,000, or as determined by USDA Guidelines, which are engaged in the operation of water and/or waste water facilities.

C. Any, firm, corporation, or organization adhering to the purpose of the corporation and desiring to assist in the work of the corporation may become an associate non-voting member. *[Revised July 18, 2016]*

D. Any individual adhering to the purpose of the corporation and desiring to assist in the work of the corporation may become an individual nonvoting member. You must be an employee of a current LRWA member water/wastewater system or Associate Member.

Section 2. Application for Membership: Each applicant shall furnish the corporation with its name, mailing address, and occupation with a written request to the corporation for membership in the corporation. The initial membership fee and first year's annual dues shall accompany the written request.

Section 3. Delegates: Each member in Section 1.B of By-Law V shall select a delegate and an alternate delegate to represent each member at any membership meeting of the corporation. Each member of the corporation shall have one delegate and one vote at any membership meeting of the corporation.

Section 4. Membership Fees: Membership fees for voting and non-voting members shall be such amounts as are, from time to time, set by the Board of Directors. *[Revised 7-14-03]*

Section 5. Termination of Membership: The failure to pay all fees and other charges within 90 days after they are due shall constitute a termination of that membership, provided the corporation notifies the member of the amount of the delinquency and the date of the pending termination. Such notice shall be mailed at least 30 days prior to the expiration of the 90-day period. Upon payment the membership may be reinstated. *[Revised July 18, 2016]*

Section 6. Liability of Members: The property of the members of the corporation shall be exempt from execution for the debts and liabilities of the corporation.

Section 7. Residency of Members: Members who serve customers in more than one LRWA district shall be deemed to be located within the LRWA district ***that encompasses their primary domicile.*** *[Revised July 19, 2010]*

BY-LAW VI: Meeting of Members

Section 1. Annual Meeting: The annual membership meeting of the corporation shall be held to coincide with the date of the corporation's annual convention at the time and place as designated by the Board of Directors in the formal notice of the meeting:

- A. Call to Order: Report by Secretary of members present and determination of a quorum.
- B. Reading of Notice of Meeting.
- C. Reading and approval of minutes of last membership meeting.
- D. Presentation of financial report of the corporation.
- E. Reports of Directors and committees.
- F. Election of Directors.
- G. Unfinished and new business.

Section 2. Special Meetings: Special membership meetings may be called at any time by the action of a majority of the Board of Directors, and such special membership meetings must be called whenever a petition requesting such membership meeting is signed by at least 10% of the voting membership and presented to the Secretary of the Board of Directors. The purpose of the special membership meeting shall be stated in the notice, and no business except that shown in the notice shall be transacted at the special membership meeting.

Section 3. Notice of Meeting: A written notice stating the date, time, place, purpose, and agenda of the meeting shall be mailed or electronically sent to each member at his/her address as shown on the books and records of the corporation at least 10 days and not more than 50 days prior to the date of any annual or special membership meeting. *[Revised July 18, 2016]*

Section 4. Quorum: Except as provided in Section 2 of By-Law VII, at any membership meeting, the delegates present in person and/or by proxy shall constitute a quorum for the transaction of any business which may properly come before the membership meeting. Prior to the membership meeting, all delegates will file with the Secretary of the Board of Directors an instrument, signed by the President, Vice-President, Secretary, Mayor, Town/City Clerk, or Chairperson of the member authorizing the delegate to cast that member's vote.

Section 5. Voting: Except as provided in Sections 2 and 9 of By-Law VII, all matters presented at the annual or a special membership meeting shall be decided by a majority vote of the delegates present in person and/or by proxy.

Section 6. Proxy: A member shall have the right to cast his/her/its vote in person or by proxy duly authorized in writing and signed by the President, Vice-President, Secretary, Mayor, Town/City Clerk, or Chairperson of the member authorizing such proxy and filed with the Secretary of the Board of Directors before the membership meeting.

