

PUBLIC WATER SUPPLY DISTRICT NO. 3 OF COLE COUNTY, MISSOURI

BY-LAWS

ARTICLE ONE

Name and Place of Business

Section 1. The name of this corporation shall be Public Water Supply District No. 3 of Cole County, Missouri.

Section 2. The principal office of this District shall be located at 127 Rt. T, Jefferson City, Cole County, Missouri.

ARTICLE TWO

Corporate Powers

The management of the business and affairs of this District is vested in the Board of Directors, who may exercise all of the powers conferred upon this District to the extent permitted by the laws of the State of Missouri.

ARTICLE THREE

Purposes and Objectives

The purposes and objectives of this District are to provide needed facilities and services in the use of water, ample in quantity and pure and wholesome in quality for household, domestic, garden, livestock and other uses from common sources of supply to inhabitants of the District now denied such privileges and thereby promote the general public welfare, public health and sanitation, and make available conveniences not otherwise possible.

ARTICLE FOUR

Elections

Section 1. All persons residing within the boundaries of the District who are qualified voters within the meaning of Section 2 of Article VIII of the Constitution of Missouri shall be entitled to vote at all elections of this district.

Section 2. All elections of the District shall be by ballot. The polling place or places shall be those fixed by the Board of Directors in its orders calling such elections. Regular elections shall be held annually on the first Tuesday in April, and special elections may be held on any date

fixed by the Board of Directors. No registration of voters shall be required for these elections. Directors shall take office at 12:01 a.m. April 16, of the year of their elections.

Section 3. There shall be four (4) judges of election for each polling place and such judges shall be appointed by the Board of Directors. The manner of conducting elections of the District and the hours of voting shall select two (2) of their number to serve as clerks. Returns of the Elections shall be made to the Board of Directors be the same as provided by law for state and county elections. The judges of elections shall be made to the Board of Directors, shall be canvassed by the Board and the results spread upon the records of the District, Judges and clerks may be paid a reasonable compensation for their services not to exceed eight (\$8.00) dollars per day.

ARTICLE FIVE

Board of Directors Qualifications, Terms and Organization

Section 1. The Board of Directors shall consist of five (5) members, each of whom shall be a resident freeholder in the District and shall have resided in said District one (1) whole year next before his election; shall be at least twenty-five (25) years of age and shall not be delinquent in the payment of taxes at the time of his election. After the expiration of the terms of office of the Board of Directors appointed in the Final Decree of Incorporation of the Circuit Court of Cole County, Missouri, each director shall be elected for a term of three (3) years and until his successor is elected and has qualified. Vacancies in the offices of Board Members shall be filled for the unexpired term by the remaining members of the board; provided, should any vacancy occur more than six (6) months prior to the expiration of the term in which the vacancy occurs, the Board shall call a special election to fill the vacancy. Such directors elected to fill unexpired terms by election, or selected to fill unexpired terms by the Board of Directors shall take office immediately upon the certification of their election by the Directors and shall serve the remainder of the unexpired term for which they were elected. Members of the Board of Directors shall serve without pay. No two (2) directors shall reside in the same sub-district as those sub-districts are described in the Decree of Incorporation.

Section 2. Within four (4) days after appointment or election of the Board it shall meet and organize, selecting one (1) of its number president and one (1) vice-president. It shall also select a clerk and treasurer, neither of whom shall be members of the Board. The president and vice-president shall serve for one (1) year and until their successors are selected and qualified. The clerk and/or Treasurer may be paid such compensation as the Board of Directors may deem just and reasonable, unless their routine duties have been delegated by the consent of the Board of Directors.

