

BYLAWS OF THE
LOCAL GOVERNMENTS AND RURAL WATER SYSTEMS IMPROVEMENT BOARD

Effective May 1, 1996

AMENDMENT #1

Effective February 28, 2000

AMENDMENT #2

August 15, 2003

1. **NAME:** The name of this body is the Local Governments and Rural Water Systems Improvements Board (hereinafter the “Board.”)
2. **OBJECTIVE:** To establish clearly the functions of the Board and to provide operating instructions enabling it to act effectively in carrying out its responsibilities.
3. **POLICY:** In accordance with the above objective the Board will function under the rules and regulations herein established.
4. **STATUTORY AUTHORITY:** Section 41-3-16 of the Mississippi Code of 1972, as amended (hereinafter the “Act”), established a local governments and rural water systems improvements revolving loan program and created the Local Governments and Rural Water Systems Improvements Board with necessary powers and duties to implement the loan program and administer related provisions of the Act. Specific references to Mississippi Statutes are provided in parentheses where possible in these bylaws. Reference is made to the Mississippi Code of 1972, Annotated as amended.
5. **FUNCTIONS OF THE BOARD:**
 - a. Supervise the use of all funds made available for the Local Governments and Rural Water Systems Improvements Revolving Loan Program.
 - b. Promulgate, establish and enforce rules, regulations and policies and allow, in its sole discretion, variances and exceptions thereto, in accordance with the Act for implementing the Local Governments and Rural Water Systems Improvements Revolving Loan Program.
 - c. When the Board deems necessary, require imposition of per connection surcharges on customers for repayment of loan funds provided under the revolving loan program.
 - d. Require water system viability analyses and require loan recipients to implement the results of such analyses when deemed necessary to qualify for a loan.

- e. Impose monetary penalties and/or increase the interest rate on loans when the loan recipients fail to implement results of a viability analyses.
- f. Review and certify all projects for which funds are authorized under the Act for local governments and rural water systems improvements.
- g. Requisition funds for the Local Governments and Rural Water Systems Improvements Revolving Loan Fund and the Local Governments and Rural Water Systems Emergency Loan Fund and distribute those moneys on a project-by-project basis in accordance with the Act .
- h. Ensure that the funds made available under the Act are distributed under a priority system established by the Board.
- i. Set interest rates for loans made under authority of the Act.
- j. Act as quickly and prudently as practicable in deciding all loan requests.
- k. Maintain in accordance with generally accepted governmental accounting standards an accurate record of moneys in the revolving fund and the emergency fund made available to recipients under the Act and the costs for each project.
- l. Establish policies, procedures and requirements concerning viability and financial capability to repay loans that shall be used in approving loans under the Act including a requirement that all loan recipients have a rate structure which will be sufficient to cover the costs of operation, maintenance, major equipment replacement and any loans made under the Act .
- m. File annually with the Legislature a report detailing how moneys in the Local Governments and Rural Water Systems Improvements Revolving Loan Fund and the Local Governments and Rural Water Systems Emergency Loan Fund were spent during the preceding fiscal year in each county, incorporated municipality, district or other water organization; the number of projects approved and constructed, and the cost of each project.
- n. Request the State Auditor to audit receipts and expenditures of loan recipients whose loan repayments appear to be in arrears and act on the findings of the audit to enforce terms of the loan agreement.
- o. Enter into contracts with government agencies, private business corporations, other persons or entities for the purpose of carrying out the provisions of the Act.
- p. Bring claims or actions to recover funds or moneys.

q. Take any other lawful action within the power of the Board, necessary and proper, to effectuate the purposes for which it was created.

6. MEMBERSHIP: The Board shall be composed of the following nine (9) members (Section 41-3-16): Nine (9) voting members as follows: The State Health Officer, or a designee, who shall serve as chairman of the Board; the Executive Director of the Mississippi Development Authority, or a designee; the Executive Director of the Department of Environmental Quality, or a designee; the Executive Director of the Department of Finance and Administration, or a designee; the Executive Director of the Mississippi Association of Supervisors, or a designee; the Executive Director of the Mississippi Municipal League, or a designee; the Executive Director of the American Council of Engineering Companies/Mississippi, or a designee; the State Director of Rural Development (Rural Utilities Service) or a designee; and a manager of a rural water system.

