

Amended and Restated Bylaws (March 2014)  
of the  
Southern Iowa Rural Water Association,  
State of Iowa

Article I

General Purposes

The purpose for which this Rural Water District is formed is, whenever it is reasonable and feasible at the discretion of the board, to provide an adequate supply of water and water services for residents of the area who are not served by the water mains of any city water system; to provide sanitary wastewater collection and treatment services for residents of the area who are not served by any city owned sanitary sewer system, and to sell water and waste water services by contract to any city or other district, or other person, public or private, not within the boundaries of a district. (Iowa Code §357A.2; §357A.11 and §357A.13). The Southern Iowa Rural Water Association shall have all powers granted to Rural Water Districts in the Code of Iowa.

Article II

Name and Location

Section 1. The name of this Rural Water District is Southern Iowa Rural Water Association, State of Iowa.

Section 2. The principal office of this District shall be located at 1391 – 190<sup>th</sup> Street, Creston, Union County, Iowa, but the District may maintain offices and places of business at such other places within the state as the board of directors may determine.

Section 3. The registered agent of the District is Skogerson Law, P.C., whose address is 413 Grant Street, P.O. Box 252, Van Meter, Iowa 50261.

Article III

Seal

Section 1. The seal of the District shall have inscribed thereon the name of the District, and the state of organization.

Section 2. The Secretary/Treasurer of the District shall have custody of the seal.

Section 3. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced.

#### Article IV

##### Fiscal Year

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

#### Article V

##### Membership

Section 1. Every person who is a record owner of real property located within the defined territory of the district boundaries, in Adair, Adams, Audubon, Cass, Clarke, Decatur, Guthrie, Lucas, Madison, Montgomery, Page, Ringgold, Taylor or Union County, Iowa, the tenant of the real property, or another person acting for the owner with the owner's written consent is a member of the District. (Iowa Code §357A.1 (5))

Section 2. A member who has subscribed to and paid the fee established by the rules and regulations of the District for at least one benefit unit, as required by Iowa Code §357A.1 (6), shall be a participating member.

Section 3. Each participating member of the District shall be entitled to a single vote at all annual and special meetings of the District, regardless of the number of benefit units to which participating member has subscribed. (Iowa Code §357A.8)

Section 4. The Board of Directors shall cause each participating member to be enrolled, provided that the participating membership shall not be denied because of the member's race, color, creed, national origin, religion, sex, sexual orientation, gender identity, pregnancy, physical disability, mental disability, or retaliation. Participating membership may be denied if capacity of the District's water system is exhausted by the need of existing participating members, or, if the proposed use of the applicant is such that it would interfere with existing uses as previously authorized by the Board of Directors.

Section 5. The District, through the Board of Directors may elect to refund his or her membership fee and terminate his or her participating membership upon tendering to him or her or his or her heirs or legal representatives the participating membership fee paid less any indebtedness then due from him or her to the District for any of the following reasons: (1) In case of the death of a member or (2) if a member ceases to be eligible to be a participating member as provided in Section 2, or (3) willfully fails to comply with these Bylaws and Rules

and Regulations of the District, or (4) willfully obstructs the purposes and proper activities of the District. Any participating member whose membership is so terminated for cause other than that of ceasing to be eligible may appeal from the action of the Board of Directors to a vote of the participating members at the next regular meeting of members called for such purpose.

## Article VI

### Meetings of Members

Section 1. The annual meeting of the members of this District shall be held on a date between January 1st and July 31st of each year at such place and time as the Board of Directors may decide.

Section 2. Notice of meetings of members of the District shall be given by notice mailed to each participating member of record, directed to the address shown on the books of the District. In addition, publication of the notice in a newspaper of general circulation in the District is required, not less than ten or more than thirty days prior to the meeting. Such notice shall state the nature, time, place, and purpose of the meetings. (Iowa Code §357A.8)

Section 3. The participating members present at any meeting of the members shall constitute a quorum at any meeting of the District for the transaction of business. The voting powers of the participating members of this District shall be equal, each participating member shall have one vote only, and voting by proxy shall be allowed.

Section 4. Directors of this District shall be elected by the participating members present at the annual meeting of members. In the event of a tie between two or more candidates receiving the most votes in an election, a runoff election will be held for such tied candidates. If the runoff results in a second tie, the tie will be broken by a coin toss that is observed by at least two Board members who are not standing for reelection in the present election.

