

**RUSK COUNTY GROUNDWATER CONSERVATION DISTRICT  
PO BOX 97  
HENDERSON, TEXAS 75653**

**BYLAWS**

Bylaws of Rusk County Groundwater Conservation District, having been presented to the Board of Directors of said District and duly adopted as follows:

**ARTICLE I**

**DESCRIPTION OF ENTITY AND ITS OFFICES**

**Section 1.** The Rusk County Groundwater Conservation District ("District") has been created by Resolution of the Commissioners Court of Rusk County, Texas, pursuant to H.B. 3569, 78th Legislature, Regular Session, 2003 (the "Act"), affirmed by a Confirmation Election held on June 5, 2004.

The District is a governmental agency and a body politic and corporate, created by, and acting pursuant to the Act, and by applicable law including the provisions of Chapters 36 of the Texas Water Code. These bylaws are adopted to facilitate the conduct of the business of the District. In the event of any conflict between these Bylaws and applicable law, it is expressly recognized that such conflict is inadvertent and unintended, and the law shall govern.

**Section 2. Principal Office.** The principal office of the District is located at 204 N. Main, Suite C, Henderson, Texas 75653, or at such other place as the Board of Directors may determine from time to time.

**ARTICLE II**

**MEMBERS OF THE BOARD OF DIRECTORS**

The business and affairs of the District shall be managed by its Board of Directors, who may exercise all powers relating to the District.

The Members of the Board of Directors shall consist of nine (9) members, with the initial Board of Directors appointed by the Commissioners Court of Rusk County, to serve until election of a new Board of Directors at the election confirming creation of the District. Thereafter, the Members elected to the Board of Directors shall serve for their respective terms as provided by law.

## **ARTICLE III**

### **TERMS, REMOVAL, COMPENSATION**

**Section 1. Terms and Election of Successors.** After the confirmation election, all Members of the Board of Directors shall serve for their terms as provided by law. Vacancies shall be filled by appointment of the majority vote of the remaining Board members of the District, for the balance of the unexpired term, or as otherwise provided by law. Each member shall serve until that position is filled by a successor.

**Section 2. Removal of Directors.** A Director may be removed only in the manner provided by law.

**Section 3. Compensation of Directors.** A Director may be reimbursed for out-of-pocket expenses incurred in connection with serving as a Director. No member of the temporary Board of Directors shall receive compensation for serving as a member of the Board of Directors. Following the confirmation election, the Directors elected may elect to set compensation, not to exceed the amount allowed by law.

## **ARTICLE IV**

### **MEETINGS OF THE BOARD OF DIRECTORS**

**Section 1. Board of Directors Meetings.** Except as otherwise provided below, the Board of Directors may hold its meetings, both regular and special, at such places within Rusk County, Texas, as the Board of Directors may determine from time to time. On special occasions, as determined by a majority of the Board of Directors, the Board of Directors may meet at places outside of Rusk County.

**Section 2. Annual and Regular Meetings.** An annual meeting of the Board of Directors shall be held at a place to be determined by the Board of Directors in June of each year, at which time the Board of Directors shall elect officers, and transact such other business as may properly be brought before the meeting. Other regular meetings of the Board of Directors may be held at 5:00 PM on the first Monday of each month, at a place to be determined by the Board of Directors.

**Section 3. Special Meetings.** Special meetings may be called by the President on notice to each Director and upon further notice, in the manner set forth in Article V, Section 1, below. Special meetings shall be called by the President or Secretary in like manner and on like notice on the written request of at least five Directors. The business to be transacted and the purpose of any regular or special meeting shall be specified in a notice thereof.

**Section 4. Quorum.** At all meetings of the Board of Directors, the presence of a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business.

## **ARTICLE V**

### **NOTICES**

**Section 1. Methods of Notice.** Notice of meetings shall be given in the manner provided by the Texas Open Meetings Act, Chapter 551, Government Code.

## **ARTICLE VI**

### **OFFICERS**

**Section 1.** The officers of the Board of Directors shall be elected by the Directors, and shall be a President, a Vice President and a Secretary-Treasurer. The Board of Directors may also choose one or more Assistant Secretaries and Assistant Treasurers. All officers must be members of the Board of Directors except Assistant Secretaries, who need not be Board of Directors members.