- A. A member shall have the right to cast its vote in person or by proxy. *[Revised July 19, 2010]*
- B. A designation of a proxy shall be on a written form approved and promulgated by the secretary of the corporation. The proxy form shall be signed by a duly authorized officer or public official of the member system. *[Revised July 19, 2010]*
- C. All proxy forms shall be filed with the secretary of the corporation. Upon receipt of the proxy form, the secretary of the corporation, or his designee shall note thereon the date of receipt. *[Revised July 18, 2016]*
- D. All proxy forms received by the secretary of the corporation shall be presumed to be valid; provided, however, the secretary, or his designee, at his discretion, may inquire into the validity of any proxy form. *[Revised July 18, 2016]*

Unless otherwise noted, revised December 12, 1996

BY-LAW VII: Board of Directors and Executive Committee

Section 1. Number and General Powers: [Revised July 19, 2010]

- A. The affairs of the corporation shall be managed by a Board of Directors.
- B. The Board of Directors shall be composed of sixteen (16) members who shall be called directors. Directors shall, in addition to managing the corporation, represent the members of the district from which they are elected.

Section 2. Composition of Board and Eligibility: [Revised July 19, 2010]

- A. The Board of Directors shall be composed of directors elected from eight LRWA districts within the state of Louisiana.
- B. Said eight LRWA districts shall coincide with the State Planning and Development Districts designated in La. Rev. Stat. 33:140.62 as of April 5, 2002. Subsequent changes to this or other statutes concerning the boundaries or numbers of State Planning and Development Districts shall not effect the boundaries or numbers of LRWA districts.
- C. Each LRWA district shall elect two (2) directors to the Board of Directors in accordance with the provisions of §4 of this by-law.

Section 3. Qualifying to Run for Office:

- A. **Qualifying to run for office as a Director, a person must follow these Guidelines set forth:**
 - 1. **Fill out a Pre-Qualification Application.**
 - 2. **Applications can be obtained online.**
 - 3. **Applications will be accepted between April 1st thru April 30th of the current year.**
 - 4. **Application must be received by the April 30th deadline.**
 - 5. **Application must be verified by the Secretary to determine if applicant is qualified to run for Director.**

Section 4. Qualification to Serve [Revised July 19, 2010]

- A. To Qualify to serve as a Director, a person must meet the following qualifications:
 - 1. Be a natural person;
 - 2. Be either:

- a) A person **Certified by LDH** in the production, distribution, treatment or collection of water or wastewater and employed by a member system holding membership under By-law V, Section 1-B within the district he or she represents; or
 - b) A person **Certified by LDH** shall hold current and valid certification(s) of the required category (s) at or above the level required for the total system and individual facility and designated by a member system holding membership under By-law V, Section 1-B within the district he or she represents; or *[Revised July 18, 2016]*
 - c) A member of the board of directors or the governing authority of a member system holding membership under By-law V, Section 1-B within the district he represents.
For purposes of this subsection, a chairman, president or mayor of a governing authority shall be deemed a member of the governing authority; and
3. Not be a current employee of the corporation, nor a former employee of the corporation who was terminated by the corporation for any reason whatsoever; *nor a former employee that has been employed with the corporation for the previous 2 years.*
4. ~~Not be a person convicted of a felony offense involving the theft or misappropriation of funds or property of another.~~
- B. Once elected, a director must continue to meet the qualifications of a director contained in these by-laws, otherwise, he or she shall be removed from office.

Section 5. Nomination and Election of Directors *[Revised July 19, 2010]*

- A. A candidate for director of the board must be nominated by a member system residing within the LRWA district for which the candidate seeks election.
- B. Nominations of **pre-qualified** candidates for director(s) shall be made in person at the annual membership meeting by a delegate representing a member system personally or by proxy.
- C. No nomination of candidate for director shall require a second.
- D. At the close of nominations, each nominee shall state whether he or she accepts the nomination and shall state his or her qualifications to serve under section 3(A) of by-law VII. In addition, each nominee may, at the presiding officer's discretion, make a brief, personal statement to the delegates.