Section 5. The order of business at the annual meetings and so far as possible at all other membership meetings shall be:

- A. Call to order.
- B. Action on minutes of prior meeting (s)
- C. New business
- D. Unfinished business
- E. Election of Directors

F. Adjournment

Article VII

Directors and Officers

Section 1. The Board of Directors of this District shall consist of seven (7) Directors, all of whom shall be participating members of the District. The directors shall serve staggered terms so that two directors shall be elected one year, two directors the next year and three directors every third year. At each annual meeting the participating members shall elect for a term of three years the number of directors whose terms of office have expired. Any vacancies occurring during the year shall be filled by the Board of Directors by a majority vote, choosing a successor who shall hold office until the next annual meeting of the members of the District, at which time the participating members shall elect a director for the unexpired term or terms.

Section 2. The participating membership of the District shall consist of three (3) classes, comprised of participating members residing in the following defined areas:

- Class I - Adair, Audubon, Madison, Guthrie, Cass, Taylor, and Page Counties
- Class II - Decatur and Union Counties
- Class III - Adams, Montgomery, Clarke, Lucas, Warren, and Ringgold Counties

Section 3. Each of the classes set forth above shall be further geographically subdivided as follows for the purpose of electing directors at annual meetings of the members:

- Class I (A) - Adair, Audubon, Madison, Guthrie, and Cass Counties
- Class I (B) - Taylor and Page Counties

Commencing with the year 2012 and once every three years thereafter, the participating members of Class I (A) and Class I (B) shall each have the right to elect one director to the Board of Directors of the District who shall serve for a three (3) year term.

- Class II (A) - Decatur County
- Class II (B) - Union County

Commencing with the year 2013 and once every three years thereafter, the participating members of Class II (A) and Class II (B) shall each have the right to elect one participating member to the Board of Directors of the District who shall serve for a three (3) year term.

- Class III (A) - Adams and Montgomery Counties
- Class III (B) - Clarke, Lucas, and Warren Counties
- Class III (C) - Ringgold County

Commencing with the year 2011 and once every three years thereafter, Class III (A), Class III (B) and Class III (C) shall each have the right to elect one participating member to the Board of Directors of the District who shall serve for a three (3) year term.

Section 4. The Board of Directors shall meet within thirty (30) days after the annual meeting of the membership and shall elect a Chairperson, Vice Chairperson, and a Secretary/Treasurer, each of whom shall hold office until the next election and until the election and qualification of his or her successor unless sooner removed by death or resignation.

Section 5. The District shall give notice of the time, date, and place of each meeting of the Board and its tentative agenda, in a manner reasonably calculated to apprise the public of that information. Reasonable notice shall include advising the news media who have filed a request for notice with the District, posting on the District's web page, and posting the notice on a bulletin board or other prominent place which is easily accessible to the public and clearly designated for that purpose at the principal office of the District. Notice conforming to this section shall be given at least twenty-four (24) hours prior to the commencement of any meeting of the district unless for good cause such notice is impossible or impractical. When it is necessary to hold a meeting on less than twenty-four (24) hours notice, or at a place that is not reasonably accessible to the public, or at a time that is not reasonably convenient to the public, the nature of the good cause justifying the departure from the normal requirements shall be stated in the minutes. (Iowa Code §21.4)

Section 6. The Board of Directors may hold a closed session only by affirmative vote made during an open meeting of either two-thirds (2/3rds) of the members of the Board of Directors or all of the members present at the meeting. The District may hold a closed session only to the extent a closed session is necessary for any of the reasons and in the manner set forth in Iowa Code §21.5.

Section 7. A special meeting of the Board of Directors may be called at any time by the chairperson or any two directors on not less than twenty-four (24) hours notice previous to the meeting. Notice of a special meeting of the Board of Directors shall be given as provided in Section 5 of this Article of the Bylaws.

Section 8. If the office of any director becomes vacant by reason of death, resignation, retirement, disqualification or otherwise, the remaining directors shall, by a majority vote, choose a successor who shall hold office until the next annual meeting of the members of the District, at which time the members, of the defined territory, shall elect a director for the unexpired term or terms.

Section 9. A majority of the Board of Directors shall constitute a quorum at any regular meeting of the Board.

Section 10. Compensation of officers and directors may be fixed at any regular meeting of the Board of Directors.

Section 11. A director, officer, employee, or participating member of the District shall not be personally liable in that capacity, for a claim based upon an act or omission of the person performed in the discharge of the person's duties, except for a breach of the duty of loyalty to the District, for acts or omissions not in good faith or which involve intentional misconduct or knowing violation of the law, or for a transaction from which the person derives an improper personal benefit.

