

**BYLAWS OF
NOBLE COUNTY RURAL WATER DISTRICT NO. 2**

**ARTICLE I
General Purposes**

The purposes for which this Water District is formed are: To provide for the use and benefit of its consumers/customers a waterworks and distribution system, including, but not limited to, water wells, water lines, buildings, plats, structures, treatment facilities, pump houses, and mechanical equipment, tools, pumps, motors, electrical equipment, pipes, pipelines, valves, reservoirs, storage tanks, service lines, meters, meter boxes, fixtures, appliances, machinery, and other equipment and any and all other property, real, personal or mixed, of every kind or description necessary and incidental to the operation and maintenance of a waterworks, transportation and distribution system.

**ARTICLE II
Name and Location**

Section 1: The name of the Water District is the Noble County Rural Water District No. 2.

Section 2: The principal office of the Water District shall be located at 17250 John Wayne; Perry, Oklahoma 73077; County of Noble, State of Oklahoma, but the Water District may maintain offices and places of business at such other places within the State as the Board of Directors may determine.

**ARTICLE III
Seal**

Section 1: The seal of the Water District shall have inscribed thereon the name of the Water District.

**ARTICLE IV
Fiscal year**

The fiscal year of the Water District shall begin the 1st day of January of each year.

**ARTICLE V
Application of Water**

Section 1: A copy of the application shall be issued to each holder of a fully paid and approved application and shall be numbered consecutively, in accordance with the order of issue. Each application for water shall contain the following statements:

- This Application of Water, is issued and accepted in accordance with and subject to the conditions and restrictions stipulated in these Bylaws, and amendments to the same of the Noble County Rural Water District No. 2
- Transfers of any application of water shall be made only upon the books of the Water District, only to persons eligible to become consumers/customers, only with the approval of the Board of Directors and only when the transferring consumer/customer is free from indebtedness to the Water District.
- No consumer/customer of this Water District shall be entitled to more than one vote at meetings of the members regardless of the number of applications he or she may hold.
- Voting rights are for residential and/or non-residential consumer/customers. Commercial users are excluded.

Section 2: All transfers of an application of water shall be made upon the books of the Water District upon the surrender of the application covering the same by the holders thereof, or by their legal representatives, but only with the approval of the Board of Directors, and only to persons eligible to become consumers/customers, and only when the transferring consumer/customer is free from indebtedness to the Water District.

Section 3: Each consumer/customer agrees to sign such water agreements as the Water District shall from time to time provide and require.

ARTICLE VI

Meetings of Consumers/Customers (Members)

Section 1: The annual meeting of the consumers/customers (members) of this Water District shall be held at 17250 John Wayne; Perry, Noble County, Oklahoma; at an appointed time, on the first Monday of the month following the receipt of the annual audit.

Section 2: Special meetings of the consumers/customers (members) may be called at any time by the action of the Board of Directors. A special meeting of the consumers/customers (members) must be called whenever a petition requesting such meeting is signed by at least ten percent (10%) of the consumers/customers (members) and presented to a Board of Director. The purpose of every special meeting of the consumers/customers (members) 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 members of the Water District will be given by notice mailed to each consumer/customer (member) of record, directed to the address shown upon the books of the water district, at least ten (10) days prior to the meeting. Such notice shall state the nature, time, place, and purpose of the meeting. No failure or irregularity of notice of any annual meeting, regularly held, shall affect any proceedings taken thereat. Should the Water District

membership exceed 300, notice of special meetings of the consumers/customers (members) may be given by publication in a newspaper having general circulation in the county at least two (2) consecutive weeks prior to the date of the meeting; however, notice of the annual meeting must be given by written notice.

ARTICLE VII **Directors and Officers**

Section 1: The Board of Directors of this Water District shall consist of five members, all of whom shall be members of the Water District. Each annual meeting, the members shall elect for a term of three years the number of Directors whose terms of office have expired.

Section 2: The order of business at the annual meeting of the members shall be:

- Call to Order
- Proof of notice of meeting
- Reading and approval of minutes of last meeting
- Reading of financial or audit report
- Report of officers or committees
- Old Business
- Election of directors
- New business
- Adjournment

The order of business at all regular monthly meetings shall be:

- Call to Order
- Proof of notice of meeting
- Reading and approval of minutes of last meeting
- Reading of financial reports
- Report of officers or committees
- Old Business
- New business
- Adjournment

Section 3: If the office of any director becomes vacant by reason of death, resignation, retirement, disqualification or otherwise, except by removal from office, the remaining directors shall, by a majority vote, choose a successor who shall hold office until the next regular meeting of the members of the Water District. At this regular meeting, members shall elect a director for the unexpired term or terms, provided that in the call of such regular meeting a notice of such election shall be given.

