

# BYLAWS OF THE KEMPER COUNTY UTILITY DISTRICT

## ARTICLE I

### KEMPER COUNTY UTILITY DISTRICT

**Section 1. Name.** The name of this entity is the “**Kemper County Utility District**”, (the “District”) which was authorized by Senate Bill 3141, “*An Act to Amend Chapter 948, Local and Private Laws of 2014, to Authorize the Board of Supervisors of Kemper County, Mississippi, to Expand the Scope of Authority of the Kemper County Gas District to Become a County Utility District with the Authority to Administer Additional Public Utility Services, Including, But Not Limited To, The Provision of Drinking Water; To Revise the Name of the Kemper County Gas District to Be the Kemper County utility District; and For Related Purposes*” (the “Act”) signed April 3, 2023, and activated by resolution duly adopted and entered on the minutes of the Board of Supervisors of Kemper County, Mississippi on May 1, 2023.

**Section 2. Purpose.** The purpose of the Kemper County Utility District is to provide public utility services, including, but not limited to, the provision of drinking water, storm water, wastewater, and sewage. The purposes of creating the District are to provide new utility service, including, but not limited to, natural gas and drinking water, to and within the area described in Section 3, *infra*, as economically feasible; to enable existing utility service providers to improve service within Kemper County by facilitating cooperation between them and administering projects of mutual benefit; to provide a path for voluntary consolidation of existing rural utility systems; and to provide ways and means to carry out and accomplish these purposes, thereby benefitting and making more valuable the lands in the District and preserving and promoting the health, safety and convenience of the businesses, industrial sites, and other residents of the District.

**Section 3. Composition of the District.** The District shall be composed of all of Kemper County, Mississippi, less and except any areas that are certificated prior to the effective date of the Act. The District shall not provide the same utility service in an area where an entity holding a certificate of public convenience and necessity issued by the Public Service Commission is already actively providing this service, nor where an entity obtains a new certificate of public convenience and necessity from the Public Service Commission after the effective date of the Act. The District shall, upon the request of any natural gas operator, release from the District any areas for which the natural gas operator has been issued a certificate of public convenience and necessity by the Mississippi Public Service Commission after the effective date of the Act.

For the purpose of Section 77-3-1, Mississippi Code of 1972, any utility facilities of the District shall be deemed to be a municipal utility system not subject to the jurisdiction of the Mississippi Public Service Commission, except as otherwise provided by Section 77-3-1, Mississippi Code of 1972, and in the enabling legislation.

Upon receipt of a document evidencing a determination from an entity to transfers its powers, duties and responsibilities to the District, the District shall by resolution declare whether

it is willing and able to accept such transfer from the entity. The District shall determine whether the entity complied with the Act; and if so and upon agreement by the District and the entity desiring to transfer, the holder of the certificate of public convenience and necessity and the District shall jointly petition the Public Service Commission to cancel the certificate of public convenience and necessity. The District and requesting entity shall comply with all requirements of the Act and under Mississippi law to consider and effectuate any transfer in powers, duties and responsibilities to the District.

**Section 4. Power and Jurisdiction.** The District is a political subdivision of the State of Mississippi with the power to sue and be sued, to contract and be contracted with, to employ staff and other personnel, including consultants, engineers, and attorneys.

All powers of the District are vested in the Board of Commissioners of the District and shall be exercised by the Board of Commissioners.

In addition to any other powers granted under any other provision of law, the Board of Commissioners shall:

- (a) Have the power to make such rules and regulations as it deems necessary to the operation of the District and the subsequent election of Commissioners;
- (b) Possess all necessary power and authority to construct, acquire, improve, enlarge, operative, maintain, dispose of, administer and manage a natural gas transmission and distribution system, drinking water facilities, storm water facilities, and wastewater and sewer facilities, including, but not limited to:
  - (i) The authority to contract with public or private entities for the operation, management and administration of the system;
  - (ii) The authority to apply for, contract for, and accept money and property from any source, public or private, including, but not limited to, in lieu payments, grants and loans from federal and state agencies, government appropriations, gifts, trades and donations;
  - (iii) The authority to enter into franchise agreements;
  - (iv) The authority to require the necessary relocation or rerouting of water lines, storm drain lines, sewer lines, telecommunications lines, or electric power lines, and to require the anchoring or other protection of any of these lines, provided fair compensation is first paid to the owners or an agreement is made with such owners regarding the payment of costs of such relocation, and to acquire

easements or rights-of-way for such relocation or rerouting, and to convey the same to owners of the property being relocated or rerouted in connection with the purposes of the Act;

