


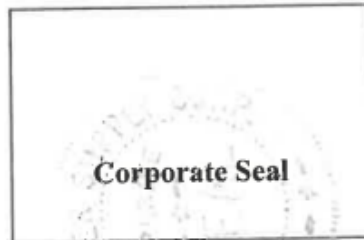
ELECTION PROCEDURES FOR  
MEMBERS' MEETING

KEMPNER WATER SUPPLY CORPORATION

Adopted in accordance with Sections 67.0051-.0055 and 67.007 of the Texas Water Code  
by the Board of Directors, this 24 day of November, 2021.

  
\_\_\_\_\_  
**President**

  
\_\_\_\_\_  
**Secretary-Treasurer**



1. **Annual Meeting Date.** The annual meeting of the members of the Corporation will be held the fourth Thursday of March, each year, specified by the Corporation's Bylaws, as determined by the board. The Corporation may hold other special meetings of the members for the purpose of conducting an election on an issue that requires a vote of the membership or for another purpose.
2. **Credentials Committee.** Each year the Board of Directors will appoint a Credentials Committee of three individuals during the first business meeting after the annual members' meeting.
  - The chairperson of the Credentials Committee will be the Secretary–Treasurer unless that individual is running for re-election the following year; in which case the Board will appoint a director not running for re-election to serve as chairperson of this committee.
  - In filling the other two positions, the Board will appoint one other member of the Board and one other person from the membership.
  - The Credentials Committee may assist the board: (1) by recommending for Board approval the election procedures, ballot form, director application form, meeting packet, and meeting notice; (2) by recommending for Board approval a person to fill the role of independent election auditor (“Election Auditor”); (3) by ensuring that the election procedures are implemented; (4) by generating interest among the membership to apply to serve on the board; (5) by verifying candidate applications and petitions for completeness; and (6) by serving other functions as set forth in these procedures.
3. **Adoption of Election Procedures.** The Board will meet at least 90 days before the annual meeting to review and adopt the ballot, director application form, and election procedures. These election procedures apply to a member meeting where an election will be held. They are adopted in accordance with Section 67.007(b) and 67.0054(f) of the Texas Water Code. The timeline for events leading up to an election is set forth in **Attachment 1**.
4. **Applications for Director.**
  - At least 80 days before the date of a member meeting that includes a director election, the Corporation will notify all members of their opportunity to submit applications to serve as a Director.<sup>1</sup> In addition, the Credentials Committee may take additional actions to generate interest among the membership to apply to serve on the Board. The Application Form will require the following information (**Attachment 2**)<sup>2</sup>:
    - The person's name and contact information;
    - If applicable, the director's position number or other distinguishing number for which the person seeks to be elected;
    - Biographical information about the person;
    - A statement of the person's qualifications to serve as Director;
    - A signed statement that the person is qualified under Texas Water Code Section 67.0051 as follows: (1) is at least 18 years old on the first day of the term to be filled; (2) is a member of the Corporation; (3) has not been determined by a final judgment of a court exercising probate jurisdiction to be totally mentally incapacitated or partially mentally incapacitated without the right to vote; and (4) has not been finally convicted of a felony or if convicted, was pardoned or otherwise released from the resulting disabilities;

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<sup>1</sup> See. T.W.C. 67.0052(c); This is the first deadline prescribed by law and it is set at 75 days, but extra time is suggested.

