

**AMENDED AND RESTATED BYLAWS OF
THE ROCK-MOORE PUBLIC WATER AUTHORITY
OF THE STATE OF ARKANSAS**

**ARTICLE I.
GENERAL PURPOSES**

The purposes for which The Rock-Moore Public Water Authority of the State of Arkansas (the "Authority") is formed, and the powers which it may exercise are set forth in the certificate of existence of the Authority, these bylaws, and the Water Authority Act, Title 4, Chapter 35 of the Arkansas Code of 1987 Annotated (the "Water Authority Act").

**ARTICLE II.
NAME AND LOCATION**

SECTION 1. Name. The name of the Authority is The Rock-Moore Public Water Authority of the State of Arkansas.

SECTION 2. Offices. The principal office of the Authority shall be located in the Town of Sulphur Rock, Independence County, Arkansas. The Authority may maintain offices and places of business at such other places within or without the State as the board of directors may determine.

**ARTICLE III.
SEAL**

SECTION 1. Seal. The seal of the Authority shall have inscribed thereon the name of the Authority and the year of its organization.

SECTION 2. Custody of Seal. The secretary of the Authority shall have the custody of the seal.

SECTION 3. Use of Seal. The seal may be used for causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

**ARTICLE IV.
FISCAL YEAR**

The fiscal year of the Authority shall begin the 1st day of January in each year.

**ARTICLE V.
MEETINGS OF THE WATER USERS**

SECTION 1. Annual Meeting. An annual meeting of the water users of the Authority (the "water users") shall be held in the Town of Sulphur Rock, Independence County, Arkansas, or such other place as the board of directors may designate at 5:00 p.m. on the fourth (4th) Thursday (see minutes of January 2021) in February of each year, if not a legal holiday, on the next Thursday thereafter, at the same time.

SECTION 2. Special Meetings. Special meetings of the water users may be called at any time by the action of the board of directors and such meetings must be called whenever a petition requesting such meeting signed by at least ten percent (10%) of the water users and presented to the secretary or the board of directors. The purpose of every special meeting 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. Notice of meetings of the water users may be given by a notice mailed to each water user of record, directed to the address shown upon the books of the Authority, at least ten (10) days prior to the meeting. Such a notice shall state the nature, time, place, and purpose of the meeting, but no failure of irregularity of notice of any annual meeting, regularly held, shall affect any proceedings taken thereat.

SECTION 4. Quorum. The water users present at any meeting of the water users shall constitute a quorum for the transaction of business. The voting powers of the water users shall be equal, each water user shall have one vote only, and no voting by proxy shall be allowed.

SECTION 5. Election of Directors. The members of the board of directors shall be elected at the annual meeting of the water users. Any person wishing to seek a position on the board of directors must register their intent at the principal office of the Authority at least thirty-five (35) days prior to the annual meeting by completing a candidacy form furnished at the office. The Authority shall post a notice of the candidacy at the principal office of the Authority and will publish the same in the local newspaper. Board of directors shall be at large positions. (See minutes of April 2023).

In the event of a tie in voting at the annual meeting for the election of directors, the tie shall be broken by a majority vote of the board of directors. Any such candidate who is a sitting board member shall not vote to break the tie.

SECTION 6. Order of Business. The order of business at the regular meetings and so far as possible at all other meetings shall be:

- (a) Calling to order and proof of quorum.
- (b) Proof of notice of meeting.
- (c) Reading and action on any unapproved minutes.
- (d) Reports of officers and committees.
- (e) Election of directors.
- (f) Unfinished business.
- (g) New business.
- (h) Adjournment.

**ARTICLE VI.
BOARD OF DIRECTORS AND OFFICERS**

SECTION 1. General Powers. The affairs, activities, and operation of the Authority shall be managed by its board of directors.

SECTION 2. Number, Tenure, and Selection. The board of directors of the Authority shall consist of seven (7) members, all of whom shall be water users. The directors named in the Authority's Application for Conversion from a Body Corporate to a Body Politic shall serve as the initial board until the first annual meeting of the water users and until their successors are elected and have qualified. At the first annual meeting of the water users, two directors shall be elected for a term of one (1) year; two directors for a term of two (2) years; and three directors for a term of three (3) years. At each annual meeting of the water users thereafter, the water users shall elect for a term of three (3) years the number of directors whose terms of office have expired.

