

BY-LAWS OF
SMOKY HILLS
RESOURCE CONSERVATION & DEVELOPMENT AREA INC.

ARTICLE 1 – NAME AND LOCATION

Section 1. This organization is a 501(c)(3) corporation and is named and will operate as the Smoky Hills Resource Conservation and Development Area Inc., hereinafter referred to as SHRC&D Area Inc.

Section 2. Offices for maintaining corporation records and venues for transaction of corporation business shall be such places as designated by the Area Council.

Section 3. Other offices for the transaction of business shall be located at such places as the Area Council may determine.

ARTICLE 2 – PURPOSES AND OBJECTIVES

Section 1. Vision Statement:

Smoky Hills Resource Conservation and Development Area Inc. will provide positive leadership achieving economic growth while maximizing a quality social and natural environment.

Section 2. Mission Statement:

The mission of the Smoky Hills Resource and Development Area Inc. is to coordinate those efforts of member counties in sustaining and enhancing the quality of life, in promoting economic development, and providing meaningful and effective educational opportunities while encouraging efficient and wise use of our natural resources.

Section 3. The objectives of this organization will be:

3.1 Improvement of the general health, education, housing, recreation, transportation, communications, tourism, and economic opportunity in the area served.

3.2 Creation of job opportunities through support of existing business industry and in assisting new business and industrial development.

3.3 Improvement and expansion of the marketing, processing, transportation, and creation of new uses for agricultural commodities.

ARTICLE 3 – MEMBERSHIP

Counties represented by the SHRC&D Area Inc. shall be the Kansas Counties of Ellis, Gove, Lane, Ness, Rush, Russell, and Trego, as well as future counties as approved by the Area Council.

Section 1. There shall be three (3) categories of membership in this corporation: Sponsoring members, Associate members, and General members. It is the responsibility of all memberships to provide ideas, concepts, and project suggestions to the Area Council and County Advisory Committees for concerns, needed work projects, and other matters relevant to the SHRC&D Area Inc.

Section 2. Sponsoring members may consist of County Conservation Districts, County Commissioners, County Research & Extension Councils, and Economic Development Councils from any member county that has signed and submitted to the Secretary of Agriculture an "Intent To Sponsor" the Smoky Hills RC&D Area Inc. and have paid required annual dues. Minimum participation for a county to be represented by the SHRC&D Area Inc. will be that County's Conservation District and County Commissioners. Sponsoring members shall have voting privileges on the County Advisory Committee.

Section 3. Associate members may consist of any individual, group, organization, or unit of government (other than Sponsoring members) who request such membership and pay required dues. Associate members shall have voting privileges on the County Advisory Committee.

Section 4. General members may consist of any individual, group, organization, or unit of government (other than Sponsoring and Associate members) who desire such membership. General members shall pay no dues and have no voting privileges.

ARTICLE 4 – SPONSOR AND ASSOCIATE DUES

The amount of Sponsor and Associate dues, if any, shall be adopted by the Area Council at the Annual Meeting. Annual dues will be due by December 31 of each fiscal year. The Sponsoring members of each county shall determine how to share the expense of the annual dues of that county.

ARTICLE 5 - BUDGET

An annual budget shall be prepared and presented for adoption by the Area Council. The fiscal year for the corporation shall be from October 1 through September 30. Funds will come from dues assessed from members, individuals, foundations, governmental agencies and any other funding sources made available. Fiscal year financial reports shall be prepared and submitted at the annual meeting. An annual audit of the corporation finances and accounting shall be carried out and the results presented to the Area Council and the membership at the annual meeting.

ARTICLE 6 – AREA COUNCIL

Section 1. The business and property of the corporation shall be managed by the Area Council. Each Council member may receive such compensation for his or her services as shall be determined by the membership at their annual meeting. In general, duties of the Area Council shall be to direct the use of all funds of the corporation, review area proposals submitted from recognized sources and to establish and direct corporate activities.

Section 2. The Area Council shall be composed of two (2) voting members selected by the County Advisory Committees from each participating County: either voting member or alternate with approved proxy. The local County Advisory Committee shall select two (2) alternates from its membership to the Area Council for their County, who shall be encouraged to attend regular meetings, but shall not vote unless a proxy arrangement has been made between the alternate(s) and the voting council member(s), and duly noted and recorded by the Area Council Secretary.

Section 3. Each Area Council Member shall hold office for three (3) years unless a written resignation has been submitted to Secretary of the corporation or the member has been removed under Article 6 Section 6 of the by-laws. The council members shall be seated to accommodate staggered terms. The first seating of the council will be modified as necessary to accommodate the staggered council arrangement.