- (v) The authority to acquire, in the District's name, by purchase on any terms and conditions and in any manner as it may deem proper, including by eminent domain through action of the Kemper County Board of Supervisors, property for public use, or by gift, grant, or lease, real property or easements therein, franchises and personal property necessary or convenient for its cooperate purposes; provided, however, that eminent domain shall not be used to acquire any system operating under a certificate of public convenience and necessity issued by the Mississippi Public Service Commission or operated by a municipality;
- (vi) The authority to establish and maintain rates, fees, assessments and any other charges for services and the use of facilities within the control of the District, and from time to time, to adjust such rates, fees, assessments and other charges to the end that the revenues therefrom will be sufficient at all times to pay the expenses of operating and maintaining the facilities and meeting all obligations under any contract, loan or bond;
- (vii) The authority to acquire insurance for the District's facilities and all property, real or personal;
- (c) Have the authority to issue revenue bonds to finance the construction of utility facilities as provided in the Act;
- (d) Enter into a lease-purchase agreement for the construction and ultimate acquisition of utility facilities;
- (e) Have the right to use any streets, alleys, public ways and public places within its boundaries in conjunction with the provision of utility services;
- (f) Have the authority to maintain office space at such place or places within Kemper County as it may determine;
- (g) Have the authority to make and enforce, and from time to time amend and repeal, any bylaws, ordinances, rules and regulations necessary for the management of its business affairs and for the administration of its facilities; and



- (h) Have full and power and authority to issue all bonds of the District, consistent with the requirements of the Act.

Except as otherwise provided in the Act, all powers with respect to utility facilities granted to municipalities by Sections 21-27-11 through 21-27-75, Mississippi Code of 1972, including the issue of revenue bonds, are conferred upon and may be exercised within the District by the Board as if the system and financing thereof as provided in this Act were done pursuant to such sections.

**Section 5. District Business.** The business of the District shall be carried out pursuant to, and reflected in, an order or resolution duly entered on its minutes.

**Section 6. Office(s) of the District.** The office(s) of the District shall be located in Kemper County, Mississippi at a location(s) designated by the Board of Commissioners.

**Section 7. Seal.** The District shall have the authority to adopt an official seal and may alter the seal at its will and pleasure.

## ARTICLE II

### BOARD OF COMMISSIONERS

**Section 1. Interim Board of Commissioners.** From and after the effective date of the Act, the powers of the District are vested in and exercised by an Interim Board of Commissioners which shall consist of six (6) members appointed by the Board of Supervisors of Kemper County. The terms of office for the members of the Interim Board of Commissioners shall expire upon completion of the construction of the District's natural gas transmission and distribution system and the selection of resident members of the Board of Commissioners as described in Article II, Section 2. Any vacancy in the office of Commissioner during the interim period shall be filled by the Board of Supervisors of Kemper County.

**Section 2. Board of Commissioners.** The District shall have a Board of Commissioners whose members shall be selected as follows: promptly upon the commencement of natural gas service by the District to not less than one hundred (100) individually billed users, the Interim Board of Commissioners shall give notice to each individually billed user of any of the District's utility services of an initial election to be held at a time not less than thirty (30) days nor more than sixty (60) days from such date. The notice shall state the time, place and manner in which the users may vote upon the selection of subsequent resident members of the Board of Commissioners to serve terms of one (1), two (2) and three (3) years, respectively, by ballot of all users of the District. Such election shall be held in a manner and according to procedures to be established by rules and regulations adopted by the Interim Board of Commissioners before the giving of notice of such election, and a printed copy of such rules and regulations shall accompany the notice to be forwarded by regular mail to the users. Each user of the District shall have one (1) vote, provided that when a billing is made to more than one (1) person at a single location, each such person shall be limited to casting a pro rata share of the one (1) vote to which the billing

location is entitled. Vacancies in the office of Commissioner following the holding of the initial election shall be filled for the unexpired term by the remaining Commissioners.