Section 12. Parliamentary Authority: All meetings shall generally be conducted in accordance with the current edition of Robert's Rules of Order Newly Revised, in all cases to which they are applicable and in which they are not inconsistent with these Bylaws and any special rules of order the District may adopt.

## Article VIII

### Duties of Directors

Section 1. The Board of Directors shall exercise all of the powers of the District, and, without prejudice or limitation upon their powers, it is hereby expressly provided that the Board of Directors shall have and are hereby given the following powers:

- A. Adopt rules, regulations, and rate schedules in conformity with the provisions of Chapter 357A of the Code of Iowa and the Bylaws of the District.
- B. Maintain at its office a record of the District's proceedings, rules and regulations, and any decisions and orders made pursuant to the provisions of chapter 357A, and furnish copies thereof to the County Boards of Supervisors or members upon the request of either.
- C. Employ, appoint, or retain attorneys, engineers, other professional and technical employees, and other personnel as necessary. The Board may enter into agreements pursuant to Chapter 28E of the Code of Iowa to provide professional or technical services to other water districts, nonprofit corporations, or related associations.
- D. Prior to each annual meeting of participating members:
  - a. Prepare an estimated budget for the coming year, and adjust water rates if necessary in order to produce the revenue required to

fund the estimated budget, make a report thereon at the annual meeting.

b. Have an audit made of the District's records and accounts, and make copies of the audit report available, upon request, to all participating members attending the annual meeting and to any other participating member who so requests.

E. Have authority to acquire by gift, lease purchase, or grant any property, real or personal, in fee or a lesser interest needed to achieve the purposes for which the district was incorporated, to acquire easements for water and sanitary sewer lines and reservoirs by condemnation proceedings, and to sell and convey property owned, but no longer needed, by the District. Condemnation proceedings shall not apply to existing wells, ponds, or reservoirs.

F. Have authority to construct, operate, maintain, repair and when necessary to enlarge or extend, such ponds, reservoirs, pipelines, wells, check dams, pumping installations, or other facilities for the storage, transportation, or utilization of water and such appurtenant structures and equipment, as may be necessary or convenient to carry out the purposes for which the district was incorporated. The District may purchase its water supply from any source.

G. Have power to borrow from, co-operate with and enter into agreements as deemed necessary with any entity or any agency of the federal, state or local government, and to accept financial or other aid from any entity or any agency of the federal, state or local government. To evidence any indebtedness the obligations may be one or more bonds or notes and the obligations may be sold at private sale.

H. Have power to finance all or part of the cost of construction or purchase of any project necessary to carry out the purpose for which the District is organized, or to refinance all or part of the original cost of any such project, and to evidence that financing by issuance of revenue bonds or notes which shall mature in a period not to exceed forty (40) years from date of issuance, shall bear interest, or combined interest and insurance charges, at a rate not to exceed that permitted by Chapter 74A of the Code of Iowa, shall be payable only from revenue derived from sale of water or sanitary sewer service by the District, and shall never become or be construed to be a debt against the State of Iowa or any of its political subdivisions other than the Southern Iowa Rural Water Association.

I. Finance all or part of the cost of the construction or purchase of a project necessary to carry out the purposes for which the District is organized or to refinance all or part of the original cost of that project. Financing or refinancing carried out under this subsection shall be in accordance with the terms and procedures set forth in the applicable provisions of §384.83 through 384.88, 384.92 and 384.93, Code of Iowa. This subsection shall not create a lien against the property of a person who is not a rural water subscriber.

J. Have power to join the Iowa Rural Water Association and pay out of funds available to the Board, reasonable dues to the Association.

K. Have authority to execute an agreement with a governmental entity, including a county, city, sanitary sewer district, or another rural water district, for purposes of managing or administering the works, facilities, or waterways which are useful for the collection, disposal, or treatment of wastewater or sewage and which are located within the jurisdiction of the District. The Board may do what is necessary to carry out the agreement, including but not limited to any of the following:

- 1) Owning or acquiring by gift, lease, purchase, or grant any interest in real or personal property.
- 2) Constructing, operating, maintaining, repairing, improving, or equipping any of the works, facilities, or waterways.
- 3) Financing all or part of the cost of acquiring, constructing, maintaining, repairing, improving, or equipping any works, facilities, or waterways, or refinancing all or part of the cost. The financing or refinancing shall be accomplished in accordance with the terms and procedures set forth in the applicable provisions of §384.24A, 384.83 through 384.88, 384.92 and 384.93 of the Code of Iowa.