Section 4. The term of office shall commence immediately following the Annual Meeting and shall terminate after the Annual Meeting three (3) years later. Members shall serve no more than two (2) consecutive terms.

Section 5. The Area Council shall elect the officers of the corporation. Such election is to be held at the Area Council meeting following each annual meeting.

Section 6. Area Council members who miss three consecutive Area Council meetings and who have not been represented by an alternate with an approved written proxy, at said three meetings shall be removed as Area Council members as described in Section 8 below. Upon removal, the County Advisory Committee represented by said council member shall be notified. The County Advisory Committee will then designate a new council member to serve as a replacement for the removed council member for the remainder of the un-expired term.

Section 7. Any Area Council member may be removed by the Council by an affirmative vote of two-thirds (2/3) of the full Area Council when in its judgment the best interests of the corporation would be served by the removal.

Section 8. Any vacancy on the Area Council shall be filled for the unexpired term by an appointment by the County Advisory Committee. In the event the County Advisory Committee is unable or unwilling to fill the unexpired term, then the Sponsoring member(s) of that county shall be empowered to designate the voting member to the Area Council for such unexpired term.

ARTICLE 7 - OFFICERS

Section 1. The officers of the corporation must be voting members of the Area Council, and shall be a President, Vice-President, Treasurer, and a Secretary elected for the term of one (1) year unless such term has been terminated by a written resignation submitted to the Secretary, or by Article 6 Section 6 and 7 of the by-laws.

Section 2. The corporation may appoint such agents or representatives as may be deemed necessary by the Area Council. It shall not be necessary for those agents or representatives to be a member of the Area Council.

Section 3. The President shall preside at all Area Council meetings and shall have general supervision over the affairs of the corporation and over the other officers. The President will sign all written contracts of the corporation; and shall perform such other duties as are incident to the office. The President shall also be allowed to appoint any standing or special committees as deemed necessary and beneficial to the corporation.

Section 4. The Vice President shall in the absence of the President, perform all the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions of that office. The Vice President shall also perform other such duties as may be assigned by the President. Upon resignation or removal of the President, the Vice President shall become President.

Section 5. The Secretary shall issue notices of all Area Council meetings and keep the minutes of same; shall have charge of all corporate books, records and papers, shall be custodian of the corporate seal, if one is obtained; shall attest with his or her signature and impress with the corporate seal all written contracts of the corporation and shall perform such other duties as are incident to the office.

Section 6. The Treasurer shall have custody of all monies and securities of the corporation and be bonded in the amount and with such security as the Area Council may require. The Treasurer will maintain such accounts as are necessary together with vouchers, receipts, records and other documentation so that the financial standing of the organization can be accurately determined at any time. These records of account shall be available for examination and approval as often as is required by the Area Council. Such record of accounts shall also be available to any member, court of competent jurisdiction, supervising agency, or citizen of the area served.

Section 7. An officer may be removed from office at any time by a two-thirds (2/3) vote of the full Area Council.

Section 8. Upon resignation or removal of an officer, the President shall have the authority to appoint another council member to that office for the remainder of the unexpired term with approval of the Area Council.

ARTICLE 8 – COUNTY ADVISORY COMMITTEES

Within each County, the two voting Council members along with the County's Sponsors shall compile a County Advisory Committee whose purpose will be to provide ideas to the Area Council for concerns and work projects needed by the County and other matters relevant to the SHRC&D Area Inc. The County Advisory Committee should represent the social, political, and economic diversity of the county as closely as possible in the collective opinion of the Sponsors and the Area Council members for that County.

Section 1. Membership shall be open to all individuals, groups, and organizations within each county represented by the SHRC&D Area Inc.

Section 2. Each County Advisory Committee shall select a Chairperson and Secretary.

ARTICLE 9 - MEETINGS

Section 1. Area Council Annual Meetings.

Section 1.1 The Area Council shall convene a public annual meeting and such annual meeting shall take place not later than the end of the third month following the close of SHRC&D Area Inc. fiscal year.

Section 1.2 Notice of the time and place of the annual meeting shall be mailed by the Secretary to each of the Area Council members and County Advisory Committee Chairpersons at least twenty (20) days before the date thereof.

Section 1.3 The Area Council Secretary shall be responsible to publish the time and place of the annual meeting in the designated county newspaper of each county represented by the SHRC&D Area Inc. at least two weeks prior to the meeting date.

Section 1.4 At each annual meeting, the Area Council shall submit a statement of the business done during the preceding year, a report on the proposed activities of the Council, a report of the general financial condition of the corporation and the condition of its tangible property, a statement regarding the status of the appointed Area Council members, and any other items of importance to the corporation. Voting shall be as stated under Article 10 – Voting and Quorum.