<sup>2</sup> See T.W.C. Sec. 67.0052

- A statement that the person meets the eligibility requirements, if any, set forth in the Certificate of Formation and Bylaws of the Corporation;
  - The person’s written consent to serve, if elected; and
  - If the system has 1,500 or more members, a petition, signed by 20 members, requesting that the person’s name be placed on the ballot as a candidate for that position<sup>3</sup>.
- Director Applications are due 50 days before the date of the meeting where the election will be held.<sup>4</sup>
  - Upon receipt of each application, the Corporation shall designate an employee or the Credentials Committee to review the application for completeness, including whether the signatures on the petition represent a valid membership. Candidates will be notified of any defects in the application and petition and will be given the opportunity to cure the defects.
  - Applicants notified of the defects must cure them and resubmit their application or petition no later than 45 days before the date of the meeting in order to be included on the ballot.
  - The day after the deadline to submit applications the Corporation will determine whether the candidates are unopposed.
- 5. Board Meeting.** The board will meet 40 days before the date of the annual meeting to: (a) select an independent election auditor; (b) finalize and approve the ballot, agenda and meeting packet for the member meeting; and (c) if applicable, pass a resolution declaring elected all unopposed candidates and direct that the resolution be posted at the Corporation’s main office.
- a. Election Auditor.** The Board of Directors will select an Election Auditor based on the recommendation of the Credentials Committee.<sup>5</sup>
    - The Election Auditor is not required to be an experienced election judge or auditor and may serve as an unpaid volunteer.
    - The Election Auditor cannot be associated with the Corporation as an employee, director or candidate for director, or independent contractor engaged by the Corporation as part of the Corporation’s regular course of business but may be a member of the Corporation.
  - b. Finalize and approve the ballot, agenda and meeting packet for member meeting.** Credentials committee will present drafts of these documents for board discussion and approval.
    - If an election is still necessary after any unopposed candidates have been declared elected per paragraph (c) below, the ballot must also include the names of the unopposed candidates who have been declared elected under the heading “Unopposed Candidates Declared Elected.”
  - c. Unopposed Candidates.** If there are unopposed candidates, the board may declare the candidates elected and certify in writing by resolution (**Attachment 7**) that the candidates are unopposed<sup>6</sup>. If there is more than one director position for which unopposed candidates are

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<sup>3</sup> Note: The Corporation may advise candidates to obtain a few extra signatures in case there are any disqualifications of the signatures provided. Only one representative from each membership may sign a petition supporting an application for director. An applicant may sign his or her own petition for director.

<sup>4</sup> See T.W.C. Sec. 67.0052(b); Requirement is 45 days, but TRWA suggests adding five extra days for petition signature verification.

<sup>5</sup> See T.W.C. Sec. 67.007(d), “not later than the 30<sup>th</sup> day before the scheduled date of the annual meeting”

<sup>6</sup> See T.W.C. Sec. 67.0055(a) & (b)

declared elected and the terms are not for equal duration of service, those unopposed candidates will draw lots under the direction of the presiding director to determine who will fill each position. The resolution will specify which candidates have been declared elected for each position. An election will not be held for the unopposed candidates. The Board will direct that the resolution be posted at the Corporation's main office as soon as practical. The resolution also will be read into the record at the annual meeting.

Note: Per Texas Water Code Sec. 67.0055, a person may not, by intimidation or by means of coercion, influence or attempt to influence a person to withdraw as a candidate or not to file an application for a place on the ballot so that an election may be canceled.

6. **Voting Roster.** 40 days prior to the meeting, Corporation will prepare an alphabetical list of the names and addresses of all its voting members ("Voting Roster") as required by Section 22.158 of the Business Organizations Code.
  - Not later than the second business day after the date the meeting packets are sent to the members, and through the day of the meeting, the Voting Roster will be made available in the Corporation's office for inspection by members or member's agents or attorneys. It also will be available for inspection at the meeting.
7. **Meeting Packets.** At least 30 days before the date of a member meeting where an election will be held,<sup>7</sup> the Corporation shall mail to each voting member of the Corporation the meeting packets, which will contain as applicable: (1) the Notice of Member Meeting (**Attachment 3**)\*, (2) Official Ballot Form (**Attachment 4**); (3) an envelope for members to return their ballots that includes the member's return address and account number, and the address where the ballots are to be sent (either Corporation's main office or Election Auditor's office) (**Attachment 5**); (4) biographical information about each candidate for director\*\*, including their qualifications as provided in their application (**Attachment 6**); (5) a detailed explanation of any issue (ballot measure) that the members are being asked to vote on; and (6) if bylaw changes are being proposed, a copy of the specific changes.

