

**BYLAWS OF THE**  
**DRAFT WINTER 2017/18**

**PACIFIC NORTHWEST SECTION OF THE**  
**AMERICAN WATER WORKS ASSOCIATION**

Incorporated under the Laws of the State of Oregon

~~As approved by the PNWS-AWWA Board of Trustees, January 2013~~  
~~accepted by the Members of PNWS-AWWA, May 2013~~  
~~and accepted by AWWA, June 2013~~

**AS PROPOSED TO BE CONSIDERED BY THE BOARD OF TRUSTEES**

**ARTICLE I – NAME**

- 1.1 **Name.** The name of this corporation shall be "The Pacific Northwest Section of the American Water Works Association."

**ARTICLE II – PURPOSE AND GOVERNING INSTRUMENTS**

The objectives of this Section are to promote public health, safety, and welfare through the improvement of the quality and quantity of water delivered to the public and the development and furtherance of understanding of the problems relating thereto as noted in the AWWA Articles of Incorporation.

- 2.1 **Nonprofit Corporation.** The corporation shall be organized and operated as a nonprofit corporation under the provisions of the Oregon Nonprofit Corporation Act.
- 2.2 **Charitable Purposes.** The purposes of the corporation, as set forth in the articles of incorporation, are exclusively charitable within the meaning of Section 501(c)(3) of the Internal Revenue Code. In furtherance of such purpose, the corporation shall have the power and authority:
- a. To promote public health, safety, and welfare through the improvement of the quality and quantity of water delivered to the public and the development and furtherance of understanding the problems related thereto;
  - b. To advance the knowledge of the design, construction, operation, water treatment, and management of water utilities and developing standards for procedures, equipment, and materials used by public water systems;
  - c. To advance the knowledge of the problems involved in the development of resources, production, and distribution of safe and adequate water supply;
  - d. To educate the public on the problems of water supply and promote a spirit of cooperation between consumers and suppliers in solving these problems;

- e. To conduct research to determine the causes of problems of providing a safe and adequate water supply and proposing solutions thereto in an effort to improve the quality and quantity of the water supply provided to the public; and
- f. To engage in any other activities which are consistent with the foregoing and consistent with the provisions of section 501(c)(3) of the Internal Revenue Code. In furtherance of such purposes, the corporation shall have full power and authority to perform all acts necessary or incidental to the above and to do whatever is deemed necessary, useful, advisable, or conducive, directly or indirectly, as determined by the Board of Trustees, to carry out any of the purposes of the corporation, including all other power and authority enjoyed by corporations generally by virtue of the provisions of the Oregon Nonprofit Corporation Act (within and subject to the limitations of section 501 (c)(3) of the Internal Revenue Code).

2.3 **Governing Instruments.** The corporation shall be governed by its articles of incorporation and these bylaws.

2.4 **Affirmative Action.** It is the policy of the PNWS/AWWA to endorse and actively support the concept of affirmative action and anti-discrimination in the recruitment of new members and in the conduct of all Section business activities. It is also the policy of the Section to strongly encourage its membership to seek and employ qualified personnel in all their operations and to provide equal employment opportunities for all applicants and employees in recruiting, hiring, placement, training, compensation and benefits, promotion, transfer and termination, and to provide a work environment free of sexual and racial discrimination and harassment.

### ARTICLE III – HEADQUARTERS

The headquarters of this Section shall be at the office of the Executive Director.

3.1 **Registered Office and Agent.** The Section shall maintain a registered office in the State of Oregon, and shall have a registered agent whose address is identical with the address of such registered office, in accordance with the requirements of the Oregon Nonprofit Corporation Act.

3.2 **Other Offices.** The principal office of the PNW Section shall be located in Oregon. The Section may have other offices at such place or places within or outside the State of Oregon, as the Board of Trustees may determine from time to time or the affairs of the Section may require or make desirable.

### ARTICLE IV – MEMBERSHIP

4.1 **Membership.** Any member of AWWA in good standing, residing in or having principal business activities in the States of Oregon and Washington, in the State of Idaho west of 115 degree of longitude, and those assigned to it, as provided by the Governing Documents of AWWA shall be entitled to membership in this Section.

4.2 **An Association Member.** Any member with full membership rights in another section (the primary section), may choose membership in the Section as a multi-section member.

- 4.3 **Honorary Member.** Any distinguished member of the PNW Section may be elected to honorary membership in the Section. An Honorary member shall have all the rights and privileges of an Active Member and shall be exempt from paying dues.
- 4.4 **Voting Rights.** All members of the section in good standing, including multi-section members, shall be entitled to vote on the election of new trustees and officers, the amendment of the articles of incorporation of the Section and these bylaws, the approval of the annual financial report of the Section, and other matters submitted by the Board of Trustees to a vote of the membership. Each such member shall be entitled to one vote on each such matter, unless otherwise determined by the Board of Trustees.
- 4.5 **Transfer of Membership.** Members may not transfer their membership or any rights arising therefrom to other individuals or organizations.
- 4.6 **Standards of Conduct.** Members shall abide by such ethical standards and standards of conduct as may from time to time be adopted for the Section. Any member in violation of any such ethical standards or standards of conduct shall be subject to such sanctions as the Board of Trustees may determine in its sole discretion, including suspension of membership.

