

**BY-Laws of**  
**TM Rural Water**  
**District**

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## **TM Rural Water District BY-Laws**

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#### **Article I – Name**

This Water User District, formed under Chapter 46A – 9 of South Dakota Codified Laws of 1967, and acts amendatory thereto, shall be called and do business under the name of TM Rural Water District.

#### **Article II- Offices**

The principal office of TM Rural Water District shall be located in the city of Parker, Turner County, South Dakota. TM Rural Water District may establish and maintain such other offices, within its established boundaries, as the Board of Directors may designate or as the business of TM Rural Water District may require from time to time.

#### **Article III- Public Entity Corporate Powers**

TM Rural Water District, being a public entity, organized under SDCL 1967, Chapter 46A -9 and acts amendatory thereto, shall have the following powers:

- A. TM Rural Water District shall have all the usual powers of a corporation for public purposes, and may acquire by purchase, gift, condemnation, or other lawful means and may hold any real or personal property reasonably necessary for the conduct of its business, or may lease such property for its proper purposes, and may sell, lease, or otherwise dispose of such property not needed by the District.
- B. TM Rural Water District shall have the right and power to own, construct, reconstruct, improve, purchase, condemn, lease, receive by gift or otherwise acquire, hold, extend, manage, use or operate any “works”, as defined in SDCL chapter 46A- 9-2, and any and every kind of property, personal or real, necessary, useful, or incident to such acquisition extension, management, use, and operation, and may sell, mortgage, alienate, or otherwise dispose of such works or any part thereof under the terms and subject to the conditions provided in SDCL 46A-9
- C. In connection with the powers provided in paragraphs A. and B. above, TM Rural Water District shall have the right and power to enter into any contract, lease, agreement, or arrangement with any State, County, City, Town, District, Governmental or Public Corporation or Association, or with any person, firm or Corporation, Public or Private, or with the government of the United States, or with any officer, department, bureau, or agency thereof, or with any corporation organized under federal law, for the purpose of exercising or utilizing any one or

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more of the above enumerated powers, or for the sale, leasing, or otherwise furnishing or establishing of water rights, water supply, conveyance and distribution of water, water service, or water storage, for irrigation or flood control or for domestic, industrial, municipal, or stock – watering purposes, or for the drainage of lands, or for the financing or payment of the costs and expenses incident to the construction, acquisition, or operation of such works, or incident to any obligation or liability entered into or incurred by TM Rural Water District.

- D. TM Rural Water District shall have the right, power, and authority to exercise any of the powers enumerated in paragraphs B. and C. above, either within or beyond or partly within and partly beyond the boundaries of the District and of the State of South Dakota unless prohibited by the law of the area or State concerned or of the United State of America.
- E. TM Rural Water District shall have the right to appropriate the waters of the State in the same manner as other appropriators under the laws of this State; provided, that TM Rural Water District shall not, in the exercise of the powers conferred by this chapter interfere with, injure, or otherwise damage or affect existing water rights, other than through the purchase of such rights or through condemnation proceedings; and provided, further, that no irrigation district, corporation, association, or individual holding a water right for lands located either within or outside the boundaries of a water user district shall be in any way affected by the operations of TM Rural Water District other than by reason of a contract voluntarily entered into by such organization or individual with TM Rural Water District, or by reason of the exercise by TM Rural Water District of the power of eminent domain as provided in SDCL Chapter 46A-9.
- F. In addition to any other rights and powers hereinabove conferred upon TM Rural Water District, TM Rural Water District shall have and exercise the power of eminent domain for the purposes and after the manner provided for in SDCL Chapter 21-35, after declaring by resolution the necessity for and purpose of the taking of property and the extent of such taking.
- G. TM Rural Water District shall have and exercise any power conferred by SDCL Chapter 46A-9, for the purpose of obtaining grants or loans or both from any federal agency pursuant to or by virtue of any and all Acts of Congress independently or in conjunction with any other power or powers heretofore or hereafter conferred by any other law, statute or regulation.
- H. TM Rural Water District shall have power to purchase and acquire lands, water rights, rights of way, and real and personal properties of every nature in cooperation with the United State under such conditions as may to the board seem advisable and to convey the same under such conditions, terms and restrictions as may be approved by the Board of Directors and the federal government of any of its agencies and to pay the purchase price and any and all construction costs or other necessary expenses and costs in connection with any

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works contemplated by SDCL Chapter 46A -9 either from its own funds or cooperatively with the federal government.

