**Proposed Bylaws Changes**

**Article 6 / Annual Meeting**

*CURRENT:*

Section 1. There shall be a regular meeting of the Members annually, on the second Monday in April, to transact all business that may be properly brought before it. The Secretary shall give at least fifteen (15) days written notice of such annual meetings to the Membership indicating the time, place and purpose of such meeting, **and shall address and mail the notice to each Member at the address last known to the Corporation.** Failure to hold or call an annual or special meeting in accordance with these Bylaws shall give each Member rights to compel the Board of Directors to properly hold an annual or special meeting of the Membership. **Voting by proxy shall be permitted.** Members holding ten percent (10%) of the votes entitled to be cast, represented in person or by **proxy**, shall constitute a quorum for the transaction of business.

Section 2. The Board of Directors shall adopt, and from time to time may revise, written procedures for conducting annual or special Membership meetings, including **the proxy and/or** ballot form which shall be the official **proxy and/or** ballot for such meetings; procedures for proper notification of the Membership of such meetings and delivery of the Corporation’s official **proxy and/or** ballot forms to the Membership; procedures to determine, qualify, and register the eligible voters for such meetings; and procedures for canvassing all votes and recording the results of all elections at such meetings of the Membership.

Section 3. The Board of Directors shall establish a standing Credentials Committee of three (3) Members, of which the Treasurer shall be the chairperson. This committee shall at no time have sufficient board members appointed to constitute a quorum of the Board of Directors. This committee, in accordance with procedures adopted by the Board under Section 2, shall notify the Membership of annual or special Membership meetings and deliver the Corporation’s official **proxy and/or** ballot forms to the Membership; determine, qualify, and register the eligible voters for such meeting; **validate proxies**, determine presence of quorum for conducting the meeting, canvas all votes, and record the results of such elections. Should the individual holding the office of Treasurer be running for re-election, the President shall appoint an officer not currently running for re-election to serve as chairperson of this committee.

Section 4. After fixing a date for the notice of a meeting, the Board of Directors shall prepare an alphabetical list of the names of all voting Members who are entitled to vote as of the record date of the meeting. The list must show the address of each voting Member. No later than two (2) business days after the date notice is given of the meeting, and continuing through the meeting the list of voting members must be available for inspection by any member entitled to vote at the meeting for the purpose of communication with other members concerning the meeting at the Corporation’s principal office or at a reasonable place identified in the meeting notice in the city where the meeting will be held. Any voting Member**, or voting Member’s agent or attorney**, shall be allowed, on written demand, to inspect and, at a reasonable time and at their expense, copy the list. Further, the Board shall make the list of voting Members available at the meeting, and shall allow inspection of such list by any voting Member **or voting Member’s agent or attorney** at any time during the meeting, including any adjournment thereof.

*PROPOSED:*

Section 1. There shall be a regular meeting of the Members annually, on the second Monday in April, to transact all business that may be properly brought before it. The Secretary shall give at least fifteen (15) days’ notice of such annual meetings to the Membership indicating the time, place and purpose of such meeting, **and shall post the notice to the company website at** [**www.MedinaWaterSupply.com**](http://www.MedinaWaterSupply.com)**. The Annual Meeting notice will also be posted in several public places and a reminder note will be placed on the bill that is mailed prior to the meeting.** Failure to hold or call an annual or special meeting in accordance with these Bylaws shall give each Member rights to compel the Board of Directors to properly hold an annual or special meeting of the Membership. Voting Members holding ten percent (10%) of the votes entitled to be cast, represented in person or by **mail-in ballot**, shall constitute a quorum for the transaction of business.

Section 2. The Board of Directors shall adopt, and from time to time may revise, written procedures for conducting annual or special Membership meetings, including theballot form which shall be the official ballot for such meetings; procedures for proper notification of the Membership of such meetings and delivery of the Corporation’s official ballot forms to the Membership; procedures to determine, qualify, and register the eligible voters for such meetings; and procedures for canvassing all votes and recording the results of all elections at such meetings of the Membership.

Section 3. The Board of Directors shall establish a standing Credentials Committee of three (3) Members, of which the Treasurer shall be the chairperson. This committee shall at no time have sufficient board members appointed to constitute a quorum of the Board of Directors. This committee, in accordance with procedures adopted by the Board under Section 2, shall notify the Membership of annual or special Membership meetings and deliver the Corporation’s official ballot forms to the Membership; determine, qualify, and register the eligible voters for such meeting; determine presence of quorum for conducting the meeting, canvas all votes, and record the results of such elections. Should the individual holding the office of Treasurer be running for re-election, the President shall appoint an officer not currently running for re-election to serve as chairperson of this committee.