#### **ARTICLE V – FEES AND DUES**

- 5.1 There shall be no dues for this Section, except that the Section may apply for permission to levy an assessment in accordance with AWWA Governing Documents to increase its funds available for Section uses consistent with AWWA objectives and policies.
- 5.2 A multi-section member shall be required to pay the Section assessment, if levied.

#### **ARTICLE VI – OFFICERS AND MEMBERS OF THE BOARD OF TRUSTEES**

- 6.1 **Prerequisites.** All officers and members of the Board of Trustees shall be Active, Life, or Honorary Members of AWWA or specifically designated representatives of organization members.
- 6.2 Any member of the Section, including a multi-section member shall be eligible to hold elective office in the Section
- 6.3 Multi-section members may hold office in only one Section at a time
- 6.4 **Officers.** The officers of this Section shall be as follows:
- a. Chair
  - b. Chair-Elect
  - c. Association Director
- 6.5 **Board of Trustees.** The members of the Board of Trustees, hereinafter called the Board, shall consist of:
- a. Chair of the Section

- b. Chair-Elect of the Section
- c. Association Director
- d. Six (6) Trustees, two (2) at large from the Section and two (2) from each of the following geographical areas:
  - (1) The State of Washington
  - (2) The State of Oregon and that portion of the State of Idaho within Section boundaries
- e. Past-Chair
- f. Treasurer

6.6 **Term of Office.** The term of office for each member of the Board shall be as follows:

- a. The Chair of the Section shall serve for one (1) year, from the close of one (1) Annual Conference to the close of the following Annual Conference at which his/her successor takes office.
- b. The Chair-Elect of the Section shall serve for one (1) year, from the close of one (1) Annual Conference to the close of the following Annual Conference at which his/her successor takes office. Upon expiration of the term of the Chair, the Chair-Elect shall ascend to the office of Chair.
- c. The Association Director shall serve a three- (3) year term coincident with the term of the members of the AWWA Board of Directors, as provided by the Bylaws of AWWA.
- d. Each of the Trustees shall serve a two- (2) year term, from the close of the Annual Conference after which he/she takes office to the close of the Annual Conference two (2) years later. The terms of Trustees at large and a Trustee from each geographical area shall be staggered, with a Trustee at large and a Trustee from each geographical area being elected each year.
- e. The Past-Chair shall serve a one- (1) year term, from the close of one (1) Annual Conference to the close of the following Annual Conference.
- f. The Treasurer shall serve one four-year term, with no opportunity for reappointment.

6.7 **Chair Vacancy.** If the Section Chair fails to complete his/her term, the Chair-Elect shall assume the duties of the office of Chair, in addition to the duties of the office of Chair-Elect, for the remainder of the unexpired term of the Chair.

6.8 **Consecutive Terms.** None of the above members of the Board may serve two (2) terms consecutively in the same capacity. This prohibition shall not apply to a person acting as Chair or Chair-Elect under the provisions of Section 6.7 of this Article.

6.9 **Chair-Elect Nominee.** A Chair-Elect nominee shall be a member of AWWA entitled to vote and hold office, and have served at least two (2) years on the Board.

6.10 **Association Director Nominee.** Nominees for the Sections' Association Director should be persons of long experience with the Section, preferably having served as an officer for 2 or more years.

## ARTICLE VII – NOMINATION AND ELECTION OF BOARD MEMBERS

7.1 **Nominations.** There shall be a minimum of two (2) nominees, if possible, for each elected vacancy requiring a vote of the members. The Nominating Committee shall select at least two qualified persons each year for the open Board positions of the Section: Chair-Elect and two Trustee positions, and every 3 years for the AWWA Section Director. For the position of Director-at-Large, the process of Nomination shall generally follow the procedures set forth herein with the election being performed by the AWWA Board of Directors, as stated in the AWWA ByLaws (Refer to Section 3.03). The slate of candidates are presented to the PNWS Board of Trustees for approval and then to the general membership for their consideration and balloting.

### 7.2 Nominating Procedures.

#### 7.2.1 PNWS Chair-Elect and Trustee's Nomination Procedure

~~At least sixty (60) days prior to the Fall Board meeting, a~~ Nominating Committee consisting of the five (5) most recent and available Past-Chairs of the Section and in good standing, shall serve as the Nominating Committee.