- I. TM Rural Water District shall have the power to exercise the right, powers and franchises, now applicable to irrigation districts, privately owned irrigation corporations, or ditch companies, regarding the exercise of the power of eminent domain, the use and acquisition, enjoyment, or use of water, water rights, or water diversion or storage rights, for any of the purposes contemplated in SDCL Chapter 46 A-9, the manner or method of construction and physical operation of irrigation works, storage dams, and drainage ditches.
- J. TM Rural Water District shall have the power to borrow money and incur indebtedness for any corporate use or purpose in SDCL Chapter 46A-9 provided , any and every indebtedness, liability or obligation of such district for the payment of money in whatever manner entered into or incurred, and whether arising from contract, implied contract, or otherwise, shall be payable solely
  - a. From revenues, income, receipts and profits derived by the TM Rural Water District from its operation and management of systems and irrigation works as in SDCL Chapter 46A-9 provided, or
  - b. From the issuance of sale by TM Rural Water District of its warrants, notes, revenue bonds, debentures, or other evidences of indebtedness, payable solely from such revenues, income, receipts and profits. The maximum maturity of such district obligations so issued shall be forty years.
- K. The Board of Directors of TM Rural Water District shall have the power, subject to the provisions of SDCL Chapter 46A-9, to fix and establish the prices, rates and charges at which any and all the resources and facilities made available under the provisions of SDCL Chapter 46A-9, shall be sold and disposed of; to enter into any and all contracts and agreements, and to do any and all things which in its judgment are necessary, convenient, or expedient for the accomplishment of any and all the purposes and objects of SDCL Chapter 46A-9, under such general regulations and upon such terms, limitations and conditions as it shall prescribe; and it is and shall be the duty of the board to enter into such contracts and fix and establish such prices, rates and charges so as to provide at all times, funds which will be sufficient to pay all costs of operation and maintenance of any and all of the works authorized by SDCL Chapter 46A-9, together with necessary repairs thereto, and which will provide at all times sufficient funds to meet and pay the principal and interest of all bonds, warrants, notes, debentures and other evidences of indebtedness as they severally become due to payable; provided that nothing contained in SDCL Chapter 46A-9, shall authorized any change, alteration or revision of any such rates, prices, or charges as established by any contract entered into under authority of SDCL Chapter 46A-9, except as provided by any such contract.

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- L. The corporate powers of TM Rural Water District shall be vested in and exercised by the Board of Directors of TM Rural Water District.

### **Article IV-Directors-Election**

- A. The Board of Directors of TM Rural Water District shall consist of seven persons who shall be elected by divisions, and shall be divided as nearly as possible into three equal groups, to be designated Division I, Division II, and Division III, respectively. The members of Division I shall hold office until their successors, elected at the first regular District election thereafter, shall have qualified; the members of Division II shall hold office until their successors, elected at the second regular District election thereafter, shall have qualified; and the members of Division III shall hold office until their successors elected at the third regular District election thereafter, shall have qualified. Thereafter, all directors elected shall serve for a term of three years and until their successors are elected and qualified.
- B. Members of the Board of Directors to succeed those in the three Divisions provided for above, respectively, and to fill unexpired terms shall be nominated and elected and shall take office, subject to the provisions of SDCL Chapter 46A-9 in the following manner: Upon the second Tuesday in March next following the qualification of the original Board of Directors and upon the second Tuesday in March of each year thereafter, an election shall be held to elect directors to succeed those whose terms are about to expire. The term of each director thus elected shall commence at the first board meeting following their election and shall continue for a period of three years thereafter and until a successor is duly elected and qualified. Election of directors shall be conducted as provided for below.
- C. The Board of Directors of TM Rural Water District shall fix the hour and place, within the boundaries of the District, of each election and shall preside at the same.
- D. The Board of Directors shall determine the vacancies on the Board of Directors at a regular monthly meeting each year, and shall cause to be placed in the news papers of general circulation within the District a notice setting forth the vacancies which shall occur by the termination of the terms of elective or appointive board members. (The notice of vacancy shall be published for at least two successive weeks, once each week at least 20 days prior to the date of election. The notice of vacancy shall also state the time and place where nomination petitions for membership on the Board of Directors may be filed.)