ARTICLE SIX

Powers and Duties of Directors

Section 1. The board, subject to restriction of the Laws of the State of Missouri, shall exercise all the powers of the District and without prejudice to or limitations upon the Board's general powers, it is hereby expressly provided that the Board shall have, and is hereby given, full power and authority in respect to the following matters:

- (a) To sue and be sued.
- (b) To purchase, drill wells, construct surface impoundments, or otherwise acquire water and water rights for the uses and purposes of the District.
- (c) To accept by gift any funds or property for the uses and purposes of the District.
- (d) To dispose of property belonging to the District, under the conditions expressed in Sections 247.010 to 247.220, R. S. Mo. 1959.
- (e) To build, acquire by purchase or otherwise, enlarge, improve, extend, operate and maintain a system of waterworks.
- (f) To contract and be contracted with. The Board shall authorize and enter into all contracts in behalf of the District. All such contracts shall conform to law governing contracts of other municipal corporations.
- (g) To condemn private property within or without the District, needed for the uses and purpose set out in Section 247.010 to 247.220, R. S. Mo 1959.
- (h) To lease, acquire, own and hold any and all property, equipment and supplies within or without the District which may be necessary and convenient in the successful operations of a waterworks system. Such property may be real, personal or mixed.
- (i) To contract, indebtedness and issue General or Special Obligation Bonds, or both, of the Districts therefore, and to secure said Bonds to the extent and by the methods permitted by the laws of the State of Missouri.
- (j) To acquire by construction, purchase or otherwise, a system of waterworks, and to build, enlarge, improve, extend and equip such system for the uses and purposes of the District.
- (k) To purchase equipment and supplies needed in the operation of the water system of the District.
- (l) To provide for the collection of rates or charges for water and water service.
- (m) To sell and distribute water to the inhabitants of the district and to consumers outside the District, delivered within or at the boundaries of the District.
- (n) To fix rates or charges for the sale of water and water services rendered by the District. The rates or charges to be so fixed shall, at all times, be reasonable and established with equal rates for both farm and non-farm users, according to the amount of services furnished. In determining the reasonableness of rates or charges, the Board shall take into consideration the sum or sums required to retire outstanding special obligation bonded

indebtedness (revenue bonds) of the District and the interest accruing thereon, the need for extensions of mains, repairs, depreciation, enlargement of plant, adequate service, obsolescence, overhead charges, operating expenses and the need of an operating fund, sinking fund for waterworks revenue bonds, bond reserve fund and replacement and extension fund, out of which the District may protect itself in emergencies, and out of which the incidental expenses of the District may readily be met.

- (o) To prescribe, adopt and amend, from time to time, such equitable and uniform rules and regulations as, at the discretion of the Board, may be deemed essential or convenient for the conduct and management of the business and affairs of the District, and the guidance and control of its agents and employees.
- (p) To cooperate with any person or governmental agency in any undertaking designed to further the purposes of the District.
To select and appoint all agents and employees of the District and remove such agents and employees for just cause. The
- (q) Board may prescribe duties and designate powers for the agents and employees as are not inconsistent with these By-Laws and fix their compensation and pay for faithful services. All persons employed shall serve for an indefinite term and at the will of the Board. Party politics shall not enter into the selection of the employees. The Board shall have the power and duty to contract for such professional service as the demands of the District require in creating and operating a waterworks system, pursuant to the purpose of the District.
- (r) To require all officers, agents, and employees charged with the responsibility for the handling and custody of any funds of the District, to give adequate bond, the amount thereof to be fixed and approved by the Board, but at the expense of the District. It shall be mandatory upon the Board to require such bonds.
- (s) To select one (1) or more banks to act as depositories of the funds of the District, and to determine the manner of achieving, depositing and disbursing the funds of the District in the form of checks. The Board shall have the power to change such bank and form of checks at will.
- (t) It shall be mandatory upon the Board to prepare annually and estimated budget for the coming year, to adjust water rates, if necessary, to produce sufficient revenue required by such budget and to cause an annual audit of the District records, accounts, receipts and expenditures, to be made by an independent public accountant employed for such purposes.
- (u) To exercise all powers and perform any and all acts necessary to, or fairly implied in, or incident to, or desirable for the accomplishment of the purposes of the District which may be lawfully done by the District under the laws of the State of Missouri.

Section 2. The powers and duties enumerated in Section 1, above, shall in no way abrogate or limit any powers or duties established by the Laws of the State of Missouri appertaining to

Public Water Supply Districts; and if any part of Section 1, above, is or shall be held inconsistent with such laws, such part, and that part only, shall be void and of no effect; and shall be held inconsistent with such laws, such part, and that part only, shall be void and of no effect; and shall be severable from Section 1, above. The Board of Directors shall have all powers conferred upon it by any applicable law, any provision in Section 1, above, or this section notwithstanding.