- E. The secretary of the corporation shall certify to the membership the qualifications of all nominees. The secretary of the corporation may require a nominee to provide proof of his qualifications in the form of written or oral evidence or attestations.
- F. After the certification of qualifications of nominees has been completed, an election between all qualified nominees for each district shall proceed at the annual membership meeting as follows:
 - 1. Only delegates representing member systems residing within the district for which a director is to be elected shall be entitled to vote in the election between nominees.
 - 2. Delegates shall vote by secret ballot, indicating thereon his or her name, the name of his or her own member system and his or her vote.
 - 3. If the delegate is represented by proxies for other member systems residing within the district for which a director is to be elected, the delegate may cast additional votes on the ballot for one or more nominees up to the number of proxies he or she holds. *[Revised July 7, 2014]*
 - 4. Voting shall continue until one nominee receives the majority of the votes cast by delegates. *[Revised July 18, 2016]*
- G. If only one qualified candidate is nominated for director, no election shall be required and the presiding officer shall acclaim the qualified nominee elected.

Section 6. Meetings:

- A. Regular Meetings: The Board of Directors shall meet annually immediately following the annual membership meeting for the purpose of reorganizing the Board and for such other business as is required. There shall be at least one other regular meeting of the Board of Directors upon written notice by the President.
- B. Special Meetings: The Board of Directors shall meet upon call by the President, any three members of the Executive Committee, or any five members of the Board of Directors.
- C. Notice of Meeting: A written notice stating the time, date, place, purpose, and agenda of the meeting shall be mailed or electronically sent to each Director at his/her address or email address shown on the books and records of this corporation at least seven days prior to the date of any regular or special meeting. *[Revised July 18, 2016]*
- D. Telephone conferences: The members of the Board of Directors may participate in and hold a meeting by means of conference telephone or similar communication equipment provided that all persons participating in

the meeting can communicate with each other. Participation in such a meeting shall constitute attendance at the meeting. *[Revised July 7, 2014]*

Section 7. Executive Committee: The Executive Committee shall consist of the President, Vice-President, Secretary, and two members of the Board of Directors elected by the Board of Directors.

Section 8. Powers of the Executive Committee: The Executive Committee shall act for and on behalf of the Board of Directors during the intervals between the Board of Directors meetings, subject to established policies of the Board of Directors. All actions of the Executive Committee shall be presented for ratification by the Board of Directors at the next Board of Directors meeting following such action by the Executive Committee.

Section 9.

A. Meetings of the Executive Committee: All members of the Executive Committee shall convene and meet upon call by the President or any three members of the Executive Committee.

B. Notice of Executive Committee Meetings: A written notice stating the time, date, place, purpose, and agenda of the meeting shall be mailed or emailed to each Executive Committee member at his/her address or email address shown on the books and records of this corporation at least seven days prior to the date of any meeting. *[Revised July 18, 2016]*

Section 10. Quorum: A majority of the Board of Directors or members of the Executive Committee shall constitute a quorum for the transaction of business at any of their meetings.

Section 11. Compensation: No Director or Executive Committee member of the corporation shall be entitled to any compensation for or in consideration of the execution of his/her duties as a Director or Executive Committee member provided, however, that the actual reasonable expenses of Directors or Executive Committee members incurred in the business of the corporation may, with the approval of the Board of Directors, be paid and/or reimbursed to them.

Section 12. *[Revised July 18, 2016]*

A. Removals: Directors or Executive Committee members may be removed from the Board of Directors or Executive Committee in the following manner:

1. Any member may file charges against a Director, or Executive Committee member by filing them in writing with the Secretary of the corporation. The charges must be accompanied by a petition signed by at least 10% of the members of the corporation. Such charges shall be voted on at a special meeting of the Board of Directors called for that purpose. The Director or Executive Committee member shall be informed, in writing, of the charges and shall have the opportunity to be heard in person and to present witnesses, and the person presenting such charges against him/her shall have the same opportunity. A vote of 2/3's of those present at such Board of Directors meeting shall be required for removal of a Director or Executive Committee member.

2. Board members may be removed from office upon missing three consecutive Board of Directors meetings without requesting and receiving, prior to missing such meetings, approval from the corporation's President/Executive Director to miss such meetings. At the next Board of Directors meeting following the third consecutive non-approved missed Board of Directors meeting by a Director ("Absent Director") and after the Absent Director has been given an opportunity to be heard by the remaining Board members in attendance at such meeting, the remaining Board Members in attendance at such meeting shall, by a majority of vote, determine whether or not the absent Director should be removed from the corporation's Board of Directors.