**\* If the election is cancelled, the meeting notice must still be sent, but may be included with a utility bill.**

**\*\* The Corporation may not edit the biographical statement submitted by the candidate for spelling or grammar mistakes, so candidates cannot claim their answers were changed by the Corporation.**

8. **Voting.** A member is entitled to only one vote regardless of the number of memberships the member owns. A member may be a natural person; a partnership of two or more persons having a joint or common interest, including a married couple who jointly own property; or a corporation.
  - a. **Voting in Advance of a Member Meeting**
    - The Corporation will accept ballot forms received during regular office hours at the Corporation's office or by mail until 12 noon the day before the member meeting.<sup>8</sup>

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<sup>7</sup> See T.W.C. Sec. 67.0053

<sup>8</sup> See T.W.C. Sec. 67.0054(a). In the alternative, the Corporation may designate that the ballots be delivered to the office of the Independent Election Auditor.

- Upon receipt of a ballot, the Credentials Committee or designated Corporation staff will record on the Voting Roster that the member has submitted a ballot envelope, and then will place the unopened ballot envelope in a secured box.
- The secured box[es] will be turned over to the Election Auditor after the 12-noon voting deadline and will remain in the custody of the Election Auditor until the end of the Election.

**b. Voting in Person at a Member Meeting.**

- Members attending a member meeting will check in with the Election Auditor who will verify whether the member has already submitted a ballot.
- The Election Auditor will provide ballots to those members who are voting at the annual or special meeting. The ballots will be printed on a different color paper or contain a special marking to distinguish them from the ballots sent in advance of the meeting.
- If a member attends the meeting but has already submitted a ballot, the member may participate in the meeting but may not change their vote or submit another ballot.

**9. Open Meetings Act Notice.** The Corporation also will post the Notice of Member Meeting (**Attachment 3**) in accordance with the Open Meetings Act at least 72 hours in advance of any member meeting. If the board plans to hold a board meeting on adjournment of the member meeting, a separate notice of that meeting also must be posted.

**10. Conducting the Meeting.** The presiding director will conduct a member meeting in accordance with the noticed meeting agenda.

**11. Quorum Requirement.** At the commencement of the meeting, the presiding director will make a last call for the submission of ballots. The presiding director will report the total number of members who are present, which includes those members who mailed or delivered ballots prior to the meeting, for the purpose of establishing a quorum. The presiding director will announce that a quorum of the membership is present and that the meeting [and election] may proceed.<sup>9</sup>

**12. Counting the Ballots.** The Election Auditor will open the ballot envelopes received prior to the meeting and place the ballots with the ballots received at the meeting. The envelopes will be kept separately in a secured location. The Election Auditor will count all the ballots at the meeting prior to adjournment and will provide the board with a written report of the election results.<sup>10</sup>

The **Election Auditor** may enlist the assistance of members or other individuals to count ballots and to assist with other duties as long as those individuals are not an employee of the Corporation, a director or candidate for director, or an independent contractor engaged by the Corporation as part of the Corporation's regular course of business.

Candidates cannot run for a position or specific spot. All eligible candidates run for all open positions. You are not considered unopposed based on your current position on the board if there is another qualified candidate running. Example there are three positions up for re-election; if the three positions want to keep their seat and another member wants to run for a position, this will mean all four will be running for the three positions. The ones with the most votes will be elected/re-elected.

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<sup>9</sup> See T.W.C. Sec. 67.007(a-1)

<sup>10</sup> See T.W.C. Sec. 67.0054(b) & (e)

- If there is more than one director position to be filled and the terms are not for equal duration of service, those candidates receiving the greater number of votes will fill the positions with the longer terms.
- If two or more candidates for a director's position tie for the highest number of votes, those candidates will draw lots under the direction of the Election Auditor to determine who is elected.
- If there is a tie vote on an issue other than a director election, the measure fails.