ARTICLE SEVEN

Duties of Officers

Section 1. President. It shall be the duty of the President to preside at all board meetings, to call special meetings of the Board from time to time, as occasion requires, or to act as official head of the District, to countersign all warrants for payment of money out of the treasury of the District, to execute all contracts required to be executed by the District and the Board, and to perform all acts and duties usually performed by an executed and presiding officer.

Section 2. Vice-President. In the absence or disability of the President, the Vice-President shall assume the duties of the President.

Section 3. Clerk. The Clerk shall keep the official records of the meeting of the Board, shall attest all official documents with the seal of the District, shall, when called upon, make reports pertaining to the business of his office, attend the board meetings, and perform such other duties as may be imposed upon him by the provisions of the Public Water Supply District No. 3 statutes of Missouri and the rules of the Board.

Section 4. Treasurer. The Treasurer shall be the custodian of the funds of the District and pay money out of the treasury only upon valid warrants drawn on the treasury, such treasury to be maintained in some bank designated by the Board as a depository. Warrants shall be signed by the Clerk and countersigned by the President. He shall execute such bond for faithful performance of duty as may be required by the Board, the expense of the execution of the bond, however, to be borne by the District.

Section 5. The Board may, from time to time, provide for additional rules and regulations concerning the duties of its officers.

Section 6. In the event of the death of any officer his successor for his unexpired term shall be selected by the Board of Directors.

ARTICLE EIGHT

Books and Records

The books and records of the District, and such papers as may be placed on file by the officers and Directors, shall, during all reasonable business hours, be subject to inspection by any person owning land or residing within the District, or any holder or insurer of special obligation bonds of the District. There will be a 10 cent charge, per copy, of any document requested by the public.

ARTICLE NINE

Meeting of the Board of Directors

Section 1. The Board shall meet monthly on the third (3rd) Thursday at 7:00 p.m. at Public Water District No. 3, 127 Route. T, Jefferson City, Missouri, (Highway 50 West), or at any other such place and time as the Board of Directors may designate in the future for regular meetings.

Section 2. The Board shall meet at such other times as occasion requires, upon the call of the President.

Section 3. A majority of board members shall constitute a quorum to do business. No act of the Board shall be valid unless authorized by a majority of the members of the Board.

Section 4. Regular meetings of the Board of Directors may be held without notice. Special meetings of the Board of Directors may be held upon written notice addressed to each Director, mailed at least three (3) days prior to the meeting date by United States mail, postage prepaid. Neither the business to be transacted nor the purpose of the meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting. Attendance of a Director at any meeting shall constitute a waiver of notice except where a Director attend a meeting for the express purpose of objecting to the transaction of any business because the meeting was not properly called. A Director may waive notice by executing a written waiver of notice for the specific meeting described in the waiver of notice.

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ARTICLE TEN

Seal

The District shall have a corporate seal, consisting of a circle having in its circumference and face words, "Public Water Supply District No. 3, of Cole County, Missouri" which shall be in the custody of the Clerk. All official documents shall be attested by a seal.

ARTICLE ELEVEN

Fiscal Year

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

ARTICLE TWELVE

Amendment

These By-Laws may be replaced and amended by a majority vote (as defined in the second sentence of Section 3, Article Nine, of these By-Laws) of the Board of Directors at regular meeting, or at any special meeting lawfully called for that purpose, except that said Board 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 Missouri, nor to waive any requirement of bond or other provision for the safety and security of the property, funds and obligations of the District or its consumers or of their rights and privileges then existing. Written notice of any amendment to be made at any regular or special meeting of the Board must be given at least ten (10) days before such meeting and must set forth the amendments to be considered.

ARTICLE THIRTEEN

Basis of Operation

The District shall at all times be operated on a non-profit basis.