SECTION 3. Selection of Officers. The permanent board of directors shall meet within ten (10) days after the first election and within ten (10) days after the annual election of directors and shall elect by a majority vote, a president and vice president from among themselves and a secretary and treasurer, each of whom shall hold office until the election and qualification of his successor unless sooner removed by death, resignation or for cause.

SECTION 4. Vacancies. If the office of any director becomes vacant by reason of death resignation, retirement, disqualification or otherwise, except by removal from office, a majority of the remaining directors, though less than a quorum shall, by a majority vote, choose a successor who shall hold office until the next regular meeting of the water users of the Authority, at which time the water users 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. Quorum and Manner of Acting. A majority of the board of directors shall constitute a quorum for the transaction of business at any meeting of the board, and a majority of those present shall be sufficient to pass on matters presented at such meeting.

SECTION 6. Telephonic Meetings Permitted. Members of the board of directors may participate in a meeting of such board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can simultaneously hear each other, and participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

SECTION 7. Action by Consent. Unless these bylaws otherwise expressly provide, any action required or permitted to be taken at any meeting of the board of directors may be taken without a meeting if all directors on the board consent thereto in writing and the consents are filed with the minutes of the proceedings of the board. Action taken under this Section is effective when the last director signs the consent unless the consent specifies a different effective date.

SECTION 8. Compensation. Compensation of the officers may be fixed at any regular or special meeting of the water users of the Authority. Directors shall receive no compensation

for their services as such except that directors may be reimbursed for actual expenses incurred in the performance of their duties.

SECTION 9. Removal of Directors and Officers. Officers and directors may be removed from office in the following manner: Any water user, officer, or director may present charges against a director or officer by filing them in writing with the secretary of the Authority. If presented by a water user, the charges must be accompanied by a petition signed by ten percent (10%) of the water users. Such removal shall be voted on at the next regular or special meeting of the water users and shall be effective if approved by a vote of a majority of the water users. The director or officer against whom such charges have been presented shall be informed, in writing of such charges five (5) days prior to the meeting, and shall have the opportunity at such meeting to be heard in person by counsel and to present witnesses; and the person or persons presenting such charges against him or her 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 Authority. 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 VII. POWERS AND DUTIES OF DIRECTORS

The board of directors, subject to restrictions of law, the certificate of existence, and these bylaws, shall exercise all of the powers of the Authority, and, without prejudice to or limitation upon the board's general powers, it is hereby expressly provided that the board of directors shall have, and is hereby given, full power and authority with respect to the matters as hereinafter set forth:

(a) To select and appoint all officers, agents or employees of the Authority, remove such agents or employees of the Authority 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.

(b) To see that the operator-manager of the water system is licensed by the State Board of Health in the same manner as provided in Arkansas Code Annotated Section 17-51-101 through Section 17-51-106.

(c) To borrow from any source, money, goods or services and to make and issue notes, bonds and other negotiable or non-negotiable instruments evidencing indebtedness of the Authority; to make and issue mortgages, deeds of trust, pledges of revenue, trust agreements, security agreements and financing statements, and other instruments evidencing a security interest in the assets of the Authority; and to do every act and thing necessary to effectuate the same.

(d) To prescribe, adopt and amend, from time to time such equitable uniform rules and regulations as, in its discretion, may be deemed essential or convenient for the conduct

of the business and affairs of the Authority and the guidance and control of its officers and employees, and to prescribe adequate penalties for the breach thereof.

(e) To order, at least once each year, an audit of the books and accounts of the Authority by a competent public auditor or accountant. The report prepared by such auditor or accountant shall be submitted to the water users at their annual meeting.

(f) To fix the charges to be paid by each water user for services rendered by the Authority to him, the time of payment and the manner of collection.

(g) To require all officers, agents and employees charged with responsibility for the custody of any of the funds of the Authority to give adequate bonds, the cost thereof to be paid by the Authority, and it shall be mandatory upon the directors to so require.

