

**BYLAWS  
OF  
BAY AREA WATERWORKS ASSOCIATION**

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**a California Mutual Benefit Organization**

**ARTICLE I  
NAME**

The name of this Organization shall be BAY AREA WATERWORKS ASSOCIATION.

**ARTICLE II  
PRINCIPAL OFFICE**

The principal office for the transaction of the business of the Organization ("principal executive office") shall be at a location selected by the directors of the Organization. The directors may change the principal office from one location to another.

**ARTICLE III  
NONPARTISAN ACTIVITIES**

This Organization has been formed under the California Mutual Benefit Corporation Law for the purposes described herein below at Article XV, and it shall be nonprofit and nonpartisan. Notwithstanding, any other provision of this document, the Organization shall not carry on any other activities not permitted to be carried on (a) by a Organization exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code, any corresponding section of any future federal tax code, or (b) by a Corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

The Organization shall not, except in an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described above.

**ARTICLE IV  
DEDICATION OF ASSETS**

The properties and assets of this Nonprofit Corporation are irrevocably dedicated to fulfillment of the Objectives and Purposes of this Organization as set forth in Article XV hereof. Except as allowed by law, no part of the net earnings of the Organization shall inure to the benefit of, or be distributable to its members, trustees, officers, directors or other private persons, except that the Organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof.

Upon the liquidation or dissolution of the Organization, and after all debts and liabilities have been paid or adequately provided for, all properties and assets shall be distributed to the Board of Directors for distribution to 1) the members of this organization or 2) to one or more organizations selected by the Board of Directors which distribution which will help fulfill the purposes of this Organization. Any such plan of distribution shall be carried out in accordance with the Organization's tax status under section 501(c)(6) of the Internal Revenue Code.

**ARTICLE V  
MEMBERSHIP**

This Organization shall have voting members within the meaning of the Nonprofit Corporation Law.

The Organization's Board of Directors may, in its discretion, admit individuals to one or more classes of nonvoting members; the class or classes of which shall have such rights and obligations as the Board finds appropriate.

## SECTION 1. QUALIFICATIONS

Initially, there shall be two (2) classes of membership, comprised of (1) Active Members, being persons actively engaged in management or operation of water works or in a business which supplies goods and services for water works, and (2) Retired Members, being persons retired from such occupations with five or more consecutive years of active membership in this Organization and who request to be placed on Retired Member status. For purposes of calculating the duration of active membership herein, any period of time during which a person was a member of the unincorporated Bay Area Waterworks Association shall be included. No member may transfer a membership or any right arising from it. All rights of membership cease on the member's death.

Active Members shall pay dues in an amount and on such basis as may be determined by the Board of Directors. Retired Members shall be exempt from payment of dues, but shall otherwise have all the rights and privileges of an Active Member. Should a Retired member return to active employment or consulting in the Water Works Industry (except on an occasional, limited or temporary capacity as determined in the sole discretion of the Board of Directors) said member shall lose their status as a Retired Member until such time as they again fully retire and request Retired Member status.

Members who have paid dues as set by the Board of Directors shall be considered members in good standing. Members who have failed to pay their dues by the second meeting of the year will be removed from the mailing lists and placed on the inactive list until dues are paid.

## ARTICLE VI MEETINGS OF MEMBERS

### SECTION 1. REGULAR MEETINGS

Meetings of members shall be held quarterly – each February, May, August and November - on dates set by the Board of Directors. At the November Meeting Members shall elect the members of the Board of Directors and shall recommend Officers. At least two (2) of the regular meetings shall consist of a tour, dinner and presentation or other program deemed suitable by the Board of Directors and the Sponsoring Director. The President shall assign the Sponsoring Directors for regular membership meetings for the calendar year following his or her term. Any Sponsoring Director may yield his or her place in order of rotation by exchanging meeting dates with another director, subject to approval by the Board of Directors. All meetings shall be governed by Robert's Rules of Order.

### SECTION 3. SPECIAL MEETING

(a) A special meeting of the Members may be called at any time by a Member of the Board of Directors, the President, or ten or more members. All meetings shall be governed by Robert's Rules of Order.

(b) If a special meeting is called by Members, the request shall be submitted by such members in writing, specifying the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail, email or by telegraphic or other facsimile transmission to the President, any Vice President, or the Secretary-Treasurer of the Organization.

### SECTION 4. NOTICE OF MEMBERS' MEETINGS

(a) All notices of meetings of members shall be sent or otherwise given not less than ten (10) nor more

than ninety (90) days before the date of a General or Annual meeting or not less than two (2) nor more than seven (7) days before the date of a Special Meeting, or as may be otherwise ordered by the directors. The notice shall specify the place, date, and hour of the meeting and (i) in the case of a special meeting, the general nature of the business to be transacted, and no other business may in that case be transacted, or (ii) in the case of the annual meeting, those matters which the Board of Directors, at the time of giving the notice, intends to present for action by the members. Notice of any meeting of members shall be given either personally or by first-class mail, email, telegraphic or other written communication, charges prepaid, addressed to each member either at the address of that member appearing on the books of the Organization or the address given by the member to the Organization for the purpose of notice.