**Section 3.**     **Appointment and Terms.**     The members of the Board of Commissioners shall be elected annually on a date and in a manner substantially conforming to the initial election, except that in each annual election following the initial election, Commissioners shall be elected to terms of three (3) years.

## **ARTICLE III**

### **OFFICERS**

**Section 1.**     **Officers.**     The officers of the District shall be a Chairman, Vice-Chairman, Secretary, and Treasurer.

**Section 2.**     **Chairman.**     The Chairman shall preside at all meetings of the District with the power to vote in each meeting. At each meeting, the Chairman shall submit such recommendations and information as he or she may consider proper concerning the business affairs and policies of the District. The Chairman shall advise the Board and keep it fully informed concerning the business and activities of the Chairman. The Chairman shall have the authority to call special meetings of the District between regular meetings. The Chairman shall organize and oversee all committees appointed by the Chairman and/or Board to ensure committee goals are being met.

**Section 3.**     **Vice-Chairman.**     The Vice-Chairman shall perform the duties of the Chairman in the absence or incapacity of the Chairman; and in case of the resignation or death of the Chairman, the Vice-Chairman shall perform such duties as are imposed on the Chairman until such time as the Commissioners shall elect a new Chairman. The Vice-Chairman shall perform such other duties as may be assigned by the Chairman and/or by the Commissioners.

**Section 4.**     **Secretary.**     The Secretary shall keep the records of the District, shall act as secretary of the meetings of the District and record all votes, shall keep minutes of any meeting of the District, and shall perform all duties incident to the office. The Secretary shall perform such other duties as may be required by law or by order or resolution of the Board of Commissioners.

**Section 5.**     **Treasurer.**     The Treasurer shall be responsible for the deposits of the District in such bank or banks as the Board of Commissioners select, maintain financial records of the District, ensure annual performance of an audit, act as liaison between it and the Kemper County Controller, and undertake all other duties as assigned or as delegated to him or her. The Treasurer shall assure the keeping of regular books of accounts showing receipts and disbursements and shall assure the tendering at each regular meeting of an account of all transactions of the financial condition of the District.

**Section 6.**     **Additional Duties.**     The officers of the District shall perform such other duties and functions as may from time to time be required by the District or the Bylaws or rules or regulations of the District. The Board of Commissioners may authorize any officer or officers,



manager agent or agents of the District, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the District, and such authority may be general or confined to specific instances.

**Section 7.**     **Election and Terms of Officers.**     Officers shall serve for a term of one (1) year from the meeting when such officers were elected. Elections of Officers shall take place annually at the first regular meeting following the Annual Meeting. Elected Officers shall begin their term upon election.

**Section 8.**     **Vacancies.**     If the offices of Chairman, Vice-Chairman, Secretary, or Treasurer become vacant, the Commissioners shall elect a successor at the next regular meeting; and such election shall be for the unexpired term of office.

## **ARTICLE IV**

### **COMMITTEES**

**Section 1.**     **Standing Committees.**     The Chairman of the Commission may designate standing committees of the District and appoint their members to serve on the standing committees.

**Section 2.**     **Appointment of Committees.**     Other committees may be formed by the Chairman and/or Board of Commissioners at any time.

## **ARTICLE V**

### **MEETINGS**

**Section 1.**     **Regular Meetings.**     The District shall hold regular meetings each month on the Third Wednesday of each month at 8:00 a.m. at 14062 Highway 16 West, Dekalb, Mississippi 39328, or at such other time and place as designated by resolution by the District and published to the public.

**Section 2.**     **Special Meetings.**     The District may hold special meetings whenever its Chairman or any three (3) Commissioners call such meeting and notify the remaining Commissioners by electronic mail for the purpose of transacting any business designated in the call. The call for a special meeting must be delivered to each Commissioner at least three (3) days prior to the date of such special meeting. At such special meeting, no business shall be considered other than as designated in the call.

**Section 3.**     **Executive Session.**     The District may declare an executive session during any meeting consistent with the requirements and provisions of Mississippi law.

**Section 4.**     **Quorum.**     The following number of Commissioners at any regular or special meeting shall constitute a quorum for the purpose of conducting its business and exercising District powers and for all other purposes, and to take actions as approved by a majority of those

present. A smaller number may adjourn from time to time until a quorum is obtained. No action may be taken by less than a majority of the Board.