(h) To select one (1) or more banks to act as depositories of the funds of the Authority and to determine the manner of receiving, depositing and disbursing the funds of the Authority 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.

(i) To do all acts authorized by Arkansas law, including particularly, without limitation, the Water Authority Act.

ARTICLE VIII. OFFICERS

SECTION 1. President. The president shall preside over all meetings of the Authority 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 Authority as he or she may be authorized to sign, including all checks, contracts and other instruments in writing on behalf of the Authority. The president shall perform such other duties as may be prescribed by the board of directors.

SECTION 2. Vice President. In the absence or disability of the president, the vice president shall perform the duties of the president; provided, however, that in the case of death, resignation or disability of the president, the board of directors may declare the office vacant and elect his successor.

SECTION 3. Secretary-Treasurer. The secretary-treasurer shall keep a complete record of all meetings of the Authority and of the board of directors and shall have general charge and supervision of the books and records of the Authority. He shall sign all papers pertaining to the Authority as he may be authorized or directed to sign by the board of directors. He shall serve all notices required by law and these bylaws and shall make a full report of all matters and business pertaining to his office to the water users at the annual meeting. He shall keep the corporate seal and affix said corporate seal on all papers requiring the seal. He shall make all reports required

by law and shall perform such other duties as may be required of him by the Authority or the board of directors. Upon the election of his successor, the secretary-treasurer shall turn over to him all books and other property belonging to the Authority that he may have in his possession. He shall also perform such duties with respect to the finances of the Authority as may be prescribed by the board of directors.

ARTICLE IX.
BENEFITS AND DUTIES OF WATER USERS

SECTION 1. Delivery of Water Supply. The Authority will install, maintain and operate a main distribution pipeline or lines from the source of the water supply and service lines from the main distribution pipeline or lines to the property line of each water user, at which points, designated as delivery points, meters to be installed, owned and maintained by the Authority shall be placed. The cost of the service line or lines, meter, meter setter with cutoff valve, and meter box with lid from the main distribution pipeline or lines of the Authority to the property line of each water user shall be paid by the water user. The Authority shall have the sole exclusive right to use such cutoff valve to turn it on and off.

SECTION 2. Number of Service Lines. Each water user occupying a single family dwelling shall be entitled to only one service line from the Authority's water system (the "System"). In other words, one service line per meter. If the water user owns and/or maintains a multi-family dwelling, one meter may connect to as many service lines as there are individual units in the dwelling. 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 therein. Each service line shall connect with the System at the nearest available place to the place of desired use by a water user, if the System shall be of sufficient capacity to permit the delivery of water through a service line at the place without interfering with the delivery of water through a prior service line. If the System shall be inadequate to permit the delivery of water through a prior service line, then such service line shall be installed at such place as may be designated by the Authority. Each water user will be required to dig or have dug a ditch for the connection of the service line or lines from the property line of the water user to his dwelling or other portion of his premises and will also be required to purchase and install the portion of the service line or lines from his property line to the place of use on his premises and to maintain such portion of such service line or lines which shall be owned by the water user, at his own expense, provided that the Authority may, if the board of directors so determines, purchase the pipe for and install such portion of such service line or lines, the cost which will, however, be paid by the individual water users.

SECTION 3. Purchase of Water. Each water user shall be entitled to purchase from the Authority, pursuant to such agreements as may from time to time be provided and required by the Authority, such water for domestic, livestock and garden purposes as a water user may desire, subject, however, to the provisions of these bylaws and to such rules and regulations as may be prescribed by the board of directors. Each water user shall be entitled to have delivered to him 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 persons and to irrigate a garden of not to exceed one (1) acre. 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 water user.

SECTION 4. Insufficient Water Supply. 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 Authority may prorate the water available among the various water users on such basis as is

deemed equitable by the board of directors, and may also prescribe a schedule of hours covering use of water for garden purposes; provided that if at any time the total water supply shall be insufficient to meet all of the needs of the water users for domestic, livestock and garden purposes, the Authority must first satisfy all of the needs of all the water users for domestic purposes before supplying any water for livestock purposes and must satisfy all of the needs of the water users for both domestic and livestock purposes before supplying any water for garden purposes. If a water user refuses to abide by the Authority's curtailment request, the Authority reserves the right to disconnect water service for the period of the shortage, at which time, there will be a reconnection fee.