The State Department of Health (Department) shall furnish the Board with facilities and staff as needed to administer the loan program and comply with provisions of the Act. The Department may contract, upon approval of the Board, for the facilities and staff needed to administer the loan program, including routine management as it deems necessary.

7. COMPENSATION OF BOARD MEMBERS: Members of the Board may not receive any salary, compensation or per diem for performance of their duties (Section 41-3-16).
8. CONFLICT OF INTEREST: Members of the Board must not place themselves in a position where their private and/or personal interest (as distinguished from a general citizenship interest) might prevent or appear to prevent them from exercising their official judgement, discretion, powers or duties as Board members in an unbiased manner. The obligation is founded on the right of the people of the State of Mississippi to have their best judgment and actions from the viewpoint of what is best for the general public, and to have it without fear that the decision, judgment or action has been influenced by considerations of his personal gain.

When such conflict of interest becomes evident, the Chairman shall be notified immediately and appropriate Board action shall be taken. Should the Chairman be in a conflict of interest, the Vice-Chairman shall be notified immediately and appropriate Board action shall be taken.

9. ORGANIZATION OF THE BOARD:

a. Chairman of the Board. The Chairman shall be the State Health Officer or a designee. The Chairman shall (1) preside at all meetings of the Board; (2) appoint special committees unless otherwise specifically appointed by passage of a motion of the Board; (3) vote or refrain from voting on all matters at his discretion; (4)

sign all necessary legal instruments, including requests for payment and other financial transactions approved by the Board, warrants, contracts and minutes of the Board; (5) when necessary; call special meetings in accordance with these bylaws.

b. Vice Chairman of the Board. At the first regular meeting subsequent to the beginning of each state fiscal year the Board shall elect a Vice Chairman. The Vice Chairman shall, at the request of the Chairman or in the absence of the Chairman, preside at any meeting of the Board, exercising all the executive powers of the Chairman. Additionally, the Vice-Chairman shall, upon the written authorization of the Chairman, execute all necessary legal instruments, including requests for payment and other financial transactions approved by the Board, warrants, contracts and minutes of the Board. When the signature of an employee of the Mississippi State Department of Health is required, the Director, Division of Water Supply, Mississippi State Department of Health, shall sign in addition to the Vice-Chairman. The powers of the Vice-Chairman shall include the power to call special meetings in accordance with these Bylaws. Should the Chairman be absent from any three consecutive meetings, or from an excessive number of meetings, the Vice-Chairman may, at the request of the Board, petition the State Health Officer for the appointment of a new designee to serve as Chairman.

10. ORGANIZATIONAL RULES:

a. Meetings.

- i. The time and place of the next meeting shall be determined during the present scheduled meeting.
- ii. Special meetings may be called by the Chairman or, in his absence or incapacitance, by the Vice Chairman, upon five (5) days notice to the members. Notice shall consist of either telephone, facsimile, e-mail, or written means to each Board member at that member's usual business address. Notices of special meetings shall contain, at a minimum, the date, time and place of the special meeting, and shall specify the reason(s) for the special meeting. In addition to special meetings called by the Chairman or Vice-Chairman, a special meeting may be called by majority vote of the voting members of the Board, provided five days notice is provided all members in the manner set out herein. Such notice shall be signed by a majority of the voting members, indicate the date, time, and place of the special meeting, and shall specify the reason for the special meeting. No business shall be conducted at a special meeting which has not been included in the notice of special meeting, unless by three-fifths (3/5ths) vote of the voting membership, this rule is suspended.

b. Attendance. All members of the Board are strongly encouraged to attend each regular and special meeting of the Board. The Chairman will be responsible for inviting the attention of members to non-adherence to this Section.

c. Quorum Voting. Five (5) voting members of the Board will constitute a quorum for transacting business. The act of a majority of the members present will constitute Board action or approval for any item.