~~Any member in good standing wishing to be considered as a "candidate by petition" to fill any elected position vacancy may do so by presenting to the Board a signed petition containing AWWA member signatures amounting to five percent (5%) of those votes cast in the last regular Section election. To be so considered, any member shall, at least ten (10) days before the Spring Board meeting, present a written request for nomination by petition, accompanied by the signed petition to the Executive Director for confirmation of the petitions and forwarding to the Nominating Committee. The Nominating Committee can submit this name along with other names they have selected. In the case of the minimum of two (2) nominees for a position, they may use this name as one of the nominees or nominate, in addition to the names presented, their own nominees.~~

This committee shall report to the Board at the ~~Fall-Spring~~ Board meeting, and place in nomination, eligible candidate(s) for each Board position to be filled. Except for ~~the Board position of Association Director and for other~~ special circumstances, the Nominating Committee shall avoid nominations, which could result in more than one employee from the same organization serving as members of the Board of Trustees at the same time, unless approved by the employer.

~~Any member in good standing wishing to be considered as a "candidate by petition" to fill any elected position vacancy may do so by presenting to the Board a signed petition containing AWWA member signatures amounting to five percent (5%) of those votes cast in the last regular election. To be so considered, any member shall, at least ten (10) days before the Fall Board meeting, present a written request for nomination by petition, accompanied by the signed petition to the Executive Director for confirmation of the petitions and forwarding to the Nominating Committee. The Nominating Committee can submit this name along with other names they have selected. In the case of the minimum of two (2) nominees for a position, they may use this name as one of the nominees or nominate, in addition to the names presented, their own nominees. Following Board approval of the nominees, the Executive Director will, gather appropriate nominee information and~~

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**Comment [PB1]: Process Timing Changes:**  
Changes to the Nominating Procedures are proposed in order to be consistent with the process that PNWS conducts at this time. The change in process will allow sufficient time for Board nominee consideration, placement of information in the Water Matter's Magazine for nominee information and timing of the balloting before the end of each year.

prepare the ballots as defined below in the ROPs. The Fall newsletter will allow each candidate a campaign statement, along with their picture.

- a. The office of Chair shall be automatically filled by the Chair-Elect in the year following his/her term as Chair-Elect. If the Chair-Elect should be unable to assume the office of Chair, the Nominating Committee shall nominate a candidate for Chair.
- b. -The Past-Chair shall be the latest available Past-Chair of the Section.
- c. Chair-Elect Nominee – When none of the Trustees serving on the Board are eligible, or when the eligible Trustees on the Board decline the nomination for Chair-Elect, then the Board or Nominating Committee may place any present or past Trustee's name in nomination. (See Article VI, Section 6.9.)

#### 7.2.2 PNWS Association Director Nomination Procedure

A Nominating Committee for the Section Association Director position shall be formed every three years, or as necessary to elect the Section's Association Director. The nominating committee shall consist of three members which will include the current Section Association Director, the immediate past Section Association Director and the current Chair of the Section.

Any member in good standing wishing to be considered as a "candidate by petition" to fill this elected position vacancy may do so by presenting to the Board a signed petition containing AWWA member signatures amounting to five percent (5%) of those votes cast in the last regular Section election. To be so considered, any member shall, at least ten (10) days before the Spring Board meeting, present a written request for nomination by petition, accompanied by the signed petition to the Executive Director for confirmation of the petitions and forwarding to the Association Director Nominating Committee. In the case of the minimum of two (2) nominees for a position, they may use this name as one of the nominees or nominate, in addition to the names presented, their own nominees.

This committee shall report to the Board at the Spring Board meeting, and place in nomination, eligible candidate(s).

Following Board approval of the nominees, the Executive Director will, gather appropriate information and prepare the ballots as defined in the ROPs. The Fall newsletter will allow each candidate a campaign statement, along with their picture.

- 7.3 **Election and Balloting Procedure.** Upon approval, acceptance of the proposed nominees by the Board, of the nominees proposed by the Nominating Committee, the Executive Director, following the Fall Board meeting, shall coordinate the public listing of the candidates and pertinent individual information about each candidate for distribution to the Section Members for the consideration and cause to have an election occur.. The election process is presented in the Section's Rules of Procedures. prepare and mail to each member of the Section in good standing a ballot bearing the names of the nominees. These ballots shall be mailed subsequent to the mailing of the fall newsletter. Included in the ballot shall be any necessary instructions for voting, and two (2) envelopes for the return of the ballot. The smaller envelope, in which the ballot shall be enclosed, shall be blank except for the word "ballot," and shall be sealed by the voter. The other envelope, in

**Comment [PB2]: Change to Assoc Dir Nominating Committee:**

Proposed changes to the Nominating Committee members consisting of Current and Immediate Past Associations Directors and Chair are recommended.

**Comment [PB3]:** Details of the Election Notification and Balloting process is proposed to be moved from the ByLaws and into the ROPs – Article 7, and deleted from the ByLaws

~~which the smaller shall be enclosed, shall be self-addressed for return to the Executive Director and shall be signed on the outside by the voter. The polls shall be closed thirty (30) days after the mailing of the ballots, and any ballot must be postmarked before that date in order to be counted. There shall be included with the ballots, when mailed to the members, a statement as to the date, place, and hour when ballots will be opened and the vote counted. This date and hour shall be fixed by the Executive Director for a suitable time so that the results of the tally may be announced to the membership before the close of the Annual Meeting.~~

- 7.4 **Ballot Counting.** ~~The voting records will be provided to the Executive Director at the hour of closing and notification will follow the process outlined in the Section Rules of Procedures. At the place and time designated, a Tellers committee consisting of three (3) members appointed by the Chair shall open the ballots. The make-up of this Tellers committee shall consist of a Past-Chair, a member of the Nominating Committee and another Chair appointed Section member in good standing. The Tellers committee shall convene, open, and count the valid ballots cast by the members entitled to vote. The person receiving the highest number of votes for the office for which they were nominated shall be declared elected, and the committee shall so certify in writing to the Board.~~

**Comment [PB4]:** Ballot Counting has changed to an electrified process. The change to the process is proposed to be identified in the ROPs.

~~a. The ballot received from the Section Chair shall be held in abeyance until all votes are counted. Should a tie occur in any of the voting categories, this vote will be used to break the tie.~~

~~b. The results of the election shall be held in confidence until all nominees have been notified of the results by the Section Chair.~~

- 7.5 **Treasurer.** The Treasurer shall be appointed by a simple majority of the Board. The Past-Chairs Committee shall be responsible for identifying a slate of candidates from a pool of candidates, consisting of only past Trustees, Past-Chairs, and/or past Association Directors from the Section. Candidates for Treasurer shall have a strong background in financial management and a thorough understanding of the mission and roles of the Association, the Section, and its committees.

- 7.6 **Vacancy of Office.** Should any officer, other than the Chair or Association Director of the Section be unable to complete the term of office for which s/he has been elected, it will be filled by the Board appointing the present election Trustee, or Chair-Elect runner-up for a 1-year term to fill the vacancy created.

## ARTICLE IIX – BOARD

### 8.1 Authority and Responsibility of the Board.

- a. The supreme authority of the corporation and the government and management of the affairs of the corporation shall be vested in the Board; and all the powers, duties, and functions of the corporation conferred by the articles of incorporation, these bylaws, the Governing Documents of AWWA, state statutes, common law, court decisions, or otherwise, shall be exercised, performed, or controlled by or under the authority of the Board.

- b. The governing body of the corporation shall be the Board. The Board shall have supervision, control, and direction of the management, affairs, and property of the corporation and auxiliaries and other groups organized to support and benefit the corporation; shall determine the corporation's policies or changes therein; and shall actively prosecute the corporation's purposes and objectives and supervise the disbursement of its funds. The Board may adopt, by majority vote, such rules and regulations for the conduct of its business and the business of the corporation as shall be deemed advisable, and may, in the execution of the powers granted, delegate certain of its authority and responsibility to an executive committee. Under no circumstances, however, shall any actions be taken which are inconsistent with the articles of incorporation and these bylaws; and the fundamental and basic purposes of the corporation, as expressed in the articles of incorporation and these bylaws, shall not be amended or changed.
- c. The Board shall not permit any part of the net earnings or capital of the corporation to inure to the benefit of any member, director, officer, trustee, or other private person or individual.
- d. The Board may, from time to time, appoint, as advisors, persons whose advice, assistance, and support may be deemed helpful in determining policies and formulating programs for carrying out the purposes and functions of the corporation.
- e. The Board is authorized to employ such person or persons, including an executive director or officer, attorneys, trustees, agents, and assistants, as in its judgment are necessary or desirable for the administration and management of the corporation, and to pay reasonable compensation for the services performed and expenses incurred by any such person or persons.
- f. The Treasurer shall be responsible to review all Section fund accounts, financial account statements, bank statements, credit card statements, investment account statements, and the like to verify propriety of all transactions. The Treasurer shall not be authorized to approve any expenditure of Section funds, nor shall the Treasurer be a signatory on any Section accounts in order to maintain the independence of financial oversight. ~~The Treasurer shall consult with the Section's Audit Committee bi-annually and shall participate in the Audit Committee's audits of the Section's provided the opportunity to review Section financial records as provided in Section's ROPs for Financial and Internal Controls.~~ The Treasurer is a member of the Section's Audit Committee and shall be shall consult with the Section's Audit Committee bi-annually and shall participate in the Audit Committee's audits of the Section's provided the opportunity to review Section financial records as provided in Section's ROPs for Financial and Internal Controls. The Treasurer shall provide updates to the Board at regular Board meetings, and shall provide the Board with an annual summary of the financial state of the Section.

**8.2 Initial and Regular Boards.** The initial trustees of the corporation shall be the persons whose names and addresses appear in the articles of incorporation of the corporation filed with the Secretary of State of Oregon. The members of the Initial Board named in the articles of incorporation shall serve until their respective successors are elected and have qualified. Succeeding the initial trustees, the regular Board of the corporation shall consist of not less than five (5) trustees. The Board is authorized to fix the precise number of trustees by resolution adopted from time to time by a majority of all of the trustees then in office.

**Comment [PB5]:** Changes to the Financial Procedures of the Section as provided in the ROPs – Appendix A no longer has an Audit committee that meets. The Audit is an ongoing process that now includes a CPA



- 8.3 **Removal.** Any trustee may be removed either for or without cause at any regular, special, or annual meeting of the Board, by the affirmative vote of a majority of all the trustees then in office, if notice of intention to act upon such matter shall have been given in the notice calling such meeting. A removed trustee's successor may be elected at the same meeting to serve the unexpired term.
- 8.4 **Compensation.** Members of the Board shall not be compensated for service. However, nothing contained in the governing instruments of the corporation shall be construed to prevent any Board member from receiving reasonable compensation for other services rendered to, and in furtherance of the purposes and functions of the corporation. Board members may be reimbursed for expenses incurred in connection with service as an officer of the Section, as allowed in the Rules of Procedures.
- 8.5 **Officers.** The officers of the corporation shall consist of the Chair, the Chair-elect, and the Association Director. Two or more offices may not be held by the same person, except the office of Chair. An exception will be made in the event of a vacancy of office by the Chair resulting in the Chair-Elect being responsible for both Chair and Chair-Elect positions
- 8.6 **Chair.** The Chair of the corporation shall have the right to supervise and direct the management and operation of the corporation and to make all decisions as to policy and otherwise which may arise between meetings of the Board. The Chair shall preside at all meetings of the membership and of the Board and shall appoint all committee chairs and committees of the corporation, except as may otherwise be specifically provided herein or directed by the Board. The Chair shall perform such other duties and have such other authority and powers as the Board may prescribe.
- 8.7 **Chair-Elect.** The Chair-Elect shall perform the duties of the Chair in the Chair's absence and shall perform such other duties and have such other authority and powers as the Board may prescribe. If the Chair fails to complete his/ her term, the Chair-Elect shall assume the duties of the office of Chair, in addition to the duties of the office of Chair-Elect, for the remainder of the unexpired term of the Chair.
- 8.8 **Association Director.** The Association Director shall serve on the AWWA Board of Directors and shall represent the Board and the AWWA Board of Directors under deliberations of the other and shall act to coordinate and unify their actions.
- 8.9 **Past-Chair.** The Past-Chair shall perform such duties and have such authority and powers as the Board may prescribe.
- 8.10 **Authority.** The Board shall be the governing body of the Section, and shall execute its business in accordance with the Bylaws and Rules of Procedure of the Section and the Governing Documents and Bylaws of AWWA.
- 8.11 **Meetings.** A regular meeting of the Board shall be held in conjunction with the Annual Conference. A regular mid-year Board meeting shall be held in the fall each year, at a location designated by the Board. Additional meetings of the Board may be called by the Chair on his/her own initiative or at the request of three (3) or more members of the Board. The Board members shall be given seven (7) days notice of such meetings.
- 8.12 **Quorum.** A quorum of the Board shall consist of five (5) voting members.

8.13 **Rules of Procedure.** The Board shall prepare and amend Rules of Procedure as needed to govern the operations of the Section not in conflict with these Bylaws or the Governing Documents and Bylaws of AWWA.

8.14 **Budget.** Each year the Board shall adopt a budget of estimated income and planned expenditures for the fiscal year. After adoption of the budget, any request advanced during the fiscal year for an increase in a budgeted item or for an expenditure of an unbudgeted item shall be directed to the Executive Director, who shall determine whether funds are available for it, and forward the request with /her findings and recommendations to the Chair for action.

The Chair may allocate Section funds for any unbudgeted item or increase the allocation for any unbudgeted item, making such allocation from the contingency item in the budget; provided such contingency item contains sufficient uncommitted money to fund such allocation, and provided further that such allocation is not in conflict with these Bylaws and the Governing Documents and Bylaws of AWWA. The contingency item in the budget may be increased during the fiscal year only by approval of the Board, but the total contingency item shall not exceed twenty percent (20%) of the total budget, exclusive of the contingency item. Funds budgeted for a project which later proves to be unneeded for that project may, upon written notice from the person in charge of the project, be transferred in whole or in part to another project or to the contingency item by approval of the Board.

8.15 **Contracts.** The Board may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name and on behalf of the corporation. Such authority must be in writing and may be general or confined to specific instances.

8.16 **Checks, Drafts, Notes, Etc.** All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents, of the corporation and in such other manner as may from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Executive Director and countersigned by the Chair of the corporation.

8.17 **Deposits.** All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board may select.

8.18 **Gifts.** The Board may accept on behalf of the corporation any contribution, gift, bequest, or device for the general purposes or for any special purpose of the corporation.

