

BYLAWS OF TAYLOR REGIONAL SEWER DISTRICT

ARTICLE I

NAME AND PURPOSE

Section 1. Name. The name of the organization is Taylor Regional Sewer District (hereinafter referred to as the "District").

Section 2. Organization. The district was organized pursuant to I.C. 13-26 et. seq. and established at the request of the Howard County Commissioners, the Howard County Council and the Taylor Township Trustee, and said request having been approved by Order of the Indiana Department of Environmental Management on September 5th, 2000 (hereinafter referred to as the "Establishing Order").

Section 3. Purpose. The purpose of the District is to provide for the collection, treatment and disposal of sewage inside the District.

Section 4. Power. The District has the power as such is set forth in I.C. 13-26 et. seq. (specifically, I.C. 13-26-5-2).

Section 5. Principal Office. The District's principal office is located at 3885 E. 300 S., Kokomo, IN 46902, with a mailing address of P.O. Box 125, Hemlock, IN 46937.

ARTICLE II

BOARD OF TRUSTEES

Section 1. Composition and Term of the Board of Trustees. As provided by the Third Order Modifying the Establishment of the Taylor Regional Sewer District, the District is governed by a Board of Trustees consisting of five (5) voting members to be appointed pursuant to I.C. 13-26-4-3 with staggered three (3) year terms. The appointment shall be made by the elected executive or legislative officers of the Howard County Commissioners and/or the City of Kokomo. At least three (3) of the five (5) appointed members must be paying customers within the District and be in good financial standing. Trustees may have their terms renewed by a majority vote of the Board.

Section 2. Resignation. A Trustee may resign at any time by filing his/her resignation with the President and/or Vice President of the District.

Section 3. Removal. Any Trustee may be removed from office for cause by a vote of two-thirds of the Board. For the purpose of this section, "for cause" shall mean any action or inaction of any Trustee that results in the substantial diminution of the Trustee's ability or willingness to perform his/her duties or otherwise compromises trust of the public in the Board of Trustee, including, but not limited to:

- a. Excessive absence from regularly scheduled Board meetings;
- b. Physical or mental incapacity resulting in the failure to adequately perform the requirements of office;
- c. Personality characteristics which substantially limit the Trustee's ability to perform his/her duties or which prevent his/her fellow Trustee's ability to perform their duties;

- d. Conviction of a felony offense;
- e. Conviction of any offense in any criminal or civil matter involving crimes of dishonesty (ie. Theft, Forgery, Fraud, etc.)
- f. Actions or inactions that severely limit or prohibit the implementation of decisions or policies.

At any meeting whereby a vote shall be taken to remove any Trustee, at least a one (1) week prior to the meeting, such Trustee and the appointing authority shall receive written notice of the specific cause for potential removal. At any time prior to the meeting, the Trustee may provide the remaining Board with a written response to the allegations of cause for removal. At such meeting, the Trustee shall also be given the opportunity to respond the alleged cause for removal. Upon consideration of the facts, the Board shall vote in accordance with the requirements of this section. Upon the affirmative vote in favor of removal of the Trustee in accordance with the terms of this section, a new Trustee shall be elected pursuant to the terms herein.

Section 4. Duties. The statutory authority of this District is vested in the Board of Trustees, which possesses the management and control of the business of the District. As provided by I.C. 13-26 et. seq., the Board shall employ such agents and employees as it deems advisable and shall fix the rate of compensation of all employees. The Board shall exercise all other authority and duties as provided for in I.C. 13-26 et. seq. and as such is amended from time to time. The District may employ such employees as are necessary for the discharge of the duties and responsibilities of the District and may enter contracts for special or temporary services and professional consulting. Appointments shall be made by a majority vote of the Board.

Section 5. Compensation and Expenses of Trustees. Each Trustee may be paid a sum as established by the Board of Trustees by resolution, provided that said sum shall not exceed the per diem or stipend set forth in I.C. 13-26-4-7, as may be amended, for each day or major part of a day devoted to the work of the District. A Trustee may also be paid travel expenses not to exceed the sum set forth in I.C. 13-26-4-7, as may be amended.

ARTICLE III

MEETINGS OF THE BOARD OF TRUSTEES

Section 1. Regular Meetings. Unless otherwise provided herein, the District shall meet at 6:00 p.m. on second Tuesday of each month. Meetings shall take place at the Crossroads Community Church. The meeting time and place may be changed by the Board of Trustees without amending these Bylaws so long as it complies with Indiana's Open Door Law.