ARTICLE FOURTEEN

Benefits and Duties of Water Users

Section 1. Subject to the limitations of its capabilities, the District shall install, maintain and operate a water distribution system from the source of water supply to a delivery point at or near the property line of each person residing within the District who has entered into water user's agreement with the District. The persons who have entered into water user's agreements with the District shall be referred to as "water users." Meters which are purchased, installed, and owned and maintained by the District shall be placed at or near the delivery point for each water user. The District, however, shall make extensions, improvements, enlargements and increases in water services provided within the District only after consideration and determination by the Board that each such extension, improvement, enlargement, and increase in service is financially practical and will not violate the provisions of any of the District's general and special obligation on bonds then outstanding, and the resolutions authorizing the issuance of said bonds.

Section 2. Each water user 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, such water for domestic, livestock, garden, and other purposes as water user may desire, subject, however, to

the provisions of these By-Laws and such rules and regulations as may be prescribed by the Board. The water delivered to each water user shall be metered and the rates and charges therefore fixed by the Board.

Section 3. In the event the total water supply shall be insufficient to meet all of the needs of the water users, or in the event there is a shortage of water, the District may pro-rate the water available among the various 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 the water users for domestic, livestock, garden, and other purposes, and the District must first satisfy all of the needs of the water users for domestic purposes before supplying any water for livestock purposes and must satisfy all the needs of all water users for domestic and livestock purposes before supplying water for gardens or other purposes.

Section 4. As noted, in the Public Water Supply District Number 3, of Cole County, meeting minutes of February 18, 2010, the Board of Directors shall review or evaluate the water rates in November of each year to decide if a water rate increase is necessary.

Section 5. Chapter 250 Sewerage Systems and Waterworks- City of District Section 250.140

1. Sewerage services, water services, or water and sewerage services combined shall be deemed to be furnished to both the occupant and owner of the premises receiving such service and, except as otherwise provided in subsection 2 of this section, the city, town, village, or sewer district or water supply district organized and incorporated under chapter 247, RSMo, rendering such services shall have power to sue the occupant or owner, or both, of such real estate in a civil action to recover any sums due for such services less any deposit that is held by the city, town, village, or sewer district or water supply district organized and incorporated under chapter 247, RSMo, for such services, plus a reasonable attorney's fee to be fixed by the court.

2. When the occupant is delinquent in payment for thirty (30) days, the city, town, village, sewer district, or water supply district shall make a good faith effort to notify the owner of the premises receiving such service of the delinquency and the amount thereof. Notwithstanding any other provision of this section to the contrary, when an occupant is delinquent more than ninety (90) days, the owner shall not be liable for sums due for more than ninety (90) days of service; provided, however, that in any city not within county and any home rule city with more than four hundred thousand (400,000) inhabitants and located in more than one (1) county, until January 1, 2007, when an occupant is delinquent more than one hundred twenty (120) days the owner shall not be liable for sums due for more than one hundred twenty (120) days of service, and after January 1, 2007, when an occupant is delinquent more than ninety (90) days the owner shall not be liable for sums due for more that ninety (90) days. Any notice of termination of service shall be sent to both the occupant and owner of the premises receiving such service.

3. The provisions of this section shall apply only to residences that have their own private water and sewer lines. In instances where several residences share a common water or sewer line, the owner of the real property upon which the residences sit shall be liable for water and sewer expenses.

4. Notwithstanding any other provision of law to the contrary, any water provider who terminates service due to delinquency of payment by a consumer shall not be liable for any civil or criminal damages.

5. The provisions of this section shall not apply to unapplied-for utility services. As used in this subsection, "unapplied-for utility services" means services requiring application by the property owner and acceptance of such application by the utility prior to the establishment of an account. The property owner is billed directly for the services provided, and as a result, any delinquent payment of a bill becomes the responsibility of the property owner rather than the occupant.

Know all men these presents, that we, the undersigned, Directors and Clerk of Public Water Supply District No. 3 of Cole County, Missouri, do hereby certify that the above and foregoing By-Laws were duly adopted as the By-Laws of said District at a monthly meeting called for the purpose of considering said By-Laws on the **18th** day of **April, 2013**, and that the same do now constitute the By-Laws of said District.

Signed this **18th** day of **April, 2013**.

President

Vice-President

Member

Member

Member

ATTESTED

Clerk