COMMISSIONERS	QUORUM NEEDED
6	4
5	3
3	2
2	If two or less, no board action can be taken.

**Section 5.**     **Notice.** Notice of any meeting shall be provided by electronic mail or text messages to each Commissioner and posted in a public location in Kemper County. Notice of all recessed, adjourned, interim, or special meetings shall be posted in a prominent place available for examination and inspection by the general public in a business in which the District normally meets. A copy of the notice shall be made a part of the minutes of the District.

**Section 6.**     **Annual Meeting.** The Annual Meeting of the District shall be held on the second Wednesday of January of each year at 8:00 a.m. at 14062 Hwy 16 West, Dekalb, Mississippi 39328, unless the same be a legal holiday, in which event said meeting shall be held on the next succeeding work day, or at such other location, time, date, and place as the Commissioners designate by resolution and publish notice thereof

**Section 7.**     **Attendance.** Commissioners shall attend a minimum of nine (9) regular meetings per fiscal year. Board members may attend virtually or telephonically. If a Commissioner is absent for three (3) consecutive meetings without having been excused by the Chairman, the Board member will be deemed to have resigned and the Board of Supervisors will be notified and requested to appoint a replacement. Once the District is past the Interim Board period and a Commissioner does not comply with the attendance requirements, the remaining Commissioners shall appoint a replacement for the absent Commissioner's remaining term.

**Section 8.**     **Minutes.** Minutes shall be kept of all meetings of the District, whether in open or executive session, which shall include the following: (1) the members present and absent; (2) the date, time and place of the meeting; (3) an accurate recoding of any final actions taken at such meeting; and (4) a record by individual member, of any votes taken; and any other information that the District requests be included or reflected in the minutes. The minutes shall be recorded within a reasonable time not to exceed thirty (30) days after recess or adjournment and shall be open to public inspection during regular business hours. Upon completion, a draft copy of said minutes shall be sent by electronic mail to each Board member. The minutes of all meetings of the Board of Commissioners shall be furnished to each Commissioner prior to the next regular meeting.

**Section 9.**     **Order of Business.** Unless otherwise specified or unless changed by specific provision of these Bylaws, the District shall be governed in all matters of procedure by that compilation of procedure known as "Robert's Rules of Order", as revised and amended.

No matter may be considered by the District for action unless it has been placed on the official agenda. All agenda items shall be submitted to the Chairman within a reasonable time in advance of the scheduled District meeting. This does not preclude, with a majority vote of Commissioners, the addition of items which may not have been available prior to the meeting or about which the Board may desire to add to the agenda. An agenda, with appropriate supporting information, will be prepared and furnished to each Commissioner prior to a meeting, at least twenty-four (24) hours prior to said meeting if at all possible.

Any person or persons wishing to address the District for the purpose of bringing a matter before the Board for possible action by it shall, no later than five (5) days prior to the scheduled District meeting, submit a written and signed request to the Chairman or Secretary of the Board describing the nature of such request.

Commissioners may attend, and District business may be conducted during any meeting, virtually, telephonically, and electronically consistent with the requirements and provisions of Mississippi law.

**Section 10. Manner of Voting.** The voting on all questions coming before the District shall be by roll call. The Ayes/Yeas and Nays shall be entered upon the minutes of such meeting.

**Section 11. Presiding Officer.** The Chairman or in his/her absence or refusal to act, the Vice-Chairman, or in the absence or refusal to act, such other Commissioner as a majority of the Board of Commissioners present shall select, shall preside at all meetings.

## **ARTICLE VI**

### **AMENDMENTS**

During the interim period before a Board of Commissioners is elected by the members of the District, the Bylaws may be amended by majority vote of the Commissioners. Thereafter, the Bylaws of the District shall be amended only with the approval of at least two-thirds (2/3) members of the District present at the Annual Meeting of members, but no such amendment shall be adopted unless at least thirty (30) days' written notice thereof has been previously given to all of the members of the District.

## **ARTICLE VII**

### **EFFECTIVE DATE**

These Bylaws shall become effective from and after the date of their adoption.



**ARTICLE VIII**

**FISCAL YEAR**

The fiscal year of the District shall begin on the first day of October each year and end on the last day of September of each year thereafter.

Adopted by unanimous consent, on this the 15<sup>th</sup> day of November, 2023.

BY:



BY:



BY:



BY:



BY:

