

BY-LAWS OF THE KUSEL WILSON ROUND LAKES PROTECTION AND REHABILITATION DISTRICT

The purpose of these By-laws is to define and regulate the activities of the Kusel Wilson Round Lakes Protection and Rehabilitation District (the "District"), its Board of Commissioners (the "Board"), officers, and committees. These By-laws shall at all times be interpreted in a manner consistent with the laws of the State of Wisconsin and Chapter 33 of the Wisconsin Statutes under which the District was created and operates. To the extent not otherwise specifically provided herein, these By-laws incorporate the provisions of the 1999-2000 Statutes which shall also control in the event of any conflict with the provisions of these By-laws.

Article I - Members

Section 1 - Members, Electors and Other Property Owners - Consistent with § 33.01(9)(ar), Stats., every citizen of the United States who is 18 years of age or older and meets any of the following requirements shall be a member of the District (a "Member"), eligible to participate in meetings of the District and to vote on matters coming before the District, subject to the remaining provisions of these By-laws:

- a) the person's name appears as an owner of real property within the District on the tax roll under § 70.65 (2)(a)(1), Stats., that was delivered under § 74.03, Stats., on or before the 3rd Monday in December of the previous year;
- b) the person owns title to real property within the District but the person's name does not appear as an owner of real property on the tax roll specified under Section 1(a) above;
- c) the person is the designated official representative, officer or employee who is authorized to vote on behalf of a trust, foundation, corporation, association or organization that owns real property in the District; or
- d) the person is an "elector" within the District - namely, a resident of the District for purposes of voting in general public elections for offices within the County in which the District is located.

For purposes hereof, a person owns title to property within the District if a holder of (i) fee simple title; (ii) the vendee's interest under a land contract; or (iii) the lessee's interest under a written and recorded lease of land with a term of 20 years or more under which the lessee is obligated to pay assessments levied by the District. A person is an "other property owner" or term of similar import if a Member but not a resident of the District for purposes of voting in general public elections for governmental offices in such County.

Article II - Voting

Section 1 - Voting - Any Member may cast only one vote on any question called to a vote. Multiple Members qualified to vote with respect to a given parcel of property (such as joint tenants or tenants-in-common) within the District shall select one of the co-owners who shall represent them and cast one vote; otherwise the right to vote with respect thereto shall be forfeited on the matter in question.

Section 2 - Voting by Absentee Ballots and Proxy - No absentee ballots or proxies are permitted at the annual meeting or special meetings. [See, §33.30 (2)(b), Stats.]

Section 3 - Ballots - Voting for commissioners shall be done by secret ballot and all other votes shall be by a show of hands or voice vote at the discretion of the chairperson of the Board unless otherwise specified in these By-laws or unless a motion is made, seconded, and approved, calling for a secret ballot, in which case the written ballot shall be used.

Section 4 - Referendum - The annual meeting may direct, by duly adopted resolution, that the Board conduct a mail referendum of all electors on projects of the District which are reasonably estimated to have a significant environmental impact on any of the lakes within District. Such resolution shall specify the nature of the question and how the results shall be interpreted.

Article III - Annual Meeting and Budget Hearing

Section 1 - Time and Place - The time and place of the annual meeting and budget hearing of the District shall be set by the Board for a time between May 22 and September 8 of each year at a place determined by the Board, unless otherwise scheduled outside those dates by majority vote of electors present at the previous annual meeting. [See, §33.30(1), Stats.]

Section 2 - Notice - The annual meeting shall be preceded by written notice mailed at least 14 days in advance of the meeting (i) to all Members (i.e. electors and other owners of property within the District) whose addresses are known or can be ascertained with reasonable diligence and (ii) to the Department of Natural Resources (the "DNR"). The Board may substitute a class 2 notice, under ch. 985, in lieu of sending written notice to elector-Members residing within the District. [See, § 33.30(2), Stats.]

Section 3 - Nominating Board Commissioners - The Board may nominate candidates to fill existing or upcoming vacancies on the Board which are subject to election by the District Members ("Electable Positions"). Whenever practical, each lake shall have a representative on the Board and the Board shall take this into account in making its nominations. Additional nominations for Electable Positions may be made by any Member from the floor at the District's annual meeting provided such nominee is eligible under Section 5 below and is present at the meeting and accepts the nomination.

Section 4 - Eligibility of Board Commissioners - The District's Members at the annual meeting can elect to the office of commissioner any Member (i.e. a qualified elector or owner of property within the District) including an official representative, officer or employee of any trust, foundation, corporation, association or organization which is an owner of property within the District provided that at least one of the Electable Positions is occupied or to be occupied by an elector (i.e. a Member who is a resident of the District). [See, §33.28 (2)(c) and §33.285, Stats.]