(d) Affidavit of mailing notice. An affidavit of the mailing or other means of giving any notice of any members' meeting may be executed by the secretary, assistant secretary, or any other party of the Organization giving the notice, and if so executed, shall be filed and maintained in the minute book of the Organization.

## SECTION 5. QUORUM

(a) Percentage required. Thirty-three and one-third percent (33 1/3%) of the members shall constitute a quorum for the transaction of business at a meeting of the members. A lesser amount may constitute a quorum if notice of the general nature of the meeting is sent to the members at least ten (10) days before the meeting, said notice complying with all bylaw provisions governing the time and manner of giving notice as stated hereinabove in Section 4 of this Article VI.

(b) Loss of quorum. The members present at a duly called or duly held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the members required to constitute a quorum.

## SECTION 6. ADJOURNED MEETING

Any members meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the members represented at the meeting, either in person or by proxy. But in the absence of a quorum, no other business may be transacted at that meeting, except as provided in this Article.

## SECTION 7. VOTING

If a quorum is present, the affirmative vote of the majority of the members represented at the meeting, entitled to vote and voting on any matter (other than the election of directors) shall be the act of the members, unless the vote of a greater number or voting by classes is required by California Nonprofit Corporation Law or by the articles of incorporation.

## ARTICLE VII ELECTION OF DIRECTORS

### SECTION 1. NOMINATIONS AND SOLICITATIONS FOR VOTES

(a) Nominating committee. The Chairman of the Board, or the President if there is no Chairman, shall request that the qualified candidates directors to the Board of Directors at least fifteen (15) days before the date of any election of directors. The Board of Directors of the BAY AREA WATERWORKS ASSOCIATION shall make its report at least fourteen (14) days before the date of the election, and the secretary shall forward to each member, with or as part of the notice of meeting required by Article VI, Section 4, a list of candidates nominated, by office.

(b) Nominations by members. Members representing thirty-three percent (33%) of the membership may nominate candidates for directorships at any time before the fourteenth (14th) day preceding such election. On timely receipt of a petition signed by the required number of members, the secretary shall cause the names of the candidates named on it to be placed on the ballot along with those candidates named by the nominating committee.

(c) Nominations from the floor. If there is a meeting to elect directors, any member present at the meeting, in person or by proxy (if proxies are permitted), may place names in nomination.

## SECTION 2. VOTE REQUIRED TO ELECT DIRECTOR

Candidates receiving the highest number of votes shall be elected as directors. Directors may be elected in a slate if such is submitted to the members and voted on as such.

## ARTICLE VIII DIRECTORS SECTION 1. POWERS

Subject to the provisions of the California Nonprofit Organization Law and any limitations in the articles of incorporation and these Bylaws relating to action required to be approved by the members, the business and affairs of the Organization shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors.

## SECTION 2. NUMBER AND QUALIFICATION OF DIRECTORS

The authorized number of directors shall be ten (10): one each from Alameda County, Contra Costa County, the East Bay Municipal Utility District, one representing Marin and Sonoma Counties, one representing Napa and Solano counties, one representing Water Works suppliers and Contractors and one representing Consulting Engineers. In addition, the then duly appointed and acting President, Vice-President and Secretary-Treasurer shall also sit as directors. Directors need not be residents of the State of California but they must be members of the Organization.

In addition to the directors mentioned in the preceding paragraph, there shall be three (3) non voting members of the Board of Directors, who shall be known as "Chairs". These Chairs shall be appointed by the President and shall serve at the President's pleasure. These Chairs shall be a Historian, a Membership Chair and a Sports Chair. The Historian and Membership Chairs may serve from year to year to provide continuity to these positions, subject to approval of the President.

## SECTION 3. ELECTION AND TERM OF OFFICE OF DIRECTORS

Each director, and including a director elected to fill a vacancy or elected at a special member's meeting, shall hold office for a period of two years or until expiration of the term for which elected and until a successor has been elected and qualified. The terms for directors from East Bay Municipal Utility District, those representing Napa and Solano counties, those representing Consulting Engineers and those representing Water Works suppliers and Contractors shall begin on even numbered years. The terms for directors from Alameda County, Contra Costs County and those representing Marin and Sonoma Counties shall begin on odd numbered years.