## **ARTICLE IX – EXECUTIVE DIRECTOR**

9.1 The Executive Director shall be the chief of staff for the corporation. As such, the Executive Director shall supervise and have general charge of the operations of the corporation and shall assist the officers in carrying out the policies, programs, orders, and resolutions of the Board.

9.2 **Terms and Conditions.** The Executive Director reports to the Board. He/she shall attend all meetings of the Section and the Board, but shall not have a vote on matters brought before the Board. The Executive Director shall be retained as an employee of the Section.

#### **ARTICLE X – SECTION MEETINGS**

- 10.1 **Annual Meeting.** Meetings of the members may be held at any place within or outside the State of Oregon as set forth in the notice thereof. The Section shall hold an Annual Conference in the spring of each year, varying the site location among the various cities of the Section on an equitable basis to encourage maximum participation of membership. This Annual Conference may be held in other locations when meeting jointly with other Sections of AWWA.
- 10.2 **Annual Meeting Notice.** The time, place, duration, and program of each meeting of the Section shall be fixed by the Board or by a committee appointed by the Board. Joint meetings with adjacent Sections and other associations with similar interests may be held.
- 10.3 **Registration Fees.** Each member or guest in attendance at any meeting of the Section must pay, at the time of registration, such registration fee as may be fixed by the Board for the meeting being held.
- 10.4 **Member Called Meeting And Notice.** Called meetings of the members may occur at any time as determined by the Chair or by the Board. Called meetings of the members or a special meeting in lieu of the Annual Meeting of the members shall be called by the Section upon written request of no fewer than 20 percent of its members. Notice of the time, place, and purpose of any special meeting of the members shall be given by the Executive Director either personally, by mail, by telephone, or by e-mail at least 48 hours before the meeting.
- 10.5 **Waiver.** Attendance by a member at any meeting shall constitute waiver of notice of such meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of business because the meeting is not lawfully called
- 10.6 **Quorum.** At all meetings of the members, 30 members in good standing shall constitute a quorum for the transaction of business. A majority vote of the members entitled to vote who are present at the meeting in person or by proxy, shall determine any matter coming before the meeting unless a different vote is required by statute, by the articles of incorporation, by these bylaws, or by the Board. Adoption, amendment, and repeal of the bylaws are provided for in these bylaws. At any meeting at which a quorum is present, the members may continue to transact business until adjournment.
- 10.7 **Proxies.** Except where prescribed by applicable law, a member may vote in person or by proxy executed in writing by the duly authorized agent or attorney-in-fact of the member. A proxy shall be valid for a period of 11 months from the date of its execution, unless a longer period is expressly stated therein.
- 10.8 **Presiding Officer.** The Chair or, in the absence of the Chair, either the immediate Past-Chair or the Chair-Elect of the Section, as elected by the Board of Trustees, shall preside at all meetings of the members; or in the absence of the Chair, the immediate Past-Chair, and the Chair-Elect, a presiding officer shall be chosen by the Board of Trustees present.

10.9 **Meeting Recording.** The Executive Director of the Section shall act as the Secretary at all meetings of the members. In the absence of the Executive Director, the presiding officer may appoint a person to act as Secretary of the meeting.

## ARTICLE XI – STANDING COMMITTEES

11.1 **The Standing Committees.** The Section shall have an Audit Committee, a Budget and Finance Committee, a Water Information Technology Committee, and a Membership Committee.

11.2 **The Audit Committee.** This committee shall consist of ~~one (1) member of the Board in office and one (1) Section member-at-large~~ Audit Committee Chair (appointed by the Chair), Section Treasurer, and the Executive Director. It shall be the duty of the Audit Committee to audit the books and accounts of at least one Subsection each year. The Section finances shall be conducted in accordance with the Section Financial Process and Internal Controls as adopted and provided in the Section Rules of Procedures (ROPs). ~~of the Executive Director each year, and to submit an audit report to the Board.~~

**Comment [PB6]:** This Article is proposed to be updated to address Section adoption of the May 2017 Finance Process and Internal Controls Policy

11.3 **The Budget and Finance Committee.** This committee members shall consist, at a minimum, of the Section Chair (who serves also as ex-officio member of the Annual Conference Committee), Executive Director, Treasurer, and Budget Committee Chair. ~~Three additional Section members may be added to the committee and three (3) other members.~~ The Budget and Finance Committee is responsible for preparing a proposed annual budget of income and expenditures for the succeeding fiscal year based on each of the Section committee's development and presentation of their proposed budget. ~~The proposed budget will also be presented to the Board for their review and approval at the fall Board Meeting.~~

**Comment [PB7]:** Details of the timing for procedural process of budget adoption are moved and presented in the ROPs Article 4.1.2

11.4 **The Membership Committee.** This committee shall consist of a Chair and sufficient members to accomplish committee goals. This committee will promote AWWA membership among water utility operators, consultants, purveyors, and those associated in the water industry, and will promote and urge continued membership among the present members.