B. Vacancies: In the event of a vacancy in the Board of Directors or Executive Committee by reason of removal as provided in Section 12 of By-Law VII, death, resignation, or otherwise, then and in that event: *(Revised July 18, 2016)*

1. The remaining members of the Board shall appoint a successor who shall serve as a Director until the next regular membership meeting of the corporation, at which time the membership shall elect a Director for the unexpired or new term.

2. The Board of Directors shall elect a successor who shall serve as a replacement member of the Executive Committee for the unexpired or new term.

Section 13. Duties of the Board of Directors: The duties of the Board of Directors shall include, without limitation, the following:

- A. To conduct and supervise the affairs of the corporation, including the designation of committees.
- B. To take charge of and be responsible for the property of the corporation, and supervise the keeping of systematic records of the corporation's finances and the proceedings of the corporation.
- C. To initiate, supervise, and approve plans and programs designed to achieve the objectives and purposes of the corporation.
- D. To implement policies, programs, or plans adopted at the annual and/or special membership meetings.
- E. To determine policies of the corporation consistent with the objectives and purposes of the corporation as set forth in the Articles of Incorporation and/or By- Laws of this corporation.
- F. To provide for annual and special membership meetings.
- G. To arrange for the annual audit of the corporation by a certified public accountant.

BY-LAW VIII: Officers

Section 1. Number and Election: At each annual meeting of the Board of Directors they will elect from the Directors a President, Vice-President, and Secretary-Treasurer ~~to serve until the next meeting of the Board of Directors~~. No two officers will be elected from one region. No officer shall serve more than three consecutive terms in the same office. Nothing herein shall prohibit candidates for officer positions from seeking re-election after a vacancy of one term and they shall be elected every July. *[Revised July 7, 2014]*

Section 2. President: The President shall preside over all meetings of the corporation, Board of Directors, and Executive Committee, call meetings of the Executive Committee, perform all acts and duties usually performed by an executive and presiding officer, and sign all membership certificates and all other documents as he/she may be authorized to by the Board of Directors.

Section 3. Vice-President: In the absence of the President or in the event of his/her inability or refusal to act/serve, the Vice-President shall perform the duties of the President; and, when so acting, shall have the powers of and be subject to all the restrictions upon the President and shall perform such other duties as from time to time may be assigned to him/her by the Board of Directors.

Section 4. Secretary-Treasurer: The Secretary-Treasurer shall:

- A. Keep the minutes of the meetings of the members, Board of Directors, and Executive Committee in one or more books provided for that purpose.
- B. Ensure that all notices of meetings are given as required by this corporation's Articles of Incorporation and/or By-Laws.
- C. Be custodian of the corporation records and of the seal of the corporation and determine the seal is affixed to all certificates of membership and to all other documents the execution of which has been duly authorized in accordance with the provisions of this corporation's Articles of Incorporation and/or By-Laws.
- D. Have charge and custody of and be responsible for all funds and securities of the corporation and cause to be maintained a proper record of the receipts and disbursements of the corporation in accordance with good accounting practices.
- E. Cause all funds to be deposited to the credit of the corporation and cause the funds of the corporation to be disbursed when such disbursements shall have been duly authorized.
- F. In general, perform all the duties incident to the office of the Secretary- Treasurer and such other duties as may be assigned him/her by the Board of Directors.

Section 5. Executive Secretary: The Board of Directors may appoint an Executive Secretary who may be, but who shall not be required to be, a member or employee of the corporation. The Executive Secretary will perform such duties as the Board of Directors may require of him/her and have such authority as the Board of Directors may vest in him/her.

Unless otherwise noted, revised December 12, 1996

Section 6. Compensation: The President, Vice-President, and/or Secretary-Treasurer shall not be entitled to any compensation for or in consideration of the execution of his/her duties as President, Vice-President, and/or Secretary-Treasurer, provided, however, that the actual reasonable expenses of the President, Vice-President, and/or Secretary-Treasurer incurred in the business of the corporation may, with the approval of the Board of Directors, be paid and/or reimbursed to them.