**13. New Board of Director Meeting.** The first business meeting of the new board of directors will be held on the same day and immediately following a director election. A separate agenda will be posted for this first Board meeting, as required by the Open Meetings Act, where business will include electing new officers from among the board of directors and appointing a Credentials Committee for the next election year. The board also will designate those directors who have authority to sign checks on the behalf of the Corporation, if not otherwise designated by the Corporation's Bylaws.

**14. Election Contest.** Should any member wish to contest an election, said member must officially file suit in Lampasas District Court within thirty days of the announcement of the official results of the election at issue.

**At close of the previous annual member meeting**

Board appoints Credentials Committee.

**At least 90 Days Prior 11/24**

Ballot, director application form, and election procedures are reviewed and adopted by the board. May take a couple of board meetings to complete adoption.

**80 Days Prior 12/10**

Notice of opportunity to submit applications for director positions is sent to members.

**50 Days Prior 1/28**

Applications for director positions are due. Corporation will review applications and petition signatures upon receipt; and notify candidates of any defects that need to be cured.

**45 Days Prior 2/4**

Final deadline to accept resubmitted director applications and petitions that cure defects identified in original application. Corporation determines if candidates are unopposed.

**40 Days Prior 2/7**

Board meets to:  
 (1) Select an independent election Auditor;  
 (2). Finalize and approve the ballot, agenda and meeting packet for the member meeting;  
 (3) If applicable, pass resolution declaring elected all unopposed candidates and direct that resolution be posted at the Corporation's main office.  
 Also, Corporation prepares voting roster of members.

**At least 30 Days Prior 2/21**

Members' meeting packets, including notice of meeting, agenda and ballots, are mailed. If the election is cancelled, the meeting notice and agenda must still be sent, but may be included with a utility bill.

**28 Days Prior 2/21**

Voting roster is made available to the members in Corporation's office.

**3 Days (72 Hours) Prior 3/21**

Corporation posts notice of Membership Meeting/ Director Election and of first Board of Director meeting, if applicable, in accordance with Open Meetings Act.

**12 Noon, 1 Day Prior 3/23**

Deadline for submittal of ballots by mail or delivered to business office.

**Meeting/ Election Day 3/24**

Meeting is convened, and ballots are accepted until presiding director makes a last call for ballots. If applicable, presiding director reads into the record resolution declaring unopposed candidates elected.  
 Upon adjournment of director election, new Board of Directors meets.

## KEMPNER WATER SUPPLY CORPORATION DIRECTOR APPLICATION

All candidates shall meet the requirements set forth in Chapter 67 of the Texas Water Code, the Texas non-Profit Corporation action and the By-laws of KWSC. To be qualified for election or appointment as a director, a person must be:

- a. 18 years of age or older on the first day of the term to be filled at the election or on the date of appointment, as applicable; and
- b. a member of the corporation.

In addition to the qualifications listed above, a person is not qualified to serve as a director if the person:

- a. has been determined by a final judgment of a court exercising probate jurisdiction to be: totally mentally incapacitated; or partially mentally incapacitated without the right to vote; or
- b. has been finally convicted of a felony from which the person has not been pardoned or otherwise released from the resulting disabilities.