11.5 **The Water Information Technology Committee.** This committee shall consist of a Chair and sufficient members to accomplish the committee goals. This committee provides oversight of the Section's web site, or other central electronic repository(s) of Section information that is to be used as a productive and informative tool of the Section.

## ARTICLE XII – SUBSECTIONS

12.1 **Purpose.** In order to further the knowledge of the operation and management of utilities rendering water service to the public, other objectives as listed in Article II, and to further interest in AWWA, the Section may be divided into subsection organizations.

12.2 **Geographical Area.** The geographic area of the Section may be divided into such subsections as the Board may determine. The exact boundaries of the subsection may be established or altered by the Board to best meet the convenience of the members living therein.

- 12.3 **Procedure to Establish.** Subsection organizations may be established by motion of the Board or upon receipt of a written request signed by at least ten (10) active members in good standing residing in the geographic area, and stating that the objectives of the Section may be better served by its organization. Approval by the Board is required before the subsection organization can be completed.
- 12.4 **Membership.** Attendance at subsection meetings shall not be limited to Section members, but only Section members in good standing may hold office. All subsection members may vote. They may elect their own officers and committees and adopt bylaws which are consistent with the bylaws and regulations of the Section, all with the approval of the Board.
- 12.5 **Meeting Date.** Subsection meetings may be held at such frequency as considered desirable by the members of each subsection and as warranted by attendance records at such subsection meetings. Conflicts in meeting dates between adjacent subsections and the Section shall be avoided.
- 12.6 **Registration Fees.** Subsections may establish the registration fees for technical sessions to be paid to the subsection, if any, upon approval of the Board of the Section.
- 12.7 **Subsection Expense.** The Board may authorize the Executive Director to distribute funds, based on a formula established by the Board, to each subsection that is active and functioning. Such funds shall be used by subsections for defraying the reasonable cost of mailing notices and other operational expenses. Each subsection will establish as needed bank accounts in the form of checking accounts only. Each subsection will provide the Executive Director records as required by the Board.
- 12.8 **Dissolution.** Any subsection may be dissolved by the Board for reasons which it believes to be sufficient.

#### ARTICLE XIII – AMENDMENTS

- 13.1 **Procedure.** Proposals for the amendment of these Bylaws may be originated by a majority vote of the Board or by submission to the Executive Director of a written petition signed by at least fifty (50) members of the Section. Upon an amendment being proposed, the Executive Director shall furnish each member of the Section a copy of the proposed amendment. The proposed amendment shall then be voted upon by the Section members at the next Annual Conference or may, at the discretion of the Board, be voted upon by letter ballot. A simple two-thirds majority of valid ballots returned shall constitute Section membership approval, provided the membership shall have at least thirty (30) days in which to consider the proposed amendment prior to voting upon it, or two-thirds simple majority of members in attendance at the annual business meeting.
- 13.2 **Ratification.** If the proposed amendment is approved by vote of the membership, the Executive Director shall then submit the amendment to the Executive Director of AWWA for approval by the Association's Board of Directors. Upon notification by the Association's Executive Director that the amendment has been approved by the Board of Directors, it shall thereupon become effective.

- 13.3 **Corrections.** Any corrections to these Bylaws that are deemed insubstantial (grammar, punctuation) may be made at the discretion of the AWWA Board. The Section Board will be advised of these corrections and may call for a vote of the Section.
- 13.4 **Amendment(s).** Any amending actions proposed to these Bylaws shall be effective only after receiving notice from the AWWA Executive Director that the amendment(s) have been approved by the AWWA Board of Directors.
- 13.5 The Section shall operate under the provisions of the Articles of Incorporation, Bylaws, and Governing Documents of the Association on matters in conflict between the Section Bylaws and any of the aforementioned documents. When a conflict arises as a result of changes in these documents, the Section shall bring its Bylaws into conformation with the changes, when it next revises its Bylaws.

#### **ARTICLE XIV – DISSOLUTION**

- 14.1 **Distribution of Funds to the Association.** In case of dissolution of the Section, such portions of the funds and property thereof in the hands of the Executive Director as may have derived from the general funds of AWWA shall be returned to the Association.
- 14.2 **Distribution of Funds to Others.** The balance of the Section funds or property shall be disposed of by transfer and distribution to any one or more corporations, funds, or foundations organized and operated in the United States of America exclusively for scientific or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholders or individual, no substantial part of the activities of which is carrying on propaganda or otherwise attempting to influence legislation, and which does not participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidate to be selected by vote of the majority of the members of the Section at a meeting called for the purpose, or if for any reason such disposition cannot be effected, then such funds shall be so distributed pursuant to the order, judgment, or decree of a court having jurisdiction over the assets and property of the Section.
- 14.3 **Merger.** In the event that the Section is dissolved as a result of amalgamation with another Section, or in order to create a new Section or Sections covering the members of the Section being dissolved, the funds and property, including any funds and property which may have been derived from the general fund of AWWA, shall be redistributed, as may be agreed, to the amalgamated Section, or the new Section and Sections, as the case may be. In the event no agreement is reached, the matter shall be arbitrated by members of the Board of Directors of AWWA appointed by the President for that purpose.