L. Place all funds in investments to the extent practicable and may invest the funds jointly with one or more counties, judicial district departments of correctional services, cities, or city utilities pursuant to a joint investment agreement. All investments of funds shall be subject to §12B.10 and 12B.10A of the Code of Iowa and other applicable law.

## Article IX

### Duties of Officers

Section 1. Duties of the Chairperson: The Chairperson shall preside over all meetings of the District and the Board of Directors, call special meetings of the Board of Directors, perform all acts and duties usually performed by an executive and presiding officer, and sign all papers



of the District as he or she may be authorized and directed to sign by the Board of Directors, provided however that the Board of Directors may also authorize any other person to sign any or all checks, contracts and other instruments in writing on behalf of the District. The Chairperson shall perform such other duties as may be prescribed by the Board of Directors.

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

Section 3. Duties of the Secretary/Treasurer: The District shall keep a complete record of all meetings of the District and of the Board of Directors and the Secretary/Treasurer shall have general charge and supervision of the books and records, including financial records of the District. The Secretary/Treasurer shall sign such papers pertaining to the District as he or she may be authorized or directed to do by the Board of Directors. The Secretary/Treasurer shall serve all notices required by law and these Bylaws. The Secretary/Treasurer shall make a full report of all matters and business pertaining to the office to the members at the annual meeting. The Secretary/Treasurer shall keep the District seal and membership records of the District. The Secretary/Treasurer shall complete and counter sign all official documents, including all revenue financing documents, on behalf of the District, The Secretary/Treasurer shall affix the seal to all papers requiring a seal. The membership records shall show the name of each participating member, the date a member became a participating member, transfer of membership and termination of membership, if applicable. The Secretary/Treasurer shall make all reports required by law and shall perform such other duties as may be required by the Board of Directors. Upon the election of his or her successor, the Secretary/Treasurer shall turn over to the successor all books or other property belonging to the District that the Secretary/Treasurer may have in his or her possession. The Secretary/Treasurer shall obtain a fidelity bond in such amount as may be required by any lending agency. Insurance of an adequate amount may be carried in lieu of a Fidelity Bond.

The Secretary/Treasurer, in his or her discretion, shall have authority to delegate from time to time any one or more of the above-described duties of the Secretary/Treasurer to the General Manager, the Office Manager, legal counsel, professional ~~and~~/or another member of the Board of Directors for the District.

## Article X

### Benefits and Duties of Participating Members and of the District

Section 1. The District will own, install, maintain, and operate a water distribution system from the source of water supply to the meter pit or curb stop installed on the property of each participating member of the District. The meter pit or curb stop, as the case may be, shall be the point of delivery and shall be owned, installed and maintained by the District. The participating member shall install, at his or her own expense, a service line from the meter pit

or curb stop to the point of service. The District shall own, install, operate, and maintain a cut-off valve at each point of delivery. The District may, at its sole discretion, also install a pressure sustaining valve and such other appurtenances so as to assure all customers a constant pressure and quantity of water as meets applicable state and federal regulations. The District shall have the sole and exclusive right to use such appurtenances and to turn the same on and off.

Section 2. Each participating member shall be entitled to a single service line from each separate metered installation. No new service line or change in an existing service line may be made which will interfere with an existing service line or the delivery of water to any other member. Each service line shall conform to the specifications set out in the Rules and Regulations of the District. If the District's water system shall be inadequate to permit the delivery of water through a service line installed at such place without interfering with the delivery of water through a prior service line, then such service line shall be installed at such a place as may be designated by the District. Each participating member shall dig or have dug a trench for the connection of the service line from the meter pit to the place of service on the participating member's property and shall maintain that service line at his or her own expense. The participating member is liable for any losses incurred as a result of leaks and breaks in the service line beyond the metering pit or curb stop.

Section 3. Each participating member shall be entitled to purchase from the District pursuant to such agreements as may from time to time be provided and required by the District, such water for domestic, livestock and other 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 of Directors. Each participating member shall be entitled to have delivered to him or her through a single service line only such water as may be necessary to supply the needs of the persons residing in a single dwelling and of the livestock owned by such person and for such other purposes as needed. The water delivered through each service line shall be metered and the charges for such water shall be determined separately, irrespective of the number of service lines owned by a participating member.

Section 4. In the event the total water supply shall be insufficient to meet all of the needs of the participating members or in the event there is a shortage of water, the District may prorate the water available among the various participating members on such basis as is deemed equitable by the Board of Directors. The District may also prescribe a schedule of hours covering use of water by particular participating members and require adherence thereto or prohibit the use of water for other purposes.