Section 2. Notice of Meetings. Any written notice required to be given of any meeting of the Board shall be proper if given to each member of the Board either personally, by regular mail, fax or email. Notice of regular meetings for the public shall be no less than once per year. Notice to the public of any "special" or "executive" meetings shall be given no less than 48 hours prior to the meeting by posting such notice on the door where the meeting is regularly held.

Public notice of executive sessions must state the subject matter by specific reference to the enumerated instance or instances for which executive session may be held under I.C. 5-14-1.5-6.1. The requirements stated in section 4 [IC 5-14-1.5-4] of said chapter for memoranda and minutes being made available to the public is modified as to executive sessions in that the memoranda and minutes must identify the subject matter considered by specific reference to the enumerated instance or instances for which public notice was given. The Board of Trustees shall certify by a statement in the memoranda and minutes of the meeting that no subject matter was discussed in the executive session other than the subject matter specified in the public notice.

Section 3. Agenda. The Trustees shall utilize an agenda for their meetings. Prior to each meeting, the Board Secretary shall post a copy of the agenda on the "sign in table" or in a place designed to post notices to the public.

Section 4. Minutes. The Secretary or other person to whom such duty may be delegated shall take minutes at each meeting. The minutes shall be open for public inspection and copying during normal business hours.

Section 5. Public Meetings. As required by the Indiana Open Door Law (I.C. 5-14-1.5 et. seq.), meetings of the Board of Trustees shall be open at all times for the purpose of permitting members of the public to observe and record them. Only meetings qualifying as "executive sessions" under I.C. 5-14-1.5-6.1 shall be exempt from this requirement.

Section 6. Voting. All votes shall be spoken, and upon the request of any Trustee, votes may be taken by roll call of the Secretary. Each Trustee in attendance shall be entitled to vote. Upon request of any Trustee, a secret ballot for the election of officers shall be held.

Section 7. Formal Actions. As required by I.C. 13-26 et. seq., each formal action of the district required by law shall be embodied in a formal resolution or motion duly entered in full upon the minute book after an affirmative vote of the majority of Trustees present at a duly constituted meeting. Actions of administrative or executive nature may be taken by Officers of the Board or employees of the District as authorized by the Board.

Section 8. Public Participation. Any member of the public may present their concerns to the Board, and may be permitted to address the Board upon any subject properly before the Board for discussion. The President may reasonably limit or defer debate upon any issue before the Board, and when so limited or deferred, his/her ruling shall be final.

Section 9. Passage of Ordinances and Resolutions. As required by I.C. 13-26 et. seq., an affirmative vote of the majority of the Board is required to pass an ordinance or resolution.

ARTICLE IV

OFFICERS OF THE DISTRICT AND THEIR DUTIES

Section 1. Officers. The officers of the District shall consist of the following:

- a. President;
- b. Vice President;

- c. Secretary; and
- d. Treasurer.

Section 2. Terms of Office. All officers of the District shall be elected annually by the Board and shall hold office for a term of one year or until their successors are duly elected. There are no term limits and the Board may vote to continue any person to hold a particular office.

Section 3. Duties of Officers. The Duties and powers of the officers of the District shall be as follows:

- a. President. The President shall preside over meetings of the Board and shall cause to be called regular and special meetings of the Board in accordance with these Bylaws. The President shall sign and make all contracts and agreements in the name of the District, subject to the approval of the Board, and shall enforce these Bylaws and perform all of the duties incident to the position and office and which are required by law.
- b. Vice President. The Vice President shall perform all duties incumbent upon the President in the absence or the disability of the President, and perform such other duties as these Bylaws may require or the Board may hereinafter prescribe.
- c. Treasurer. The Treasurer shall be responsible for the keeping of correct and complete records of accounts, showing accurately at all times the financial condition of the District. The Treasurer shall be the legal custodian of all monies, notes, securities, and other valuables which may from time to time come into the possession of the District. The treasurer shall immediately deposit all funds of the district coming into his/her hands, into some reliable bank or depository established by the Board of Trustees, and shall keep such bank account in the name of the District. The Treasurer shall furnish at meetings of the Board, or wherever requested by any member thereof, a statement of the financial condition of the District. The Treasurer shall further perform such other duties as these Bylaws may require or the Board may prescribe. The Trustees may enlist the services of a certified public accountant or other qualified person to assist in the fulfillment of the Treasurer's duties and responsibilities.
- d. Secretary. The Secretary shall be responsible for the custody and care of the records and minute books of the District. The Secretary shall attend all meetings of the Board and shall keep, or cause to be kept, in a book provided for such purpose, a true and complete record of the proceedings of such meetings. The Secretary shall attend to the giving and serving of all papers and documents belonging to the District and shall perform such other duties as these Bylaws may require or the Board may prescribe. The Trustees may enlist the services of an employee to assist in the fulfillment of the Secretary's duties and responsibilities.
- e. All Officers. Each Officer may, together with the countersignature of one other Officer, make and endorse the name of the District upon all checks, drafts, and orders for the payment of monies, and pay out and dispose of the same and receipt thereof, under the direction of the President or majority of the Board.

- f. Delegation of Authority. In case of the absence of any Officer of the District, or for any other reason that the Board of Trustees may deem sufficient, the Board of Trustees may delegate the powers or duties of such Officer to any other Officer or to any Trustee, for the time being, provided that a majority of the Board of Trustees concurs therein.
- g. Execution of Documents. Unless otherwise provided by the Board, all contracts, leases, commercial paper, and other instruments in writing and legal documents shall be signed by the President and attested by the Secretary. All bonds, deeds, and mortgages shall be signed by the President and attested by the Secretary and any other Board Members as such may be required by the issuer.

ARTICLE V

RECORDS

Section 1. Records of the District. Except as otherwise provided by the laws of the State of Indiana, minutes of all general and special meetings shall be recorded in writing by the Secretary, or the appointee of the Trustees, and shall become available for review by any member of the public at reasonable times and places.

Section 2. Location of Records. Except as otherwise provided by the laws of the State of Indiana, the books and records of the District and Board of Trustees shall be kept at such place or places, within the District as the Board of Trustees may from time by resolution determine.

Section 3. Publication and Recording of Ordinances. An ordinance, order or resolution passed by the Board of Trustees is adopted when it is signed by a majority of the Board of Trustees. Where required by state statute, an adopted ordinance, order or resolution must be promulgated before it takes effect. The Secretary shall record each ordinance or resolution duly adopted by the Board in a book kept for that purpose, which record must show: a) the signatures of the majority of the Board of Trustees; and b) the date of each recorded item. The record or a copy of the record constitutes presumptive evidence of the adoption of the ordinance or resolution.

Section 4. Resolutions Required. Contracts, including contracts for services, may be authorized by the Board through the adoption of a resolution providing for such contracts.

Section 5. Authorization for Payment of Bills. No bill or debt shall be paid unless approved by the Board at a general meeting in conformity with applicable state law, unless authorized by ordinance pursuant to state law.

Section 6. Forms. All claims presented to the Board for payment shall be presented on claim forms authorized by the State Board of Accounts.

Section 7. Unauthorized Contracts. Verbal or spoken commitments, promises, or offers of any kind, made by individuals Trustees without authorization of the Board, are in no way binding upon the District.

ARTICLE VI

AMENDMENTS

Section 1. Procedure. The portions of these Bylaws which are not subject to superseding legislative, administrative, judicial, or contractual authority may be amended in the following manner: a) the proposed amendment shall be submitted in writing to the Board at a general meeting; b) the proposal shall be read aloud to the general public at the time it is submitted; and c) the proposed amendment may be voted upon at the general meeting at which it is submitted. A majority vote of the Board of Trustees shall be sufficient to amend these Bylaws.

ARTICLE VII

CONFLICTS

Section 1. Conflicts. If any part of these Bylaws shall be found to be in conflict with any state or federal statute, rule, or regulation governing the operation of the District, such statute, rule or regulation shall take precedent over these Bylaws and the part in conflict therewith is hereby repealed and shall not affect or repeal any other part of these Bylaws not in conflict with such statute, rule or regulation.