Section 5: The Board of Directors shall meet monthly at a designated time as may be determined by the Board or upon call by the chairman or any two members of the Board. Notice of special meetings of the Board shall be given to the Board forty-eight hours in advance of the meeting. Notice of emergency meetings of the Board shall be given to the Board with as much advance notice as possible. Notices of special or emergency meetings may be by phone, fax, or e-mail. A majority of those present at any Board of Directors' meeting shall constitute a quorum.

Section 6: Compensation of officers may be fixed at any regular or special meeting of the members of the Water District. Directors may be paid for all expenses paid personally by the Director (i.e., Travel, Telephone calls, etc.).

- The chairman and all persons who may perform any service or labor as provided herein shall be paid such just and reasonable compensation as may be allowed by the board of directors.

Section 7: Officers and directors may be removed from office in the following manner: Any member, officer, or director may present charges against a director or officers by filing them in writing with the Secretary of the Water District. If presented by a consumer/customer (member), the charges must be accompanied by a petition signed by ten percent (10%) of the consumers/customers of the Water District. Such removal shall be voted on at the regular or special meeting of the consumers/customers and shall be effective if approved by majority vote. The director or officer against whom such charges have been presented shall be informed, in writing, of such charge five days prior to the meeting, and shall have the opportunity at such meeting to be heard in person or by counsel and to present witnesses; and the person or persons presenting such charges against him shall have the same opportunity. If the removal of a director is approved, such action shall also vacate any other office held by the removed director in the Water District. A vacancy in the Board thus created shall immediately be filled by a majority vote of the consumers/customers (members) present. A vacancy in any office thus created shall be filled by the directors from among their number so constituted after the vacancy in the Board has been filled.

ARTICLE VIII **Duties of Directors**

Section 1: The Board of Directors, subject to restrictions of law or by these Bylaws, shall exercise all the powers of the Water District, and, without prejudice to or limitation upon their general powers, it is hereby expressly provided that the Board of Directors shall have, and are hereby given, full power and authority in respect to the matters and as hereinafter set forth,

- To select and appoint all officers, agents or employees of the Water District or remove such agents or employees of the Water District for just cause, prescribe such duties, and designate such powers as may not be inconsistent with these Bylaws, fix their compensation and pay for faithful services;

- To see that the operator-manager of the water system is licensed by the Department of Environmental Quality in the same manner as provided in the laws of the State of Oklahoma;
- 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;
- To prescribe, adopt and amend, from time to time, such equitable uniform Rules and Regulations as, in their discretion, may be deemed essential or convenient for the conduct of the business and affairs of the Water District and the guidance and control of its officers and employees, and to prescribe adequate penalties for the breach thereof;
- To order, at least once each year, an audit of the books and accounts of the Water District by a competent public auditor or accountant. The report prepared by such auditor or accountant shall be submitted to the consumers/customers (members) of the Water District at their annual meeting;
- To fix the charges to be paid to the Water District by each consumer/customer for services rendered by the Water District, the time of payment and the manner of collection. Water and services rendered rates will be set by the Board of Directors;
- To select one or more banks to act as depositories of the funds of the Water District and to determine the manner of receiving, depositing, and disbursing the funds of the Water District and the form of checks and the person or persons by whom the same shall be signed, with the power to change such banks and the person or persons signing such checks and the form thereof at will;
- To levy assessments against an application of the Water District and to enforce the collection of such assessments by the forfeiture of delinquent account(s). The Board of Directors shall have the option to declare forfeited on any application that has not been paid, at any time after ninety days from the date the assessment was due, provided that the Water District must give the consumer/customer at least thirty days written notice at the address of the consumer/customer on the books of the Water District, of its intention to forfeit the application if the assessment is not paid.

ARTICLE IX

Benefits and Duties of Directors

Section 1: Duties of the Chairman: The Chairman shall preside over all meetings of the Water District and the Board of Directors; call special meetings; perform all acts and duties usually performed by an executive and presiding officer; sign all Applications of Water and such other papers of the Water District as he may be authorized or directed to sign by the Board of Directors. The Chairman shall perform such other duties as may be prescribed by the Board of Directors.

Section 2: Duties of the Co-Chairman. In the absence or disability of the Chairman, the Co-Chairman shall perform the duties of the Chairman; provided, that in the case of death, resignation, or disability of the Chairman, the Board of Directors may declare the office vacant and elect his or her successor.