**FULL NAME:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

**KWSC ACCOUNT NO.:** \_\_\_\_\_

**GOVERNMENT ISSUED ID:** \_\_\_\_\_ **TYPE:** \_\_\_\_\_

**HOME TELEPHONE:** \_\_\_\_\_ **CELL PHONE:** \_\_\_\_\_

**E-MAIL:** \_\_\_\_\_

To be listed on the ballot as a candidate for a director’s position, a person must file an application with the corporation that includes:

- a. candidate application number will be provided at the time application is received in corporation’s office;
- b. a petition signed by the lesser of 25 members or five percent of the members, requesting that the person’s name be placed on the ballot as a candidate for a position;
- c. the person’s written consent to serve, if elected;
- d. biographical information about the person; and
- e. a statement of the person’s qualifications, including a statement that the person has the qualifications prescribed by Section 67.0051 of the Texas Water Code and Senate Bill No. 333

The application must be filed with the corporation not later than the 45<sup>th</sup> day before the date of the annual meeting.  
**APPLICATIONS ARE DUE BY JANUARY 29, 2022**

**I, \_\_\_\_\_, am 18 years of age or older, am a member of the KWSC, have not been determined to be totally or partially mentally incapacitated without the right to vote, or have not been finally convicted of a felony. I will serve as a Director of the Kempner Water Supply Corporation, if elected. By signing this Director Application, I release Kempner Water Supply Corporation or authorized agent to complete a verification of background.**

**Date:** \_\_\_\_\_

\_\_\_\_\_  
Signature of Applicant



KEMPNER WATER SUPPLY CORPORATION (“CORPORATION”)

The members of Kempner WSC, whose names and signatures appear below, petition that candidate’s name be placed on the ballot as a candidate for director of the Corporation for the (date, 20 \_\_) election.

Candidates must solicit at least 20 signatures from members of the system, but it is advisable to obtain a few additional signatures in case any of the signatures are disqualified. Members must be owners of property in the WSC and have a valid membership. Only one representative from each membership (i.e. husband or wife) may sign a petition supporting an application for director. An applicant may sign his or her own petition for director.

**Member’s Name (please print)**

**Member’s Signature**

<b>Member’s Name (please print)</b>	<b>Member’s Signature</b>
1.	
2.	
3.	
4.	
5.	
6.	
7.	
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18.	
19.	
20.	

### **Notice of Member Meeting for Kempner Water Supply Corporation**

The Member Meeting for the Kempner Water Supply Corporation will be held at the (name of building, address, city, TX ZIP). The meeting will start at 7:00 p.m. on (date). The purpose of the meeting will be to update the membership on the business affairs of the corporation (and to conduct an election- unless the elections is declared unopposed by Resolution by BOD).

Members may request that items be placed on the agenda by contacting the Corporation's office during regular business hours at least one week prior to the date of the meeting. No motions may be accepted, or action taken on issues brought up at the meeting from the floor. All action items must have been included in the Notice of Member Meeting posted 72 hours in advance of the Member Meeting in accordance with the Texas Open Meetings Act.

Members will check in with the Election Auditor who will verify whether the member has already submitted a ballot. Those members who are voting at the meeting will be provided with a ballot.

1. Presiding director calls the meeting to order at 7:00 p.m.
2. Presiding director makes a last call for submission of ballots.
3. Presiding director announces the total number of members present as of 7:00 p.m. at the meeting and the total number of ballots received prior to the meeting. Presiding director will then announce that a quorum of the membership is present and that the meeting may proceed. Election Auditor will begin counting the ballots.
4. Read and approve the previous Member Meeting minutes.
5. Update reports
  - a. Report of board president or presiding director
  - b. Report of Corporation manager
  - c. Auditor's report on system finances
  - d. Engineer's report on projects
  - e. Operator's report on system's operations and concerns
  - f. Regulatory report by the Compliance & Safety Officer.
6. Public Forum: Comments from individuals who signed up to speak, limited to three minutes each.
7. Election Results
  - a. Election Auditor provides the presiding director with a written report of the election results for director positions, amendments to Bylaws; and any other proposition voted on by the members.

- b. Presiding director announces election results and reads resolution declaring election of unopposed candidates (if applicable).
- c. Presiding director introduces newly elected directors and if no objections, declares them as board members to assume the position of directors immediately.
- d. Comments from the newly elected directors.