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- E. The Board of Directors shall cause petitions to be prepared which shall be circulated in the District and shall be available to all prospective candidates for membership on the Board of Directors.
- F. The petition shall be signed by not less than twenty (20) owners or entry men of land within the District or persons who are a party to a contract with the District for the purchase of water. Persons signing the petition shall be landowners, entry men, or party to a contract with the District for the purchase of water within the Division for which vacancy the petition is for. The petition shall be filed in the office of the District at the time and place in the manner set forth in the notice of vacancy.
- G. No petition shall be circulated until the notice of vacancy is first published. In addition to the signature of the signer, the signer or the circulator of the petition shall include the signer's place of residence, legal description of the land of which he/she is an owner or entry man and date of signing. The petition shall be verified under oath by the person circulating the same.
- H. The filing of the nominating petition shall constitute nomination of the candidate and will entitle the candidate to have his name placed on the ballot for the term he/she desires upon verification of the Board of Directors that the nomination petition contains the minimum number of signatures and the candidate is a landowner or entry men within the District
- I. Any person who has filed a nominating petition may cause his name to be withdrawn from nomination by so requesting its withdrawal in writing signed by himself and properly acknowledged, filed with the office of the District by the fourth Monday in January prior to election.
- J. If there is only one nominating petition filed for each board vacancy to be filled, and if there are no other questions to be submitted to the voters, there shall be no election and the notices and publications provided herein shall not be necessary. The Board of Directors shall then declare those nominees as elected, in the same manner as successful candidates after election.
- K. At the time and place of such election the presiding directors shall make a record of the qualified voters present and call for registration of those present and entitled to vote. The directors shall determine the number of votes to which each is entitled and shall prescribe the manner of casting ballots and canvassing votes. All costs incident to the election of directors shall be paid by the District.

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- L. The candidate for director required to fill an existing vacancy or to succeed an outgoing director who received the highest number of votes cast for such office shall be declared elected.
- M. No person shall be qualified to hold office as a member of the Board of Directors of TM Rural Water District unless he or she shall be a landowner or entry man within the District.  
  
In addition to the requirements described above, individual must also be party to a contract with the District for the purchase of water and must reside inside the District's established boundaries.
- N. Members of the board may be charged, tried, and removed from office for the same reasons and in the manner provided in SDCL Chapters 3-17-6 through 3-17-11.
- O. Vacancies on the board by reason of death, disability, failure to hold land in the District, or otherwise, shall be declared to exist and shall be filled by the Board of Directors, and the members thus elected to fill vacancies shall serve until members to fill out the remainder of such terms respectively may be elected at the next succeeding District election
- P. Members of the Board of Directors shall be paid their actual expenses while engaged in performing the duties of their office or otherwise engaged upon the business of the District, and in addition thereto they each shall receive as compensation of such service, a sum not exceeding the amount determined by the Board of Directors and set forth in SDCL 46A-9

### **Article V – Meetings**

- A. The regular meeting of the Board of Directors of the TM Rural Water District shall be held each month. The time and day of said meetings shall be determined from time to time by the Board of Directors and shall be noted in the minutes.
- B. Special meetings of Board of Directors may be held at the call of the President, Vice President, or any three of the directors. One day notice in person or by telephone shall be sufficient notice for special meetings.
- C. All meetings for Board of Directors of TM Rural Water District shall be held in the City of Parker South Dakota, or such other place or places as the Board of Directors may designate from time to time.
- D. At any regular or special meeting of the Board of Directors of TM Rural Water District a quorum shall be required to transact the business of the

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District. A quorum shall consist of a majority of the duly qualified members of the Board of Directors.

### **Article VI – Officers**

- A. The Board of Directors shall elect the officers of TM Rural Water District who shall be President, Vice President, Secretary, and Treasurer, and the board shall appoint such necessary in transaction the business of TM Rural Water District. The President, Vice President, Secretary and Treasurer shall be elected from the membership of the Board of Directors.
- B. The president shall preside over all meetings of the District and the board, all special meetings of the District and the board, perform all acts and duties usually performed by an executive and presiding officer, and shall sign all papers of the District as he may be authorized or directed to sign by the board. The president shall perform such other duties as may be prescribed by the board.
- C. In the absence or disability of the President, the Vice President, who shall be a member of the board, shall perform the duties of President.
- D. It shall be the duties of the secretary to keep a record of the proceedings of the meetings of the board and of the District. He shall serve, or cause to be served, all notices required to be served by law or by the by-laws of the District; and in case of his absence, inability, refusal or neglect to do so, then such notices may be served by any member of the board directed by the President.
- E. The Treasurer shall receive and account for all funds of the District, shall deposit same in some bank or banks designated by the board as a depository, and pay the amounts, or cause them to be paid out of the depository by means of check or electronic payment pursuant to procedures adopted by the Board of Directors. He shall furnish and maintain a corporate surety bond in such amounts and with such sureties as the Directors may specify and conditioned on faithful performance of the treasurer's duties. The bond, as thus approved, shall be filed with the secretary of state, and the premium upon the bond shall be paid by the District.

### **Article VII – Committees**

#### **Definitions:**

- A. Standing Committees; Permanent Committees which are designed to provide a periodic overview of the regular ongoing function of the District and which make frequent reports to the board.



