

**Gonzales County
Underground Water
Conservation District
Bylaws**

As Adopted

November 9, 2004

Revised February 12, 2008

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BYLAWS

Gonzales County Underground Water Conservation District

Article I: Purpose

Section 1. The purpose of these Bylaws is to provide for the conduct of the affairs of the Gonzales County Underground Water Conservation District, in conformity with and pursuant to the order of the Texas Natural Resource Commission number 101692-D04, creating the conservation district known as "Gonzales County Underground Conservation District", and operating under the general laws of the State of Texas.

Section 2. The principal office of the District shall be in Gonzales, Gonzales County, Texas. The district's mailing address is P.O. Box 1919, Gonzales, Texas 78629.

Section 3. The Gonzales County Underground Water Conservation District shall have a seal to be used in attesting all the official acts of the Board of Directors, or otherwise as the Board may direct, such seal to be kept by the General Manager of the District.

Article II: Board of Directors

Section 1. The Board of Directors shall consist of 5 directors, elected from single member districts. Election of directors will be held in May of the same year as the US Presidential election.

Section 2. Except as where otherwise provided by law or by these Bylaws, an action item of the Board of Directors shall be approved by the affirmative vote of a majority of the Directors present at any meeting. In the event a quorum is 3 directors, a vote on action items must be unanimous. All directors shall vote on every action item unless disqualified due to a conflict of interest.

Section 3. No Director, Officer, Agent, or Employee shall have any power or authority to bind the District by any contract or engagement; pledge its credit; or render the District liable peculiarly for any purpose or in any amount, unless so authorized by the Board of Directors.

Section 4. A Vacancy on the Board of Directors shall be filled pursuant to the provisions set forth in section 36.051, Texas Water Code. A vacancy shall be filled by the Board of directors at the next regular meeting following the acceptance of the resignation of a director.

Section 5. A Director's resignation, to be effective, must be in writing, signed by the Director, and delivered to the Secretary. If a Director submits a resignation, a vacancy occurs on the date the resignation is accepted by the Board of Directors or on the eighth day following receipt by the Secretary, whichever date is earlier, as provided by the Texas Election Code, Section 201.001, et seq.

Section 6. A Director is entitled to compensation for service on the Board of Directors. Compensation is limited to the per diem stated in Chapter 36, Texas Water Code. Board member reimbursement for travel and expenses are approved on a case by case basis by the Board.

Section 7. Each Director shall exercise his or her best efforts to comply with the ethics policy of the District.

Section 8. The Board of Directors shall require all directors, employees, consultants and agents of the District handling funds or property belonging to, or in possession or under the control of the District, to furnish the District with a satisfactory bond of indemnity, indemnifying the District and its members against any fraudulent, dishonest or unlawful act on the part of such directors, employees, consultants and agents. Such bond shall be furnished by a responsible bonding company and shall be approved by the Board of Directors. The Board of Directors may pay the premium on surety bonds required of directors, employees, consultants and agents of the District out of any available funds of the District, including proceeds from the sale of bonds.

Section 9. Directors of the District shall canvass the results of the election within 10 days of the day of the election. All directors shall continue to serve until the next regular meeting at which time the new directors shall be sworn in.

Article III: Officers

Section 1. The officers of the Gonzales County Underground Water Conservation District are a President; a Vice President; a Secretary-Treasurer, all of who shall be members of the Board of Directors.

Section 2. Not later than 10 days after the election, a meeting shall be called for the purpose of canvassing the election results. All officers shall continue in office until their successors are installed in office which shall be at the next regular board meeting following the canvassing of the election results. The board shall elect officers to fill such vacancies as have been created by death, resignation, or removal. Election of officers to fill vacancies may be held at any meeting.

Section 3. The President of the Board of Directors shall preside at all meetings of the Board. The President shall sign contracts, obligations, undertakings, conveyances, and other instruments when so authorized and directed by the Board of Directors. The President may establish and appoint such committees as may be necessary or desirable to assist in conducting the business of the Board of Directors, or as may be directed by the Board. The President may call special meetings and serve as an ex-officio member of all committees.

Subsection 3a. In the case of the absence or inability of the President to act, the Vice-President of the Board of Directors shall perform all of the duties of the President.

Section 4. The Secretary-Treasurer of the Board of Directors shall exercise general supervision and direction over the General Manager in the matter of financial records kept by the General Manager. He shall attest such deeds, bonds, contracts, mortgages, and other documents upon which attestation is necessary or desirable, as the Board of Directors shall direct, and the Secretary-Treasurer shall in general perform all duties incident to the office of Secretary-Treasurer.

Subsection 4a. The Secretary-Treasurer may delegate the recording and transcribing of the minutes to another board member or employee of the District.

Section 5. Officers of the District may be removed from office by the Board of Directors at any meeting for any reason deemed sufficient by the Board of Directors. The removal of any officer shall be without prejudice to contract rights, if any, of the officer so removed. The election or appointment of any officer shall not of itself create contract rights. Any officer being considered for removal shall be given notice in writing of charges against him, and a reasonable time in which to answer such charges, and shall be given a hearing before the Board.

Article IV: Committees

Section 1. The President of the Board of Directors may establish and appoint such committees as may be necessary or desirable to assist in conducting the business of the District, or as may be directed by the Board.

Subsection 1a. Workshops may be held by committees and are open to the public.

Subsection 1b. Workshops and committee meetings shall be posted according to the Texas Open Meetings Act if a quorum of the Board will be present for the workshop or committee meeting.

Subsection 1c. Committees shall include board members only.

Section 2. The Finance Committee is established by these Bylaws as a standing committee and shall consist of the Secretary-Treasurer to serve as Chairman and one other Director appointed by the President.

Subsection 2a. Subject to the provisions set forth in Section 36.057, Texas Water Code, the Finance Committee will recommend to the Board the selection of a depository or depositories for District funds.

Subsection 2b. Subject to the provisions set forth in Section 36.156, Texas Water Code, the Finance Committee is authorized to determine the most advantageous investments of District funds and direct such investments to be made by the General Manager.

Subsection 2c. The Finance Committee will review District budgets prepared by the General Manager before submission to the Board for approval. The proposed budget should be submitted to the Board of Directors at the August meeting.

Subsection 2d. An independent auditor, approved by the Board of Directors, will conduct a full annual audit of the District's books.

Article V: General Manager and Employees

Section 1. The Board of Directors may employ a General Manager and set his salary and other compensation. The General Manager is the Chief Executive Officer of the District and as such shall have full authority to manage the affairs of the District, subject to the orders of the Board of Directors. Under policies established by the Board, he is responsible to the Board for:

Subsection 1a. Administering the directives of the Board;

Subsection 1b. Keeping the District's records, including minutes of meetings of the Board;

Subsection 1c. Developing plans and programs for the approval of the Board;

Subsection 1d. Hiring, supervising, training, and discharging the employees, as authorized by the Board;

Subsection 1e. Contracting for technical, scientific, legal, fiscal, and other professional services, as authorized by the Board;

Subsection 1f. Preparation for review by the Finance Committee and approval by the Board of an annual budget for the District;

Subsection 1g. Serving as assistant Secretary-Treasurer with authority to perform all duties of the Secretary-Treasurer in the absence of the Secretary-Treasurer but without the authority to vote;

Subsection 1h. Serving as the records management officer for the District as provided by the Texas Local Government Records Act, Tex. Local Governmental Code, section 201.001.

Subsection 1i. Performing any other duties assigned to him by the Board.

Section 2. The Board of Directors shall establish such positions and salaries for employees, as it deems necessary for sustaining the activities of the District. No Director or member of a Director's immediate family shall serve on a full time or permanent basis as an employee of the District. The District shall comply with Government Code, Chapter 573 – degrees of relationship: Nepotism Prohibitions.

Section 3. The Board of Directors may authorize the contracting for service or retaining of engineering, technical, scientific, legal, fiscal, and other professional services, in accordance with the professional service policy adopted by the Board of Directors and Section 36.057, Texas Water Code.

Article VI: Meetings

Section 1. All meetings of the Board of Directors and of all committees shall be open to the public, as set forth in the Texas Open Meetings Act, Title 5, Chapter 551 of the Texas Government Code, and advance written notices of such meetings shall be posted as prescribed in said Act.

Section 2. The Board of Directors shall meet in regular session on the second Tuesday each month provided such date is not in conflict with a holiday. All regular sessions will be tape recorded. The Board shall meet in special session when called by the President or by a majority of its members.

Section 3. Committees shall meet when called by the chairman thereof.

Section 4. Agendas for meetings of the Board and for committee meetings shall be distributed to Directors not later than three days preceding the date of the meeting. However, failure to do so shall not invalidate any action taken at the meeting.

Section 5. No business of substance may be transacted at a meeting of the Board or of a committee unless such business was listed as an item on the agenda as distributed to the Directors and contained in the written advance notice of the meeting, except that informational items may be presented and discussed at meetings without having been placed on the agenda, providing no action is taken by the Board or the committee on such items that would be contrary to the provisions of the Texas Open Meetings Act as amended.

Section 6. Meetings of the Board of Directors or of committees may be closed to the public only as set forth in the Texas Open Meetings Act as amended.

Section 7. A certified agenda shall be kept and maintained or a written record of each meeting that is closed to the public, except for closed meetings during which the Directors seek the legal advice of the District's attorney.

Section 8. To the extent necessary for the orderly conduct of meetings, the guidelines of Robert's Rules of Order will be followed.

Section 9. Public comments shall be included in the agenda of the meetings.

Article VII: Funds and Records of the District

Section 1. The Board of Directors, upon recommendation of the Finance Committee, shall adopt written policies for managing and investing the District's funds. The District and its Officers shall manage and invest its funds in accordance with such policies, as amended.

Section 2. All documents, reports, records, and minutes of the District shall be available for public inspection in accordance with the Texas Open Records Act, Title 5, Chapter 552 of the Texas Government Code. Upon application of any person, the district, when appropriate, will furnish copies, certified or otherwise, of any of its proceedings or other official acts of record or of any paper, map, or document files in the District office. Certified copies shall be made under the hand of the secretary or General Manager and affixed with the seal of the District. Persons who are furnished any copies may be assessed a charge therefore, pursuant to policies established by the general manager based on the reasonable cost of furnishing such copies. The General Manager is authorized to request, on behalf of the District, an attorney general's opinion under the Open Records Act.

Section 3. The regular hours of the District shall be 8:00 a.m. to 5:00 p.m., Monday through Friday, except for District holidays, or as may be set from time to time by the General Manager. The following are considered District Holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Good Friday, Veteran's Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve or day after Christmas, and Christmas Day. District Holidays which fall on Saturday or Sunday will be observed on the preceding Friday or the following Monday, as determined by the General Manager.

Article VIII: Rules

Section 1. Rules shall be adopted and enforced as set forth in Sections 36.101 and 36.102, Texas Water Code.

Article IX: Indemnity

Section 1. The Board of Directors shall assume the legal defense of, compromise, settle and pay any claim or cause of action asserted against any director, officer, or employee, past or present by reason of his having been such director, officer, or employee, past or present, or arising out of the performance or failure to perform his duties as such; and, also, shall pay or reimburse any such director, officer, or employee, past or present, for any judgment rendered against him by reason of his having been such director, officer, or employee, or arising out of the performance or failure to perform his duties as such, and including any legal fees, costs, or expenses incurred by him in the defense of any such claim or cause of action; unless the Board determines that such director, officer, or employee, past or present, shall have been guilty of willful misconduct in respect to the matter in which such claim is asserted or judgment recovered. If any action, payment or reimbursement herein set forth is covered by insurance or bond protection then in force, then to the extent which such insurance or bond gives the protection above set forth, the Board of Directors shall not be obligated under the above provision; but this shall not relieve the Board of Directors from the performance of such matters which are not covered by such insurance or bond or which may be in excess of such insurance or bond protection.

Article X: Amendments

Section 1. These Bylaws may be amended or revised only at a regular meeting of the Board of Directors by affirmative vote of a majority of all the Directors, provided that the proposed amendment has been circulated among the Directors at least seven days prior to such a meeting.

Article XI: Regulation

Section 1. Any actions related to conducting the affairs of the Gonzales County Underground Water Conservation District not covered in these Bylaws are subject to the statutory provisions set forth in Chapters 36, 49 and 52, Texas Water Code, and the order of the Texas Natural Resource Conservation Commission number 101692-D04 creating the conservation district known as Gonzales County Underground Water Conservation District.

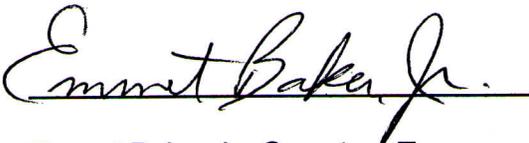
Article XII: Savings Clause

Section 1. If any section, sentence, paragraph, clause or part of these Bylaws should be held or declared invalid for any reason by a final judgment of the courts of this state or of the United States, such decision or holding shall not affect the validity of the remaining portions of these Bylaws; and the Board does hereby declare that it would have adopted and promulgated such remaining portions of such rules irrespective of the fact that any other sentence, section, paragraph, clause, or part thereof may be declared invalid.

Adopted by the Board of Directors on February 12, 2008



William V. Hyman, President



Emmet Baker Jr., Secretary-Treasurer