Section 2. Area Council Meetings.

Section 2.1 Regular meetings shall be convened within the area served by the corporation every other month.

Section 2.2 Notice shall be provided by the Secretary to all Area Council Members at least ten (10) days in advance of regularly scheduled meetings.

Section 3. Area Council Special Meetings

Section 3.1 Special meetings of the corporation may be called at any time by the President, and in his or her absence, by the Vice President, or by six (6) or more of the Area Council Members, by written petition to the Secretary.

Section 3.2 Notice of all special meetings shall be mailed to each Area Council Member by the Secretary at least ten (10) days prior to the time fixed for said meeting. All notices of special meetings shall state the purpose thereof.

Section 4. County Advisory Committee Meetings

County Advisory Committee meetings shall be convened within each respective county as needed by the committee for their purposes in planning and advising the County Area Council members. It is recommended that the County Advisory Committee meetings take place in months when the Area Council does not meet.

ARTICLE 10 – VOTING AND QUORUM

Section 1. At all meetings of the SHRC&D Area Inc., each Area Council Member shall be entitled to cast one (1) vote on all business matters before the corporation, which vote may be cast in person or by alternate with proxy. All proxies shall be in writing and shall be filed with the Secretary and entered on record in the minutes of the meeting by the Secretary.

Section 2. The alternate Area Council members appointed by the County Advisory Committee shall not be voting members unless proxy arrangements have been made by the voting Council Member.

Section 3. A quorum for the transaction of business at any meeting of the Area Council shall consist of not less than 50% plus 1 of designated voting members or their proxies.

ARTICLE 11 - BUSINESS

Section 1. Contracts:

Only the Area Council may authorize the entering of contracts by SHRC&D Area Inc. and the execution of same shall be by the President and attested to by the Secretary. In the absence of the President the Vice President is herein empowered to perform such duly authorized execution. In the event the Secretary is absent or unavailable to properly attest, then the Treasurer is herein empowered to perform such attestation.

Section 2. Disbursements:

All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of SHRC&D Area Inc. shall be signed by the Treasurer and countersigned by the President of the corporation.

Section 3. Deposits:

All funds of the corporation shall be deposited to the credit of the corporation in such banks, trust companies, or other depositories as the Area Council may designate.

Section 4. Gifts:

The Area Council may accept on behalf of the corporation any contribution, gift, bequest, devise, or grant for the general purposes or for any special purpose of the corporation.

ARTICLE 12 - STAFF

The Area Council will be responsible for providing guidance for the SHRC&D Area Inc. Coordinator. The Coordinator may be supplied by the U.S. Department of Agriculture or employed by the Area Council and U.S. Department of Agriculture. Additional staff may be employed, with the consent of the Area Council. The Coordinator shall develop a set of personnel policies, including job description and performance standards for each additional employee. Any such developed policy must be approved by the Area Council.

ARTICLE 13 - AMENDMENTS.

Section 1. The Area Council shall have the power to amend, alter, or repeal the by-laws herein set forth. Any action to change the by-laws shall require a two-thirds (2/3) majority vote of the full Area Council at a regular or special meeting.

- 1) Any proposed amendment, alteration or repeal of all or any part of the by-laws shall be provided to all Area Council voting members and alternates along with proper notice of meeting.
- 2) All Sponsor members, and Associate members of the corporation, shall be timely notified of proposed by-laws changes.

Section 2. Whenever said by-laws or any portion thereof have been amended, altered or repealed by the Area Council via the process stated in Section 1 above, notice and copies of all such changes of the by-laws by the Area Council shall be given to each Sponsor, Area Council member and Associate member of the corporation within thirty (30) days after the date the changes are made.

ARTICLE 14 - INDEMNIFICATION

Area Council members, former Area Council members, officers, employees, Sponsoring members, Associate members, General members, and recognized volunteers shall be indemnified by SHRC&D Area Inc. in the event of legal action resulting from the conduct of corporation business. Such indemnification shall consist of and be limited to reasonable expenses for attorney fees, judgments, and court approved settlements. Expenses incurred for fines and legal costs resulting from traffic violations, criminal acts (misdemeanor or felony), or other conduct of unlawful nature will not be indemnified under any circumstances.

ARTICLE 15 – RIGHTS AND LIMITATIONS OF THE CORPORATION

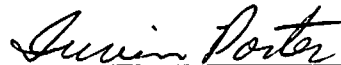
Section 1. No part of the net earnings of SHRC&D Area Inc. will be distributable to its members, officers, or other private persons. Reasonable compensation for services rendered may be authorized and approved by the Area Council. SHRC&D Area Inc. shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from income tax under Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future tax code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code, or corresponding section of any future tax code.