Section 7. *[Revised July 18, 2016]*

A. Removals: Officers may be removed from the Board of Directors or Executive Committee in the following manner:

1. Any Director may file charges against an officer by filing them in writing with the Secretary of the corporation or, if the charges are filed against the Secretary, the President of the corporation. The charges must be accompanied by a petition signed by at least 25% of the members of the Board of Directors. Such charges shall be voted on at a special meeting of the Board of Directors called for that purpose. The officer against whom charges are filed shall be informed, in writing, of such charges and shall have the opportunity to be heard in person to present witnesses, and the Director presenting such charges shall have the same opportunity. A vote of 2/3's of those present at such Board of Directors meeting shall be required for removal of an officer.

2. Officers may be removed from office upon missing three consecutive Board of Directors meetings without requesting and receiving, prior to missing such meetings, approval from the corporation's President to miss such meetings. At the next Board of Directors meeting following the third consecutive non-approved missed Board of Directors meeting by an officer ("Absent Officer") and after Absent Officer has been given an opportunity to be heard by the remaining Board Members in attendance at such meeting, the remaining Board Members in attendance at such meeting shall, by a majority of vote, determine whether or not the absent Director should be removed from the corporation's Board of Directors.

B. Vacancies: In the event of a vacancy in an office of the corporation by reason of removal as provided in Section 12 of By-Law VII, death, resignation, or otherwise, then and in that event the remaining members of the Board shall elect a successor who shall replace the absent officer until the next annual meeting of the Board of Directors, at which time the Board of Directors shall elect officers of the corporation as provided in Section 1 of By-Law VIII.

Section 8. Bonding: The Secretary-Treasurer and, when applicable, the Executive Secretary shall be bonded in such sum and with such surety as the Board of Directors shall determine and approve.

Section 9. Reports: The officers of the corporation shall submit, at each annual meeting of the members, reports covering the business of the corporation for the previous fiscal year and showing the condition of the corporation at the close of such fiscal year. The officers shall also submit reports concerning the business of the corporation and showing the condition of the corporation at any other meeting of the membership, Board of Directors, and/or Executive Committee if and when requested to do so by the Board of Directors.

BY-LAW IX: Indemnification and Insurance

Section 1. Indemnification: Relative to any acts and/or actions undertaken for and on behalf of the corporation by any and all past, present, and/or future Directors, officers, employees, or agents of the corporation, the corporation may indemnify them against expenses, judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with any action, suit, or proceeding, whether threatened or actually brought, against a Director, officer, employee, or agent of the corporation as provided by the laws of the State of Louisiana, specifically including, but not limited to, Louisiana Revised Statute 12:227, as amended.

Section 2. Insurance: The corporation is specifically authorized to procure, maintain, and pay for a policy of insurance covering and/or insuring any and all past, present, and/or future Directors, officers, employees, or agents of the corporation against any liability asserted against or incurred by them in any such capacity arising out of their status as such, whether or not the corporation would have the power to indemnify them against such liability as provided by the laws of the State of Louisiana, specifically including, but not limited to, Louisiana Revised Statute 12:277(F).

BY-LAW X: Power to Accept Donations

The Board of Directors shall have the power and authority to accept donations made to the corporation for the furtherance of its purposes; provided, however, that the Board of Directors may reject any donation made upon a condition or restriction if, in the discretion of the Board of Directors, the donation as so contained or restricted will not be in the best interest of the corporation.

BY-LAW XI: Amendments

These By-Laws may be amended by a majority vote of the delegates present at any membership meeting of the corporation, provided that proper written notice of any proposed revisions is mailed/emailed to the membership at least 10 days prior to the membership meeting at which the amendment(s) will be voted on. *[Revised July 18, 2016]*

Unless otherwise noted revised December 12, 1996

CERTIFICATION

We, Donald Nash and P.M. Woods, President and Secretary, respectively, of Louisiana Rural Water Association, Incorporated, do hereby certify that the above and foregoing is a true and correct copy of the By-Laws of the Louisiana Rural Water Association, Incorporated, and that said By-Laws are presently in full force and effect.

Dated this 18th day of July 2016.

Donald Nash, President

P.M. Woods, Secretary

Unless otherwise noted, revised July 7, 2014