#### **ARTICLE XV – INDEMNIFICATION AND INSURANCE**

- 15.1 **Right to Indemnification.** Each person who was, or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any actual or threatened action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he or she is or was a trustee or officer of the corporation or, while a trustee or officer, he or she is or was serving at the request of the corporation as a trustee, officer, employee, or agent of another corporation or of a

partnership, joint venture, trust, or other enterprise, whether the basis of such proceeding is alleged action in an official capacity as a trustee, officer, employee, or agent or in any other capacity while serving as a trustee, officer, employee, or agent, shall be indemnified and held harmless by the corporation, to the full extent permitted by applicable law then in effect, against all expense, liability, and loss (including attorney's fees, judgments, fines, excise taxes, or penalties and amounts to be paid in settlement) actually and reasonably incurred or suffered by such person in connection therewith, and such indemnification shall continue as to a person who has ceased to be a trustee, officer, employee, or agent and shall inure to the benefit of his or her heirs, personal representatives, and administrators; provided, however, that except as provided in Article XVI, Paragraph 16.2 with respect to proceedings seeking solely to enforce rights to indemnification, the corporation shall indemnify any such person seeking indemnification in connection with the proceeding (or a part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of the corporation. The right to indemnification conferred in this Article shall be a contract right and shall include the right to be paid by the corporation the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that the payment of such expenses in advance of the final disposition of a proceeding shall be made only upon delivery to the corporation of any undertaking by or on behalf of such trustee or officer, to repay all amounts so advanced if it shall ultimately be determined that such trustee or officer is not entitled to be indemnified under this Article or otherwise.

- 15.2 **Right of Claimant to Bring Suit.** If a claim for which indemnity is required under the foregoing Article is not paid in full by the corporation within sixty (60) days after written claim has been received by the corporation, except in the case of a claim for expenses incurred in defending a proceeding in advance of its final disposition, in which case the applicable period shall be twenty (20) days, the claimant may at any time thereafter bring suit against the corporation to recover the unpaid amount of the claim, and, to the extent successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. The claimant shall be presumed to be entitled to indemnification under this Article upon submission of a written claim (and, in an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition, where the required undertaking has been tendered to the corporation) and thereafter the corporation shall have the burden of proof to overcome the presumption that the claimant is not so entitled. Neither the failure of the corporation (including its Board or independent legal counsel) to have made a determination prior to the commencement of such action that indemnification of or reimbursement or advancement of expenses to the claimant is proper in the circumstances nor an actual determination by the corporation (including its Board or independent legal counsel) that a claimant is not entitled to indemnification or to the reimbursement or advancement of expenses shall be a defense to the action or creative presumption the claimant is so entitled.
- 15.3 **Non-exclusivity of Rights.** The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the articles of incorporation of the corporation, bylaws of the corporation, agreement, vote of disinterested trustees or otherwise.
- 15.4 **Insurance, Contracts, and Funding.** The corporation may maintain insurance, at its expense, to protect itself and any trustee, officer, employee, or agent of the corporation or another corporation, partnership, joint venture, trust, or other enterprise against any



expense, liability, or loss, whether or not the corporation would have the power to indemnify such person against such expense, liability, or loss under the Oregon Business Corporation Act as it has been made applicable to nonprofit corporations. The corporation may enter into contracts with any trustee or officer of the corporation in furtherance of the provisions of this Article and may create a trust fund, grant a security interest, or use other means (including, without limitation, letter of credit) to insure the payment of such amounts as may be necessary to effect indemnification as provided in this Article.

15.5 Indemnification is provided by the Association as described in the Association Bylaws, Article VI, Section 6.01.

#### **ARTICLE XVI – MISCELLANEOUS**

16.1 **Books and Records.** The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board, and committees having any of the authority of the Board. The corporation shall keep at its registered or principal office a record giving the names and addresses of the trustees and any other information required under Oregon law.

16.2 **Fiscal Year.** The Board is authorized to fix the fiscal year of the corporation and to change the same from time to time, as it deems appropriate.

16.3 **Internal Revenue Code.** All references in these bylaws to sections of the Internal Revenue Code shall be considered references to the Internal Revenue Code of 1986, as from time to time amended, to the corresponding provisions of any applicable future United States Internal Revenue Law, and to all regulations issued under such sections and provisions.

16.4 **Tax-Exempt Status.** The affairs of the corporation at all times shall be conducted in such a manner as to assure the corporation's status an organization qualifying for exemption from tax pursuant to section 501(c)(3) of the Internal Revenue Code.