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- B. Annual Committees; committees, which shall be re-established at the start of each elective year.
- C. Special committees; committees appointed as necessary, by the President and approved by the Board for a specific purpose.
  - a. There shall be five standing committees- Executive, Personnel, Finance, Safety, and Rules and Regulations committee.
  - b. The Board may designate Special Committees to perform specific tasks as directed by the Board. The duration of such committee shall be set by the Board.
  - c. The Board President shall appoint all committee chairs and committee members and the Board shall approve the appointments of members to all committees. A committee shall not consist of more than three Board members.
  - d. Committee actions shall be reported to the Board and the Board shall act on any recommendations of a committee.
  - e. The Board President and District's Manager shall be ex-officio members of all committees, except the Executive committee in which the Board President is a voting member. Committees may meet with or without ex-officio members present.
  - f. The four officers of the Board of Directors serve as the members of the Executive committee.
  - g. Finance Committee. The Treasurer shall be the chair of the Finance committee which includes two other Board members. The Finance committee is responsible for the ongoing review of the District's finances and developing and reviewing fiscal procedures, investments and the annual budget with staff and other Board members.
  - h. Personnel Committee. The Personnel committee shall consist of three Board members. The Personnel committee shall operate as a grievance committee, is responsible for developing a personnel policy, and shall review the performance of the manager annually.
  - i. Rules and Regulations Committee. The rules and regulations committee shall consist of three Directors. The Rules and Regulations committee is responsible for developing and reviewing the District's Bylaws, Rules, Regulation, and policies.

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- j. Safety Committee. The Safety committee shall consist of three members of the Board of Directors. The employees shall be ex-officio members of the committee. The Safety Committee is responsible for developing and reviewing safety policies and providing a forum for discussion of issues related to safety.

### **Article VIII – Extension of District Boundaries**

TM Rural Water District may be extended by including additional territory as set out in SDCL Chapter 46A-9

### **Article IX – No Taxing Powers**

TM Rural Water District shall have no power of taxation or of levying assessments for special benefits; and no governmental authority shall have power to levy or collect taxes or assessments for the purpose of paying, in whole or in part, any indebtedness or obligation of or paying, in whole or in part, any indebtedness or obligation incurred by the District as such or upon which the District may be or become in any manner liable. Nor shall any privately owned property within or outside such district, or the owner thereof, not any city, town, county, irrigation district, or other political subdivision or public or private corporation or association or its property, be directly or indirectly liable for any such District indebtedness or obligation beyond the liability to perform the obligations of any express contract between such owner or public or private organization and said District.

### **Article X – Costs of Operation – Contract Necessary**

No person, irrigation district, city, town, county, or other governmental subdivision, irrigation company or other public or private corporation or association shall be liable for the payment of any rent or charge for water storage, water supply, or for any of the costs of operation of such district, unless a contract therefore has been entered into between such person or public or private organization and the District furnishing such water or water supply.

### **Article XI – Dissolution**

This water district may be dissolved by authorization of a majority vote of the electors, qualified to vote for District directors, voting thereon at a special election called by the Board of Directors for that purpose, notice of which shall be given to all qualified electors at least twenty (20) days prior to the date of the election and the procedure of which shall conform as nearly as may be to the procedure provided in SDCL Chapter 46A-9-25 to 46A-9-28, inclusive, for the election of directors; provided, the District

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shall not at the time of such dissolution own property or rights or have outstanding any contract or contracts or obligations of any kind.

Dissolution of TM Rural Water District shall be completed upon resolution of the Board of Directors canvassing the vote and declaring that a majority of the qualified electors voting thereon have voted in favor of dissolution. A verified copy of such resolution shall be filed in the office of the water resources commission and in the office of the county auditor of each county in which any portion of the District shall lie.

In case of such dissolution, all applications for appropriation of water shall be, by the water resources commission of South Dakota, canceled and all rights of the District therein and there under shall thereupon cease and determine.

### **Article XII – Fiscal Year**

The fiscal year of the District shall coincide with the calendar year. The Board of Directors, at the close of each year's business, shall cause an audit of the books, records, and financial affairs of the District to be made by an experienced public accountant, copies of a written report of which audit, certified to by said auditors, shall be replaced and kept on file at the principal place of business of the district and shall be filed with the Secretary of State.

### **Article XIII – Amendments and Records**

In addition to the amendment of these by-laws through legislative action, the Board of Directors may adopt rules and regulations or by-laws through legislative action, the Board of Directors may adopt rules and regulations or by-laws, not inconsistent with the provisions of SDCL Chapter 46A-9 for the conduct of the business and affairs of the District. The Board of Directors shall cause to be kept accurate minutes of their meetings and accurate records and books of account, conforming to approved methods of bookkeeping, clearly setting out and reflecting the entire operation, management, and business of TM Rural Water District. Said books and records shall be kept at the principal place of business of the District and at reasonable business hours always open to public inspection.