d. Agenda. An agenda will govern the conduct of business of each Board meeting. A tentative agenda containing a listing of the items of business to be transacted will be sent to each Board member prior to each regular meeting. The Board Chairman, with the help of the Drinking Water SRF Coordinator (Coordinator), is responsible for establishing the agenda for each regular Board meeting. Every meeting agenda will include the item "other business". Any Board member desiring a particular item be placed on the agenda shall notify the Chairman or the Coordinator three (3) working days prior to the day of the meeting so that the same may be placed on the agenda and transmitted to the membership.

e. Minutes. Accurate written minutes will be kept for each regular or special meeting of the Board. The Board Chairman will be responsible for insuring that such minutes are maintained. The minutes, whether in open or executive session, will show the members present, and accurately record any final actions taken at the meeting. At each Board meeting the minutes of the preceding meeting will be approved and will then become a part of the official record of the Board to be maintained by the Department. Minutes so approved shall be signed by the Chairman, or in the Chairman's absence, by the Vice-Chairman. The minutes will be made available to public inspection during regular business hours. Attestation as to the official nature and accuracy of the minutes, any copy thereof, or any resolution, official document, or other Board action shall be by signature of the Chairman and attestation of the Vice-Chairman.

f. Open Meetings. All meetings of the Board are declared to be open meetings and shall be open to the public at all times unless declared in executive session in accordance with the following procedure:

g. Executive Session. The Board may from time to time determine it to be in the best interest of sound decision making to enter into executive session to consider sensitive matters. Any such meeting must first begin as an open meeting. Any member shall then have the right to request, by motion, a closed determination upon the issue of whether or not to declare an executive session. Such motion, upon a majority vote, shall cause the meeting to be closed for a preliminary determination of the necessity for executive session. No other business shall be trans-

acted until the discussion of the nature of the matter requiring executive session has been completed and a vote taken of whether to enter into executive session. For an executive session to be declared, there must be an affirmative vote by three-fifths (3/5ths) of all voting members present. The total vote on the question of entering into executive session shall be recorded and placed in the minutes.

h. Conduct of Personnel Attending Meetings. It is the interest of good government and the expeditious conduct of the public's business that Board meetings be conducted in an orderly fashion. While the public is invited to attend Board meetings, Board members, government personnel, and members of the public are all expected to conduct themselves in a courteous manner. Should any personnel not conduct themselves in a courteous manner, the Chairman may stipulate special rules for conduct of the meeting, including recessing the meeting or expulsion of the offending party.

i. Access to the Board. It is the desire of the Board that all citizens of the State of Mississippi have free and ready access to the Board on matters within the Board's purview. The public may present matters for action by the Board in either person or writing. Should an appearance at a regularly scheduled meeting of the Board be desired, the person desiring such appearance should contact the Chairman or the Vice-Chairman, three (3) business days in advance so that the matter may be placed on the agenda.

Individuals wishing to contact the Board in writing may address their correspondence to:

Chairman
Local Governments and Rural Water Systems Improvements Board
P. O. Box 1700
Underwood Building, Suite 234
Jackson, MS 39215-1700

j. Order of Business and Parliamentary Procedure. The order of business is:

- (1) Call to order and determination of a quorum.
- (2) Review of minutes of previous meeting.
- (3) Matters of special order or unfinished business.
- (4) Order of general business and agenda items.
- (5) Announcements and adjournment.

For any matter not specifically governed by these Bylaws, the Rules and Regulations of the Board, and the Laws of the State of Mississippi, the Board shall utilize Roberts Rules of Order, Revised Edition, as its official reference for

the conduct of proceedings, unless otherwise specified herein.

k. Committees. The Board may appoint, by majority vote, standing committees. The Chairman or Vice-Chairman, or the Board, by majority vote, may appoint special committees from time to time as the need arises. In event special committees are appointed, they will submit reports on the matter assigned to them, orally or in writing, to the Board at a duly constituted meeting. No committee may act on behalf of the Board.