**8.** Closing comments by presiding director.

**9.** Meeting is adjourned.

After adjournment of the member meeting and director election, the board of directors will hold its first business meeting to elect officers from among the board of directors; appoint a Credentials Committee for the following year; designate those directors who have authority to sign checks on the behalf of the Corporation, if not otherwise designated by the Corporation's Bylaws; and discuss other items as specified in the notice of the directors meeting.



Member's name  
 Mailing address  
 City, state, ZIP

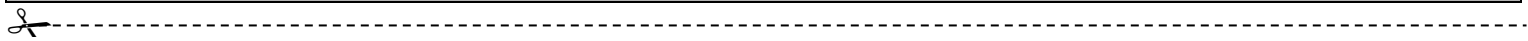
Member Account No. \_\_\_\_\_

Please refer to separate materials accompanying the ballot for the qualifications of each candidate.

<b>Three (3) Options to Cast Your Vote</b>	
<p>1. Mail</p> <ul style="list-style-type: none"> <li>• Mark your selections by placing an X or √ inside the appropriate boxes.</li> <li>• Detach ballot and place in the enclosed envelope.</li> <li>• Mail envelope to: Kempner WSC, PO Box 301, Kempner, TX 76539.</li> <li>• Mailed ballots must be received by Date, in order to be counted.</li> </ul>	<p>2. Deliver to Corporation's Office                  Follow the instructions in #1 for mailing but deliver the forms to the Corporation's office at Address, by Day, Date at Time.</p> <p>3. In Person at the Member Meeting</p> <ul style="list-style-type: none"> <li>• The Annual Meeting will be held on Day, Month, Year at Time at Location.</li> <li>• This mailed ballot will not be valid for voting at the Meeting. Ballots will be provided during registration.</li> </ul>

For voting assistance or a replacement ballot, please call Phone Number during business hours Monday-Friday 9:00 a.m. – 4:00 p.m. or email: email address.

THANK YOUR FOR PARTICIPATING IN THE 20\_\_ ELECTION



## KEMPNER WATER SUPPLY CORPORATION

### 20\_\_ Official Election Ballot

Mark your selections by placing an X or a √ inside the appropriate boxes.

Candidate names are listed in the order applications were received in the corporation office.

Directors (vote for (# of positions to be filled) candidate(s))	Proposed Bylaw Change: Amend bylaws to move Annual Meeting date to third Thursday of March
<input type="checkbox"/> Bea Better	<input type="checkbox"/> Alice Alright
<input type="checkbox"/> For	
<input type="checkbox"/> Against	

## Unopposed Candidates Declared Elected

The following candidate(s) is/are declared elected by official board resolution pursuant to  
 Texas Water Code Sec. 67.0055:

Darla Doright, Position \_; Charles Careful, Position \_

ATTACHMENT 5: SAMPLE RETURN ENVELOPE

**DO NOT INCLUDE BILL!**  
Any payment in this envelope will not be credited until after election.

Member's name  
address  
city, TX, ZIP

Member Account No. \_\_\_\_\_

Kempner Water Supply Corporation  
PO Box 301  
Kempner, Texas 76539

POST OFFICE  
WILL NOT  
DELIVER  
WITHOUT  
POSTAGE

## Kempner Water Supply Corporation

### 20\_\_ Board of Director Candidate Information

#### Board Position

Bea Better	Water System Member Since: 2001
<p>Previous Board of Director Experience: Former Vice President of Somewhere Women in Business</p> <p>Business/Government Experience: Owner of Better Insurance Company</p> <p>Education: Graduated from Texas State University in 1985 with a Bachelor of Science degree</p> <p>Personal Statement: With nine years in the insurance industry, I understand the importance of strong internal controls, proper oversight and full financial reporting. Combined with my other corporate experience gained from employment and consulting services, I can assist in the development of excellent policies for the employees of the Corporation.</p>	