Section 2. The private property of the members and employees of the Corporation shall not be subject to the payment of debt assessments, judgments or court awards incurred by SHRC&D Area Inc.

Section 3. If this corporation becomes subject to voluntary or forced dissolution, then the Area Council shall make provision for the payment of all legally constituted liabilities and obligations of the corporation. In the event remaining assets are not sufficient to liquidate all legally constituted liabilities and obligations in full, then payment shall be made to the corporations creditors on a pro rata basis. If assets remain after all legally constituted liabilities and obligations have been liquidated the Area Council is directed to distribute such remaining assets to a duly qualified and legally organized successor organization if same is available. In the event no duly qualified and legally organized successor organization is available, then such remaining assets shall be distributed to organizations operated exclusively for charitable, educational, or scientific purposes that qualify as an exempt organizations under section 501(c)(3) of the Internal Revenue Code of 1954. In the event such organizations are not present or would refuse to accept distributions for any reason, then the Area Council shall petition the District Court of the County where the principal office of SHRC&D Area Inc. is located to direct where and how remaining assets shall be distributed.

These By-Laws are adopted by resolution of the Area Council of the Smoky Hills Resource Conservation and Development Area Inc. on this 11th day of September, 2003.

Revised November 9, 2004.



President, Smoky Hills RC&D Area Inc.



Secretary, Smoky Hills RC&D Area Inc.

Amendment # 1 – Approved November 9, 2004

Proposal to amend the following sentence of the Bylaws, Article 4 – Sponsor and Associate Dues: “Annual dues will be billed by the Treasurer by June 15th and payable by September 30th.”

Proposed Revision: “Annual dues will be due by December 31 of each fiscal year.”

Amendment # 2

Article 2 – Purposes and Goals

Section 3. The goals of this organization will be:

- Goal 1: Establish effective channels of communications between the Smoky Hills RC&D Area Inc. and the general public to insure public understanding and support of this organization's mission.
- Goal 2: Establish working relationships with the governmental and private sectors to provide assistance in insuring a water supply of adequate quantity and acceptable quality for residents, businesses, and industries in our area.
- Goal 3: Encourage economic development to boost employment opportunity and improve disposable income and wealth of our area.
- Goal 4: Implement strategies to create a more prosperous agricultural sector, specifically our farms, ranches, and agriculturally-related businesses.
- Goal 5: Actively pursue strategies to insure our citizens' access to adequate health care facilities and providers.
- Goal 6: Enrichment of our cultural heritage utilizing tourism (recreation, museums, historical sites, natural wonders, and agritourism) and programs designed to promote our area.
- Goal 7: Develop strategies to insure appropriate education opportunities for all age groups.
- Goal 8: Develop strategies to encourage recycling.

Article 3 – Membership:

Section 2. Sponsoring members may consist of County Conservation Districts, County Commissioners, County Research & Extension Councils, City Councils, Chamber of Commerce, Economic Development Councils, or other entity from any member county that has signed and submitted to the Secretary of Agriculture an "Intent To Sponsor" the Smoky Hills RC&D Area Inc. and have paid required annual dues. Minimum participation for a county to be represented by the SHRC&D Area Inc. will be that County's Conservation District and County Commissioners. Sponsoring members shall have voting privileges on the County Advisory Committee.

Article 6 – Area Council:

Section 3. There is no term limit for members. To be removed from council the member must submit a written resignation to Secretary of the corporation or the member has been removed under Article 6 Section 5 or 6 of the by-laws.

Delete the Old Section 4.

Section 4. The Area Council shall elect the officers of the corporation. Such election is to be held at the Area Council meeting following each annual meeting.

Section 5. Area Council members who miss three consecutive Area Council meetings and who have not been represented by an alternate with an approved written proxy, at said three meetings shall be removed as Area Council members as described in Section 7 below. Upon

removal, the County Advisory Committee represented by said council member shall be notified. The County Advisory Committee will then designate a new council member to serve as a replacement for the removed council member.

Section 6. Any Area Council member may be removed by the Council by an affirmative vote of two-thirds (2/3) of the full Area Council when in its judgment the best interests of the corporation would be served by the removal.

Section 7. Any vacancy on the Area Council shall be filled by an appointment by the County Advisory Committee. In the event the County Advisory Committee is unable or unwilling to fill the vacancy, then the Sponsoring member(s) of that county shall be empowered to designate the voting member to the Area Council.

Amendment #2 approved November 11, 2007