**Section 2. Agents and Employees, etc.** The Board of Directors may employ or appoint such other agents and employees, consultants and independent contractors as it shall deem necessary, who shall be employed or appointed for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.

**Section 3. Salaries.** The salaries or compensation of any agents, employees, consultants or independent contractors of the Board of Directors shall be fixed by the Board of Directors.

**Section 4. Terms of Office.** Each officer of the Board of Directors shall hold office for a term of one year, subject to reelection. The officers shall be elected annually at the annual meeting. If an office becomes vacant for any reason, the vacancy may be filled by the Board of Directors.

**Section 5. The President.** The President shall be the chief executive officer of the District, shall preside at all meetings of the Board of Directors, shall execute all documents on behalf of the District, shall see that all orders and resolutions of the Board of Directors are carried into effect, and shall perform such other duties as the Board of Directors may prescribe from time to time.

**Section 6. The Vice President.** The Vice President shall have such powers and perform such duties as the Board of Directors may from time to time prescribe or as the

President may from time to time delegate to him or her. The Vice President shall act as President in the case of the absence or disability of the President.

**Section 7. The Secretary.** The Secretary is responsible for seeing that all records and books of the District are properly kept and shall attest the President's signature on all documents.

**Section 8. Assistant Secretaries.** Each Assistant Secretary shall have such powers and perform such duties as the Board of Directors may from time to time prescribe or as the President or Secretary may from time to time delegate to him or her.

## **ARTICLE VII**

### **GENERAL PROVISIONS**

**Section 1. No Private Benefit.** No part of any funds received by the Board of Directors shall inure to the benefit of any private person, including but not limited to any director or office.

**Section 2. Checks.** All checks or withdrawals of funds shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate, and as required by law.

**Section 3. Fiscal Year.** The fiscal year of the District shall be fixed by resolution of the Board of Directors, but in the absence of such designation shall be from each September 1 to the following August 31.

**Section 4. Indemnification.** To the full extent allowed by law, the District shall indemnify any director, officer, or employee, or former director, officer, or employee of the Board of Directors, or any person who may have served at its request, against expenses actually and necessarily incurred by him or her, and any amount paid in satisfaction of judgments in connection with any action, suit or proceeding, whether civil or criminal in nature, in which he or she is made a party by reason of being or having been such a director, officer, or employee (whether or not a director, officer or employee at the time such costs or expenses are incurred by or imposed upon him or her) except in relation to matters as to which he or she shall be adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct in the performance of duty. The District may also reimburse any director, officer or employee the reasonable costs of settlement of any such action, suit or proceeding, if it shall be found by a majority of the directors not involved in the matter in controversy, that it was in the interests of the District that such settlement be made and that such director, officer or employee was not guilty of gross negligence or willful misconduct. Such rights of indemnification and reimbursement shall not be deemed exclusive of any other rights to which such director, officer or employee may be entitled by law or under any Bylaw, board resolution, agreement, or otherwise.

Section 5. Audit. The Board of Directors shall cause an annual audit or other examination (the "Audit") to be made by a firm of certified public accountants, to be chosen by the Board of Directors.

Section 6. Actions of the Board of Directors. Unless otherwise expressly provided herein, any actions taken by the Board of Directors, including, but not limited to any amendment to these Bylaws, must be approved by the affirmative vote of the majority of the members of the Board of Directors present at any meeting of the Board of Directors at which there is a quorum present.

Section 7. Seal. The District's seal shall consist of a circle within which shall be inscribed "Rusk County Groundwater Conservation District".

## ARTICLE VIII

### COMMITTEES

The Board of Directors may create from time to time such standing and special committees of the Board of Directors as it deems proper and name the members thereof.

## ARTICLE IX

### AMENDMENTS

Section 1. Any provision of Bylaws not required by law may be altered, amended or repealed at any meeting of the Board of Directors at which a quorum is present by the affirmative vote of a majority of the Directors present at such meeting, provided notice of the proposed alteration, amendment or repeal is contained in the notice of such meeting.

PASSED AND ADOPTED on the 7th day of February, 2005.

Worth W. Siddlehead  
President

Keith Hanagan  
Secretary

(Seal)