SECTION 5. Directors Determine Rates. The board of directors shall, prior to the beginning of each calendar year, determine the flat minimum monthly rate to be charged each water user for a specified quantity of water, such flat minimum monthly rate to be payable irrespective of whether any water is used by a water user during any month, and the amount of additional charges, if any, for additional water which may be supplied the water users, shall fix the date of the payment of such charges, and shall notify each water user of the amount of such charges and the dates for the payment thereof. The determination of the board of directors as provided herein shall be subject to the approval of the appropriate agencies, if the Authority is indebted to that agency on any loans made, or insured, for the purpose of constructing or improving the System. A water user to be entitled to the delivery of water shall pay such charges at the principal office of the Authority 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 the following penalties:

- a. Payment due on the 20th of the month following receipt of bill. Non-payment after the 20th results in a 10% late fee.
- b. Non-payment for thirty (30) days after due. The water shall be cut off from the delinquent water user's property. A reconnect fee will be assessed once water has been cutoff \$30.00 first time in 12 month period; \$60.00 thereafter.

SECTION 6. Water User Agreements. The board of directors shall be authorized to require each water user to enter into water users agreements which shall embody the principles set forth in the foregoing sections of this article.

ARTICLE IX. DIVIDENDS PROHIBITED

The Authority shall not have or issue shares of stock, and no dividend shall be paid and no part of the income of the Authority shall be distributed to its officers. The Authority may pay compensation in a reasonable amount to its officers for services rendered, and may reimburse its directors, officers and employees for expenses incurred in attending to their authorized duties; provided however, such expenses shall be evidenced by receipt or other proper document.

**ARTICLE X.
AMENDMENTS**

These bylaws may be altered, amended or repealed and new bylaws may be adopted by the board of directors at any regular or special meeting of the board of directors; provided however, unless notice is waived, the Authority shall provide ten (10) days' written notice to the directors that the amendment will be voted upon at the meeting, and the notice must state that the purpose, or one of the purposes, of the meeting is to consider the proposed amendment to the bylaws, and the notice shall also contain or be accompanied by a copy or a summary of the amendment or state the general nature of the amendment. Any amendment must be approved by a majority vote of the directors in office at the time the amendment is adopted. The Arkansas Natural Resources Commission shall be required to approve any amendment to these bylaws relating to (a) any change with respect to the number of directors or the procedure for electing or nominating directors or (b) the geographic service area over which the Authority has jurisdiction.

**ARTICLE XI.
DISTRIBUTION OF SURPLUS FUNDS**

It is not anticipated that there will be any surplus funds or net income to the Authority at the end of the fiscal year after provisions are made for the payment of the expense, operation and maintenance of and the funding of the various reserves for depreciation, debt retirement, and other purposes, including those required by the terms of any borrowing transaction. The occurrence in subsequent fiscal years of surplus funds or net income above the requirements of the Authority as above mentioned, including, if any, a reserve for improvements and extensions of the facilities shall be taken into consideration by the board of directors in determining the water rates to be charged.

**ARTICLE XII.
DISSOLUTION**

The Authority may be dissolved, with the approval of the Arkansas Natural Resources Commission, by a vote of the majority of all of the directors of the Authority at any regular or special meeting of the board of directors called for that purpose. Subsequent to the vote to dissolve the Authority, articles of dissolution shall be filed with the Arkansas Natural Resources Commission, and, if approved, (a) articles of dissolution shall also be filed with the Secretary of State; and (b) claims and liabilities of the Authority shall be paid, and any assets of the Authority remaining after payment of claims and liabilities shall be transferred to either (i) another water authority, with the approval of the Arkansas Natural Resources Commission, or (ii) to the State of Arkansas or a subdivision of the state, including the Arkansas Natural Resources Commission.

Dated effective the 22nd day of February, 2024.

President

Secretary

(SEAL)