Section 5 - Electing Board Commissioners - The Members shall elect one commissioner to fill each vacancy in Electable Positions as they arise on a three (3) year staggered term rotation. [See, § 33.28 (2)(c)] If a commissioner leaves office before expiration of his/her term, the elected successor shall serve only for the remainder of the unexpired term. In any year in which more than one vacancy in Electable Positions arise, the candidate receiving the greatest number of votes shall be elected to the three year term; the candidate receiving the second greatest number of votes shall be elected to the next longest term and so forth; provided, however, that at least one of the three elected

commissioners must be a resident of the District. [See, §33.28 (2)(c)] If none of the commissioners, whose terms do not expire, are resident electors, the resident elector receiving the greatest number of votes shall be elected to the three year term. Commissioners shall assume their office immediately following the annual meeting at which they are elected.

Section 6 - Appointment to Fill Vacancies - In the event that a vacancy occurs in one of the Electable Positions prior to the annual meeting date, the Board's chairperson (with the approval of a majority vote of the Board at or outside a formal meeting) is empowered to appoint a temporary commissioner to fill such vacancy until the succeeding annual meeting at which time the vacancy will be filled by normal election procedures.

Section 7 - Appointed Commissioners - One additional commissioner from the Town Board of the Town of Springwater and one from the Waushara County Board of Supervisors shall be appointed by each of these respective bodies. [See, §33.28(2)(a) and (b)] Their terms, duties, and privileges shall be the same as the other Board commissioners, except where these By-laws specify powers limited to the elected commissioners.

Section 8 - Annual Budget; Tax & Assessment Levies - At the annual meeting, the Board shall present a proposed budget and special charges for the coming fiscal year beginning April 1. The Members of the District, by majority vote of those present at the annual meeting, shall approve a budget and the special charges to be levied, either as proposed or as modified by resolution adopted at such meeting; provided, the special charges shall not exceed a rate of 2.5 mills (\$2.50 per one thousand dollars) of equalized valuation as determined by the Wisconsin Department of Revenue and reported to the Board. [See, § 33.32(5)] The budget shall separately identify the capital costs and costs of operation of the District and shall conform to the applicable requirements of §65.90, Stats., and shall specify any item that has a cost in excess of \$10,000. [See, §33.30(3)(b)]

Section 9 - Project Approval - Any proposed project by the District having an initial budgeted cost in excess of \$10,000 must be approved at the annual meeting of the Members by a majority vote of the Members present or, if a budgeted project only affects one lake, then by a majority vote of the Members present with property on such lake with respect to such budgeted project. Any other proposed project by the District which is not covered by an approved annual budget must first be approved at a special meeting of District Members by a majority vote of the Members present or, if such project only affects one lake, then by a majority vote of the Members present with property on such lake. [See, §33.30 (3)(b)] Projects approved for the sole benefit of less than all lakes in the District shall be paid by tax or assessment levies against the property of those Members owning property on the lakes benefited.

Section 10 - Temporary Borrowing - The District, upon majority vote of its Members present at an annual or special meeting called pursuant to §33.305, Stats., may borrow money when in temporary need pursuant to §67.12, Stats., provided the notice of such meeting to approve such borrowing or to levy a tax to pay indebtedness so incurred shall include a statement that such action shall be considered at the meeting. [See, §33.31 (2) and (4)]

Section 11 - Other Business - The Members shall take up and consider at the annual meeting such other business as comes before it. [See §33.30(4)(b)]

Article IV - District's Board of Commissioners

Section 1 - Meetings - The District's Board shall meet at least quarterly, and at other times on the call of the chairperson or the petition of any three of the commissioners. [See, §33.28 (6)] The Board will comply with the Wisconsin Open Meetings Law [Subch. V, Ch. 19, Stats.] with respect to all annual and special meetings of the District, as well as meetings of the Board and its committees, as applicable.

Section 2 - Quorum - Three commissioners shall constitute a quorum for the transaction of business by the Board. [See, § 33.28(3)]

Section 3 - Function - The Board shall conduct all business of the District not specifically reserved to the Members of the District, shall carry out the provisions of these By-laws and Chapter 33 of the Wisconsin Statutes, and shall carry out the resolutions duly adopted at any annual or special meeting of the Members of the District. [See, §33.28(1) and §33.29]

Section 4 - Officers - The Board, immediately after each annual meeting of the District's Members, shall elect a chairman, a secretary, and a treasurer from among its commissioners. [See, §33.29(3)]

1. The chairperson shall preside at annual and special meetings of Members, at all meetings of the Board, and at all public hearings held before the Board.
2. The secretary shall keep minutes of all meetings of the Board and hearings held by it, and shall maintain the District's election roll.
3. The treasurer shall receive and take charge of all moneys of the District, and pay out all proper obligations of the District.