Section 4. After fixing a date for the notice of a meeting, the Board of Directors shall prepare an alphabetical list of the names of all voting Members who are entitled to vote as of the record date of the meeting. The list must show the address of each voting Member. No later than two (2) business days after the date notice is given of the meeting, and continuing through the meeting the list of voting members must be available for inspection by any member entitled to vote at the meeting for the purpose of communication with other members concerning the meeting at the Corporation’s principal office or at a reasonable place identified in the meeting notice in the city where the meeting will be held. Any voting Member shall be allowed, on written demand, to inspect and, at a reasonable time and at their expense, copy the list. Further, the Board shall make the list of voting Members available at the meeting, and shall allow inspection of such list by any voting Member at any time during the meeting, including any adjournment thereof.

**Article 7 / Special Meeting Notification**

*CURRENT:*

A special meeting of the Members or Directors may be called by the President, or by demand by a majority of the board members or one-third (⅓) of the Members. Such special meetings shall be held upon giving notice as required by the Texas Open Meetings Act.

Prior to convening any special meeting of the Members, the President shall request in writing that the Secretary give at least ten (10) days prior notice to the Members, and that such special meeting is otherwise noticed, as required under Article 1396-2.11, Texas Revised Civil Statute, and as provided under Article V of these Bylaws. Such notice shall specify the time, place and purpose of the meeting, **and shall be addressed and mailed to each of the Members at their address last known to the Corporation, personally delivered to each Member, or sent by facsimile to each Member.**

*PROPOSED:*

A special meeting of the Members or Directors may be called by the President, or by demand by a majority of the board members or one-third (⅓) of the Members. Such special meetings shall be held upon giving notice as required by the Texas Open Meetings Act.

Prior to convening any special meeting of the Members, the President shall request in writing that the Secretary give at least ten (10) days prior notice to the Members, and that such special meeting is otherwise noticed, as required under Article 1396-2.11, Texas Revised Civil Statute, and as provided under Article V of these Bylaws. Such notice shall specify the time, place and purpose of the meeting, **and shall be posted to the company website at www.MedinaWaterSupply.com.**

**Article 9 – Section 3 / Membership Deposit Fee**

*CURRENT:*

Section 3. The Membership fee may be revised by the Board of Directors as the Board may determine to be appropriate. In determining the amount of the Membership fee, however, the Board shall ensure that the fee is sufficient to establish the potential Member as being legitimately interested in securing water service from the Corporation for such potential Member’s own needs. Furthermore, the Board shall determine and administer such fee in a manner or in an amount which does not unreasonably deny service to financially deprived potential Members. In no event, however shall the membership fee exceed an amount equal to the sum of twelve (12) charges of the Corporation’s minimum monthly water rate. Membership fees will be refundable.

*PROPOSED:*

Section 3. The Membership fee may be revised by the Board of Directors as the Board may determine to be appropriate. In determining the amount of the Membership fee, however, the Board shall ensure that the fee is sufficient to establish the potential Member as being legitimately interested in securing water service from the Corporation for such potential Member’s own needs. Furthermore, the Board shall determine and administer such fee in a manner or in an amount which does not unreasonably deny service to financially deprived potential Members. In no event, however shall the membership fee exceed an amount equal to the sum of twelve (12) charges of the Corporation’s minimum monthly water rate. Membership fees will be refundable**, minus any monies owed to the Corporation in order to finalize the account.**

**ARTICLE 18 / Bylaws Changes**

*CURRENT:*

These Bylaws may be altered, amended, or repealed by a vote of a majority of the Members present, whether in person or by **proxy**, at any regular meeting of the Members, or at any special meeting of the Members called for that purpose, except that the Members shall not have the power to change the purpose of the Corporation so as to decrease its rights and powers under the laws of the State, or to waive any requirements of bond or other provisions for the safety and security of the property and funds of the Corporation or its Members, or to deprive any Member of rights and privileges then existing, or so to amend the Bylaws as to effect a fundamental change in the intents and purposes of the Corporation. Notice of any amendment to be made at a special meeting of the Members must be given at least ten (10) days before such meeting and must set forth the amendments to be considered.

*PROPOSED:*

These Bylaws may be altered, amended, or repealed by a vote of a majority of the Members present, whether in person or by **mail-in ballot**, at any regular meeting of the Members, or at any special meeting of the Members called for that purpose, except that the Members shall not have the power to change the purpose of the Corporation so as to decrease its rights and powers under the laws of the State, or to waive any requirements of bond or other provisions for the safety and security of the property and funds of the Corporation or its Members, or to deprive any Member of rights and privileges then existing, or so to amend the Bylaws as to effect a fundamental change in the intents and purposes of the Corporation. Notice of any amendment to be made at a special meeting of the Members must be given at least ten (10) days before such meeting and must set forth the amendments to be considered.