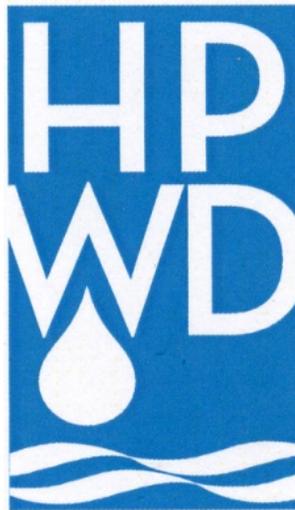


By-Laws of the High Plains Underground Water Conservation District No. 1

(As Amended September 9, 2014)



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**BY-LAWS OF THE
HIGH PLAINS UNDERGROUND WATER CONSERVATION DISTRICT NO. 1
(As amended September 9, 2014)**

ARTICLE 1

The name of this corporation is HIGH PLAINS UNDERGROUND WATER CONSERVATION DISTRICT NUMBER 1, hereinafter referred to as District.

The District was formed in 1951 for the purpose of conserving, preserving, protecting and recharging the underground water of Subdivision No. 1 of the Underground Water Reservoir, High Plains Area, South of the Canadian River in Texas, as authorized by Article 7880-3c Revised Civil Statutes of the State of Texas (Acts of the 51st Legislature, 1949, Ch. 306, Page 559) and Article XVI, Section 59 of the Texas Constitution.

**ARTICLE 2
*BOARD OF DIRECTORS***

A board of five Directors, elected according to the precinct method as specified in Chapter 36 Texas Water Code, shall be the managing body in charge of all the business and affairs of the District and shall make all contracts thereto. Directors shall assume office at the regular January Board Meeting after being elected at the November election, filing all required papers or forms and taking the Oath of Office.

In the management and control of the property, business, and affairs of the District, the Board of Directors is hereby vested with all the powers possessed by the District itself insofar as such authority is not inconsistent with the laws of the State of Texas or with these By-Laws. To the extent allowed by and in the manner required by law, the Board of Directors shall have the power to borrow money on behalf of the District and to issue evidence of the indebtedness and security therefor and to assume indebtedness on behalf of the District, these powers being cumulative of all other powers of the Board of Directors.

The Board shall adopt rules to provide for conserving, preserving, protecting, recharging, controlling subsidence, and preventing waste of the underground water and to carry out the powers and duties provided by Chapter 36 Texas Water Code.

ARTICLE 3
MEETINGS

The Board shall hold regular meetings at the office of the District on the second Tuesday of each month and may hold meetings at such other times and places as the business of the District may require.

Special meetings of the Board may be called by the President or by a majority of the Directors, upon three days written notice by mail, stating the purpose or purposes thereof. Special meetings may also be held at any time by unanimous consent of the Directors.

Notice of all regular and special meetings of the Board shall be posted in accordance with the Texas Open Meetings Act.

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

ARTICLE 4
COUNTY ADVISORY COMMITTEES

Each county in the District shall have an appointed County Advisory Committee, which serves solely in an advisory capacity to the Board of Directors.

The Board of Directors shall establish a policy regarding the County Advisory Committees, including, but not limited to, the maximum/minimum number of members per county, qualifications for appointment and service, duties and responsibilities, and frequency of meetings.

ARTICLE 5
COUNTY SECRETARY

The Board may appoint a County Secretary to perform such duties as the Board may authorize.

ARTICLE 6
GENERAL MANAGER

A General Manager for the District shall be selected by the Directors. Duties shall be delegated by the Board of Directors. The salary and term of office and allowances for expenses shall be as set by the Board of Directors from time to time.

ARTICLE 7
FISCAL YEAR

The fiscal year for the District shall be October 1 to September 30.

ARTICLE 8
DEPOSIT OF DISTRICT FUNDS

The funds of the District are to be deposited in banks within the Water District service area. Deposits in any one bank shall not exceed the amount covered by FDIC insurance.

ARTICLE 9
ANNUAL BUDGET

The Board shall adopt an annual budget setting forth the estimated cost for all activities and programs of the District.

ARTICLE 10
SETTING OF TAX RATE

The Board shall set a tax rate which will yield adequate funds to cover the expenditures set forth in the adopted budget. The Board may amend the budget should changing conditions require greater or lesser expenditures than were originally budgeted.

ARTICLE 11
BOARD APPROVAL OF EXPENDITURES

The Board shall review and approve all bills paid and/or to be paid at its monthly meeting. The Board may authorize the Manager to spend the funds as set forth in the budget. Any single expenditure in excess of \$5,000 shall be approved by the Board as an agenda item at a regular or special called meeting of the Board. The Manager is responsible for providing to the Board the balance of the various accounts budgeted for the various programs of the District. The Board shall review all travel vouchers of the Board Members and the Manager and all staff travel vouchers which exceed \$250 during one calendar month.

ARTICLE 12
CONTRACTS

No contract to sell, lease or convey, nor the conveyance of any real estate owned by the District nor contract to assign, nor the assignment of any leasehold interest owned by the District, shall be made unless authorized by the Board of Directors at a regular or special meeting.

No conveyance, mortgage or lease of real property executed pursuant to authority given by the Board of Directors shall be valid unless signed by the President or Vice-President, sealed with the seal of the District and attested by the Secretary of the District. The Board shall approve all contracts for services, with the exception of service contracts on maintenance of District equipment which they may delegate to the Manager.

ARTICLE 13
BY-LAWS

The By-Laws of the District may be amended, added to, or repealed by a majority vote of the Board of Directors at any meeting of the Board of Directors, providing notice of the proposed change or changes is given in the notice of the meeting or the notice thereof is waived in writing.

ARTICLE 14
DISTRICT SEAL

The seal of this District shall consist of a flat-faced circular dye with the following words and figures thereon: HIGH PLAINS UNDERGROUND WATER CONSERVATION DISTRICT NO. 1.

ARTICLE 15
MINUTES

Complete minutes shall be kept of all Directors' meetings.

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