Section 5. The Board of Directors shall determine the flat minimum monthly rate to be charged each participating member for a specified quantity of water. Such flat minimum monthly rate is payable irrespective of whether any water is used by a participating member during any month. The Board of Directors shall fix the amount of additional charges, if any, for additional water which may be supplied to the participating members, shall fix the date for the payment of such charges, and shall notify each participating member of the amount of such

charges and the dates for the payment thereof. A participating member, to be entitled to the delivery of water, shall pay such charges at the office of the District at or prior to the dates fixed by the Board of Directors. The failure to pay water charges duly imposed shall result in the automatic imposition of such penalties as may be prescribed in the Rules and Regulations of the Board of Directors.

Section 6. The Board of Directors is authorized to require each participating member to enter into water user agreements. Every participating member of the District shall be bound by the Rules and Regulations as from time to time amended by the Board of Directors.

Section 7. A participating membership may be canceled and/or water or waste water service discontinued by the District for any violation of the Bylaws, Rules and Regulations or any condition of service contained in the Water Use or Waste Water Service agreement.

Section 8. Notwithstanding anything herein to the contrary, eligibility for water service shall be restricted as follows as to any new construction:

- A. In compliance with Executive Order 11990, wetland protection, to minimize the loss of wetlands the District shall deny water and/or sewer service to any new development which converts a wetland, as identified on the project maps.
- B. In compliance with Executive order 11988, floodplain management, the District shall deny water and/or sewer service to any new development which builds in a 100 year floodplain, as identified on the environmental assessment and FIRM maps.
- C. The District shall control conversion of important farmland along the eight (8) inch and larger lines identified on the project map by restricting water and/or sewer service to agricultural use or single family size service only unless it is identified in a future growth area by the County Board of Supervisors and/or Council of Governments.

## Article XI

### Distribution of Surplus Funds

Section 1. No part of the net income of the District shall inure to the private benefit of any participating member. Revenues shall be applied to the expenses of the District for operation or otherwise, for setting aside reserve for depreciation of all water and sanitary waste water sewer systems, buildings, machinery, equipment, and office fixtures, and such other reserves as the Board of Directors may deem proper. Revenues shall also be used to provide for payments on interest and principal of obligations and amortized debts of the District, for providing for the purchase of proper supplies and equipment, for accumulation in a

surplus fund for the purpose of replacing, enlarging, extending and repairing the system and property of the District and for such other purposes as the Board of Directors may determine to be for the best interests of the District.

## Article XII

### Dissolution

In the event of dissolution of the Rural Water District the assets of the District shall be applied and distributed as follows:

Section 1. All liabilities and obligations of the District shall be paid and discharged, or adequate provision shall be made therefore;

Section 2. Assets held by the District upon condition requiring return, transfer or conveyance, which condition occurs by reason of the dissolution of the District shall be returned, transferred or conveyed in accordance with such requirements; and

Section 3. Other assets, if any, shall be transferred or conveyed to one or more state public bodies engaged in activities substantially similar to those of this District, pursuant to a plan of distribution adopted by the Board of Directors and approved by the participating members.

## Article XIII

### Amendments

These Bylaws may be repealed or amended by a vote of a majority of the participating members present at any annual meeting of the District, or at 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 decrease its rights and powers under the laws of the State of Iowa, or to waive any requirement of bond or other provision for the safety and security of the property and funds of the District, or to deprive any participating member of rights and privileges then existing. Notice of any proposed amendments to be made at a meeting of the participating members must be given in accordance with Article VI and must set forth information as to how the amendments to be considered may be reviewed.

PASSED AND APPROVED, this 17th day of March, 2014, signed in Triplicate

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Jim Smith, Interim Chairperson

ATTEST:

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Ethel Campbell, Secretary/Treasurer

CERTIFICATE

STATE OF IOWA        )  
                                  )        ss:  
COUNTY OF UNION    )

I, the undersigned Secretary/Treasurer of Southern Iowa Rural Water Association, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the District records of said public body showing proceedings of the participating members, and the same is a true and complete copy of the action taken by said participating members with respect to said matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that the meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each participating member of the Rural Water District and published in a newspaper of general circulation in the District at least ten but not more than thirty days prior to the annual meeting of members of the District pursuant to the provisions of Chapter 21 and Section 357A.8, Code of Iowa, as required by said law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board Member vacancy existed except as may be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the organization, existence or boundaries of the rural water district or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of the Southern Iowa Rural Water Association here affixed this 21st day of March, 2011.

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Ethel Campbell, Secretary/Treasurer of the  
Southern Iowa Rural Water Association,  
State of Iowa