#### Board Position

Charles Careful	Water System Member Since: 1995
<p>Previous Board of Director Experience: Board Member, Best-in-Texas Water Supply Corporation, President; Somewhere Lions Club</p> <p>Business/Government Experience: Served in the United States Air Force and the Texas Air National Guard. Own and Operate Careful Construction</p> <p>Education: BS Business and Management - University of Texas</p> <p>Personal Statement: As one of three reform directors elected in 2009, I initiated the first budget for this water system and the first internal control function. The results of the new budget have been very impressive – we have been able to reduce costs even while the system is growing. I welcome the opportunity to continue to work towards our goal of providing low cost water while maintaining high standards of reliability and customer service.</p>	

#### Board Position

Alice Alright	Water System Member Since: 1990
<p>Previous Board of Director Experience: None</p> <p>Business/Government Experience: Corporate human resources, followed by 20+ years as a business entrepreneur-retail/rental</p> <p>Education: Bachelor of Business Administration Texas A &amp; M University</p> <p>Personal Statement: The water system should be run for the benefit of the members delivering the best service at the lowest feasible price while being operated as transparently as possible. I will bring straight-forward common sense business practices to obtain this goal.</p>	

RESOLUTION DECLARING UNOPPOSED CANDIDATES OF  
KEMPNER WATER SUPPLY CORPORATION ELECTED

WHEREAS, Kempner Water Supply Corporation posted notice of the opportunity for candidates to submit applications to run for \_\_\_ (insert number of) positions on its Board of Directors pursuant to Texas Water Code Section 67.0052(b); and

WHEREAS, only \_\_\_ (insert number of) people submitted applications for these open positions, thus creating an unopposed election for each position pursuant to Texas Water Code Section 67.0055;

NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF \_\_\_\_\_ WATER SUPPLY CORPORATION DECLARES ELECTED TO THESE POSITIONS:

(insert names of unopposed candidates)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The Board of Directors so orders that this resolution be posted at the Corporation's main office and read into the record at the Corporation's annual meeting, pursuant to Texas Water Code Section 67.0055.


*No unopposed candidates PC*

PASSED AND APPROVED this 24 day of November 2021.



President, Board of Director's  
Kempner Water Supply Corporation

ATTEST:

  
\_\_\_\_\_  
Secretary/Treasurer, Board of Director's  
Kempner Water Supply Corporation

**§ 67.0052. BALLOT APPLICATION.**

- (a) To be listed on the ballot as a candidate for a director's position, a person must file an application with the corporation that includes:
  - (1) The candidate application number provided at the time application is received in corporation office;
  - (2) if the corporation has 1,500 or more members or shareholders, a petition signed by 20 members or shareholders requesting that the person's name be placed on the ballot as a candidate for that position;
  - (3) the person's written consent to serve, if elected;
  - (4) biographical information about the person; and
  - (5) a statement of the person's qualifications, including a statement that the person has the qualifications prescribed by Section 67.0051.
- (b) The application must be filed with the corporation not later than the 45th day before the date of the annual meeting. The corporation shall notify the members or shareholders of the application deadline not later than the 30th day before the deadline.
- (c) The corporation shall make available director candidate application forms at the corporation's main office and shall provide application forms by mail or electronically on request.
- (d) This section applies only to a corporation that provides retail water service.

**§ 67.0053. BALLOT.**

- (a) Not later than the 30th day before the date of an annual meeting, the corporation shall mail to each member or shareholder of record:
  - (1) written notice of the meeting;
  - (2) the election ballot; and
  - (3) a statement of each candidate's qualifications, including biographical information as provided in each candidate's application.
- (b) The election ballot must include:
  - (1) the number of directors to be elected; and
  - (2) the names of the candidates for each position.
- (c) This section:



- (1) applies only to a corporation that provides retail water service; and
- (2) does not apply to an election in relation to a candidate for a director's position for which the board has adopted a resolution under Section 67.0055.