ARTICLE VIII

INDEMNIFICATION

Section 1. Indemnification. To the extent not inconsistent with the law of the state of Indiana, every person (and the heirs and personal representative of such person) who is or was a Trustee or Officer of the District shall be indemnified by the District against all liability and reasonable expense that may be incurred by them in connection with or resulting from any claim, action, suit or proceeding (a) if such Trustee or Officer is wholly successful with respect thereto or (b) if not wholly successful, then if such Trustee or Officer is determined to have acted in good faith, in what they reasonably believed to be the best interests of the District and, in addition, with respect to any criminal action or proceeding, is determined to have had no reasonable cause to believe that this conduct was unlawful. The termination of any claim, action, suit or proceeding, by judgement, settlement (whether with or without court approval), conviction, plea of guilty or plea of nolo contendere (or its equivalent) shall not create a presumption that a Trustee or Officer did not meet the standards of conduct set forth in this Section.

As used in this Section, the term "claim, action, suit or proceeding" shall include any claim, action, suit or proceeding and all appeals thereof (whether brought by or in the right of the District), civil, criminal, administrative or investigative, or threat thereof, in which a Trustee or Officer of the District (or their heirs and personal representatives) may become involved, as a party or otherwise:

- (1) by reason of their being or having been a Trustee or Officer of the District or of any Entity which they served as such at the request of the District, or
- (2) by reason of their acting or having acted in any capacity in a partnership, association, trust or other organization or entity where they served as such at the request of the District, or

- (3) by reason of any action taken or not taken by them in any such capacity, whether or not they continue in such capacity at the time such liability or expense shall have been incurred.

As used in this Section, the term "liability" and "expense" shall include, but shall not be limited to, counsel fees and disbursements and amounts of judgments, fines or penalties against, and amounts paid in settlement by or on behalf of, a Trustee or Officer.

As used in this Section, the term "wholly successful" shall mean (i) termination of any action, suit or proceeding against the person in question without any finding of liability or guilt against them, (ii) approval by a court, with knowledge of the indemnity herein provided, of a settlement of any action, suit or proceeding, or (iii) the expiration of a reasonable period of time after the making of any claim or threat of an action, suit, or proceeding without the institution of the same, without any payment or promise made to induce a settlement.

Every person claiming indemnification hereunder (other than one who has been wholly successful with respect to any claim, action, suit or proceeding) shall be entitled to indemnification (i) if special independent legal counsel, which may be regular counsel of the District or other disinterested person or persons, in either case selected by the Board, whether or not a disinterested quorum exists (such counsel or person or persons being hereinafter called the "referee"), shall deliver to the District written findings that such director or officer has met the standards of conduct set forth herein, and (ii) if the Board, acting upon such written finding, so determines. The person claiming indemnification shall, if requested, appear before the referee and answer questions which the referee deems relevant and shall be given ample opportunity to present to the referee evidence upon which they rely for indemnification. The District shall, at the request of the referee, make available facts, opinions, or other evidence in any way relevant to the referee's finding which are within the possession or control of the District.

The right of indemnification provided in this Section shall be in addition to any rights to which any such director or officer may otherwise be entitled. Irrespective of the provisions of this Section, the Board may, at any time and from time to time, approve indemnification of Trustees, Officers, employees or other persons to the full extent permitted by the law of the State of Indiana, whether on account of past or future transactions.

Expenses incurred with respect to any claim, action, suit, or proceeding may be advanced by the District (by action of the Board, whether or not a disinterested quorum exists) prior to the final disposition thereof upon receipt of any undertaking by or on behalf of the recipient to repay such amount unless they are entitled to indemnification.

Section 2. Insurance. The Board is authorized and empowered to purchase insurance covering the District's liabilities and obligations under this Section and insurance protecting the District's Directors, Officers, members, and employees.

ARTICLE IX

Conflict of Interest

Trustees, Officers, managers and key employees of the District are obligated to avoid and disclose all potential and actual conflicts of interest to the Board and, as required, remove themselves

from a position of decision-making authority with respect to any conflicts situation involving the District and its business. The Board shall develop a conflict or interest to be adhered to by all Trustees, Officers, managers and key employees.

ARTICLE X

SUPERSEDING

These Bylaws, if approved, supersede any existing Bylaws of the District.

THESE BYLAWS WERE EXAMINED AND APPROVED BY MAJORITY VOTE OF THE BOARD
OF TRUSTEES THIS 8th DAY OF July, 2025.

BOARD MEMBERS

Tyler Macdon
Larry Hayes
RBP