Section 3: Duties of the Secretary-Treasurer. The secretary-treasurer shall keep a complete record of all meetings of the Water District and of the Board of Directors and shall have general charge and supervision of the books and records of the Water District. Shall sign all Water Applications with the Chairman and such other papers pertaining to the Water District as he or she may be authorized or directed to do by the Board of Directors. Shall serve all notices required by law and by these Bylaws; and shall make a full report of all matters and business pertaining to their office to the consumers/customers (members) at the annual meeting.

ARTICLE X
Benefits and Duties of Consumer/Customers (Members)

Section 1.

- The owners of a water service shall be entitled to one benefit unit (meter) from the Water District's water system for each application held by them. And provide a copy of a Deed (Ownership) for the property at the time of applying of Water.
- A consumer/customer may make application to the Board of Directors for additional benefit units (meters). Upon approval of the Board and payment of a required charge for each benefit unit (meter) as may be determined by the Board, the additional benefit unit (meter) will be made available to the consumer/customer.
- Consumers/customers desiring water service after the final plans are drawn and approved by the Board of Directors may be charged an additional fee of \$500.00, plus actual cost of installation.
- Irrespective of any other provisions in these Bylaws, no water service will be furnished within the limits of any incorporated town, other rural water districts, or other public bodies without the written consent of that governing body.

Section 2. The Water District shall install, maintain, and operate a main distribution pipeline or lines from the source of water supply, to the property line of each participating consumer/customer of the Water District, at which point designated as delivery points, benefit unit (meter) to be purchased, installed, owned, and maintained by the Water District shall be placed. Each consumer/customer shall be responsible for the lines extending from the Water District's main distribution pipelines.

Section 3. Consumer/customer shall be entitled to purchase water for domestic or livestock use (if high volume of water is needed; they must purchase a Non-Residential Tap); subject to the provisions of these Bylaws, and such rules and regulations as may be prescribed by the Board. The water delivered to each participating consumer/customer shall be metered.

Section 4. In the event the total water supply shall be insufficient to meet all the needs of the consumers/customers, or in the event there is a shortage of water, the Water District may prorate the water available among the various consumers/customers on such basis as is deemed equitable by the Board, and may also prescribe a schedule of hours, covering the use of water and require adherence thereof. Furthermore, the Board may vote to decide to discontinue the selling of applications of water.

Section 5. The Board of Directors shall adopt a schedule of water rates sufficient to pay the normal operating and maintenance expenses, all debt service requirements, and the reserves required by any loan resolution.

Section 6. An applicant may allow use of water services for the benefit of rental properties. The applicant shall keep all rental property services solely in the name of the applicant and assume sole liability for all charges incurred by said rental unit.

Section 7. Failure to pay the minimum monthly charge, or failure to pay for water used through a benefit unit (meter) shall constitute a forfeiture of water services; provided, that such water service shall be reinstated if within three months after such forfeiture, all back charges are paid in full plus ten percent (10%) interest, all reasonable labor charges necessary to affect such reconnection, and a \$300.00 reinstatement fee.

Section 8. The consumer/customer will be required to pay for and submit an engineer study for water usage and water pressure for any property that will require more than one benefit unit (meter) at one location. This engineer report must be submitted with the application for consideration by the Board of Directors for that new meter tap.

ARTICLE XI **Amendments**

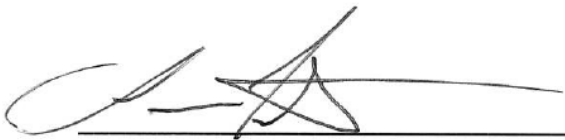
Section 1. These Bylaws may be repealed or amended by a vote of the majority of the consumers/customers (members) present at any regular meeting or at any special meeting called for that purpose. The consumers/customers (members) shall not have the power to change the purposes of the Water District so as to decrease its rights and powers under the laws of the State or to waive any requirements of bond or other provision for the safety and security of the property and funds of the Water District or its consumers/customers (members), or to deprive any consumer/customer (member) of rights and privileges then existing, or so to amend the Bylaws as to effect a fundamental change in the policies of the Water District. Notice of any amendment to be made at a special meeting must set forth the amendments to be considered.

Unanimously adopted at a meeting of the Board of Directors, held April 13, 2026, at 17250 John Wayne; Perry, Oklahoma with a quorum of the members of the Board of Directors present.




Chairman

ATTEST:


Secretary