Section 5 - Compensation - The commissioners shall be paid for actual and necessary expenses incurred while conducting business of the District. plus such compensation as may be established by resolution of the Members at the annual meeting for their prior or future services. [See, §33.28(5)]

Section 6 - Powers and Duties - The Board shall have the following power and responsibilities: [See, §33.29(1)]

1. Initiating and coordinating research and surveys for the purpose of gathering data on the lakes, related shore lands, and the drainage basins. [See, § 33.29 (1)(a)]
2. Planning lake rehabilitation projects. [See, § 33.29 (1)(b)]
3. Contacting and attempting to secure the cooperation of officials of units of general purpose government in the area for the purpose of enacting ordinances deemed necessary by the Board as furthering the

objectives of the District. [See, § 33.29 (1)(c)]

4. Adopting and carrying out lake protection and rehabilitation plans and obtaining any necessary permits therefor. [See, § 33.29 (1)(d)]

5. Maintaining liaison with those officials of the state government involved in lake protection and rehabilitation and providing the DNR with the names and addresses of the current commissioners. [Sec. 33.29 (1)(e)]

The Board shall have control over the fiscal matters of the District, subject to the powers and directives of resolutions adopted by the Members at an annual or special meeting. The Board shall annually, at the close of the fiscal year, cause an audit to be made of the financial transactions of the District, which shall be submitted to the Members at the annual meeting. [See 33.29 (2)]

Article V - Public Bidding

Section 1 - Low Bid - All contracts exceeding \$2,500 for work or materials shall be let by the Board to the lowest responsible bidder in the manner they prescribe. [See, § 33.22 (1)]

Section 2 - Security Bond - The Board may require that a contracting party give adequate security to assure performance of the contract and to pay all damages which may arise from inadequate performance. [See, § 33.22 (2)]

Section 3 - Conflict of Interest - Any commissioner shall abstain from voting on any matter before the Board in which such commissioner, as a private person, or in which any member of his/her immediate family (spouse, parents, or child), has a financial interest.

Section 4 - Public Bidding Law - For contracts in excess of \$10,000 the Board shall establish a formal, competitive bidding process and shall abide by the procedures established for municipal corporations in the letting of public contracts.

Article VI - Committees

Section 1 - Election Committee - The chairperson of the Board may appoint three Members who are not running for the office of commissioner to serve as an Election Committee, which shall then distribute, collect, and count the ballots at the annual meeting for election of commissioners and report the results to the annual meeting.

Section 2 - Audit Committee - The chairperson of the Board shall appoint three Members to serve as an Audit Committee, which shall then examine all financial records of the District and report its conclusions to the annual meeting. [See, § 33.29(2)]

Section 3 - Other Committees - The chairperson of the Board may appoint other committees as deemed necessary or appropriate to further the interests of the District.

Section 4 - Reporting - All committees shall report to the chairperson of the Board upon request and to the Members at the annual meeting.

Section 5 - Compensation - With prior approval from the Board, committee members may submit vouchers for and shall receive reimbursement for actual and necessary expenses incurred while conducting the business of the District.

Section 6 - Terms of Committee Members - All committee members shall serve at the pleasure of the chairperson of the Board and may be replaced on an annual or other basis as the chairperson of the Board deems appropriate unless otherwise directed by resolution of the Board or the Members at an annual or special meeting.

Article VII - Miscellaneous Provisions

Section 1 - Special Meetings - Special meetings of the District may be held for the purpose of transacting any lawful business which might be done at an annual meeting. The meeting may be called by the Board or upon a written request to the secretary signed by 10% of the Members of the District. A notice of special meeting identifying the purpose of the meeting shall be distributed in the same manner specified in Article III above. A matter voted upon at a special meeting may not be reconsidered at another special meeting prior to the next annual meeting. [See, § 33.305(3)(d)] When a special meeting concerns only one lake in the District, the chairperson shall conduct the meeting with notice to be sent to and voting to be made by only those Members with property fronting on that lake.

Section 2 - Conduct of Meetings - All meetings of the District shall be conducted according to such rules of procedure as the Board determines appropriate, unless contrary to the requirements of these By-laws. The chairman shall serve as parliamentarian.

Section 3 - Amendment of By-Laws - These By-laws may be amended at any annual meeting of the District with respect to which notice thereof was included in notice of the meeting. Amendments shall require only a simple majority vote of the Members present at the meeting.

These By-laws incorporate amendments made through the annual meeting of June, 2009.