**§ 67.0054. ELECTION PROCEDURES.**

- (a) A member or shareholder may vote:
  - (1) in person at the annual meeting;
  - (2) by mailing a completed ballot to the office of the independent election auditor selected under Section 67.007(d) or to the corporation's main office, which ballot must be received by the corporation not later than noon on the business day before the date of the annual meeting; or
  - (3) by delivering a completed ballot to the office of the independent election auditor or to the corporation's main office not later than noon on the business day before the date of the annual meeting.
- (b) The independent election auditor shall receive and count the ballots before the annual meeting is adjourned.
- (c) For each director's position, the candidates who receive the highest number of votes or who are the subject of a resolution described by Section 67.0055 is elected.
- (d) If two or more candidates for a position tie for the highest number of votes, those candidates shall draw lots to determine who is elected.
- (e) The independent election auditor shall provide the board with a written report of the election results.
- (f) The board may adopt necessary rules or bylaws to implement this section, including rules or bylaws to ensure the fairness, integrity, and openness of the voting process.
- (g) This section applies only to a corporation that provides retail water service.

**Sec. 67.0055. ELECTION OF UNOPPOSED CANDIDATE.**

- (a) This section applies only to an election for a director's position on a board of a corporation that provides retail water service in which a candidate who is to appear on the ballot for the position is unopposed.
- (b) The board by resolution may declare a candidate elected to a director's position if the board certifies in writing that the candidate is unopposed for the position. A copy of the resolution shall be posted at the corporation's main office.

- (c) If a declaration is made under Subsection (b), the election for that position is not held.
- (d) If the election for the unopposed candidates would have been held with an annual meeting of the members or shareholders of the corporation, the text of the declaration described by Subsection (b) shall be read into the record at the annual meeting.
- (e) The ballots used at a separate election that is held at the same time as an election for an unopposed candidate would have been held shall include after measures or contested races the position and name of a candidate declared elected under this section, under the heading "Unopposed Candidates Declared Elected."
- (f) A person may not, by intimidation or by means of coercion, influence or attempt to influence a person to withdraw as a candidate or not to file an application for a place on the ballot so that an election may be canceled.
- (g) The board may adopt necessary rules or bylaws to implement this section, including rules or bylaws to ensure the fairness, integrity, and openness of the process.

**§ 67.007. ANNUAL OR SPECIAL MEETING OF RETAIL CORPORATION.**

- (a) The annual meeting of the members or shareholders of the corporation must be held between January 1 and May 1 at a time specified by the bylaws or the board.
  - (a-1) A quorum for the transaction of business at a meeting of the members or shareholders is a majority of the members and shareholders present. In determining whether a quorum is present, all members and shareholders who mailed or delivered ballots to the independent election auditor or the corporation on a matter submitted to a vote at the meeting are counted as present.
- (b) The board shall adopt written procedures for conducting an annual or special meeting of the members or shareholders in accordance with this section and Sections 67.0052, 67.0053, and 67.0054. The procedures shall include the following:
  - (1) notification to eligible members or shareholders of the proposed agenda, location, and date of the meeting;
  - (2) director election procedures, including candidate application procedures;
  - (3) approval of the ballot form to be used; and
  - (4) validation of eligible voters, ballots, and election results.
- (c) The board shall adopt an official ballot form to be used in conducting the business of the corporation at any annual or special meeting. No other ballot form will be valid. Ballots from members or shareholders are confidential and are exempted from disclosure by the corporation until after the date of the relevant election.
- (d) The board shall select an independent election auditor not later than the 30th day before the scheduled date of the annual meeting. The independent election auditor

is not required to be an experienced election judge or auditor and may serve as an unpaid volunteer. At the time of selection and while serving in the capacity of an independent election auditor, the independent election auditor may not be associated with the corporation as:

- (1) an employee;
- (2) a director or candidate for director; or
- (3) an independent contractor engaged by the corporation as part of the corporation's regular course of business.

(e) This section applies only to a corporation that provides retail water service.