## SECTION 4. VACANCIES

(a) Events causing vacancy. A vacancy or vacancies in the Board of Directors shall be deemed to exist

on the occurrence of the following: (i) the death, resignation, inability to serve or removal of any director, (ii) the declaration by resolution of the Board of Directors of a vacancy of the office of a director who has been declared of unsound mind by an order of court or convicted of a felony or has been found by final order or judgment of any court to have breached a duty under Section 9240 and following the California Nonprofit Organization Law, (iii) the vote of the members to remove a director (vote of a majority of the members, (iv) the increase of the authorized number of directors, or (b) the failure of the members, at any meeting of members at which any director or directors are to be elected, to elect the number of directors to be elected at such meeting.

(b) Resignations. Except as provided in this paragraph, any director may resign, which resignation shall be effective on giving written notice to the Chairman of the Board, the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the resignation to become effective. If the resignation of a director is effective at a future time, the Board of Directors may elect a successor to take office when the resignation becomes effective. No director may resign when the Organization would then be left without a duly elected director or directors in charge of its affairs.

(c) Vacancies not filled by members. Vacancies resulting from the resignation, removal or other event causing a vacancy of a Director shall be filled by the Members at a Regular or Special meeting, otherwise vacancies for unexpired directors terms shall be filled by the President, subject to approval of the Board of Directors.

#### SECTION 5. PLACE OF MEETINGS; MEETINGS BY TELEPHONE

Regular meetings of the Board of Directors may be held at any place within or outside the State of California that has been designated from time to time by resolution of the Board. In the absence of such designation, regular meetings shall be held at the principal executive office of the Organization. Special meetings of the Board shall be held at any place within or outside the State of California that has been designated in the notice of the meeting or, if not stated in the notice or if there is no notice, at the principal executive office of the Organization. Notwithstanding the above provisions of this Section 5, a regular or special meeting of the Board of Directors may be held at any place consented to in writing by all the Board members either before or after the meeting. If consents are given, they shall be filed with the minutes of the meeting. Any meeting, regular or special, may be held by, and any one or more Board members may participate by, conference telephone or similar communication equipment, so long as all Board Members participating in the meeting can hear one another, and all such participating Board Members shall be deemed to be present in person at such meeting.

#### SECTION 6. ANNUAL NOVEMBER MEETING

Immediately following each November regular meeting of members, the Board of Directors shall hold a regular meeting for the purpose of the election of officers, and the transaction of other business.

#### SECTION 7. OTHER REGULAR MEETINGS

The Board of Directors shall meet quarterly to determine policy of the organization and to aid in the planning of membership meetings and functions. All meetings of the Board of Directors shall be held at such time as shall from time to time be fixed by the Board of Directors. Such regular meetings may be held without notice. All meetings shall be governed by Robert's Rules of Order.

#### SECTION 8. SPECIAL MEETINGS

(a) Authority to call. The Chairman of the Board or the President, or the secretary, or any two members of the Board of Directors may call special meetings of the Board of Directors for any purpose at any time. All meetings shall be governed by Robert's Rules of Order.

(b) Notice

(i) Manner of giving. Notice of the time and place of special meetings shall be given to each director by one of the following methods: (a) by personal delivery or written notice; (b) by first-class mail, postage paid; (c) by telephone communication, either directly to the director or to a person at the director's office who would reasonably be expected to communicate such notice promptly to the director; or (d) by telegram, charge prepaid. All such notices shall be given or sent to the director's address or telephone number as shown on the records of the Organization.

(ii) Time requirements. Notices sent by first-class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph shall be delivered, telephoned, or given to the telegraph company at least forty-eight (48) hours before the time set for the meeting.

(iii) Notice contents. The notice shall state the time and place for the meeting. However, it need not specify the purpose of meeting, or the place of the meeting, if it is to be held at the principal executive office of the Organization.

#### SECTION 9. QUORUM

A majority of the authorized number of Board of Directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 11 of this Article VIII. Every act or decision done or made by a majority of the Board of Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, subject to the provisions of the California Nonprofit Organization Law, especially those provisions relating to (i) approval of contracts or transactions in which a director has a direct or indirect material financial interest, (ii) appointment of committees, and (iii) indemnification of Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Board of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

#### SECTION 10. WAIVER OF NOTICE

The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the Board of Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

#### SECTION 11. ADJOURNMENT

A majority of the Board of Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

#### SECTION 12. NOTICE OF ADJOURNMENT

Notice of the time and place of holding an adjourned meeting need not be given unless the meeting is adjourned for more than twenty-four (24) hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the Board of Directors who were not present at the time of the adjournment.

## SECTION 13. ACTION WITHOUT MEETING

Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board, individually or collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

## SECTION 14. FEES AND COMPENSATION OF BOARD OF DIRECTORS

No Director may receive any compensation for their services as Board of Directors.

## ARTICLE IX COMMITTEES

### SECTION 1. COMMITTEES OF BOARD OF DIRECTORS

The Board of Directors may, by resolution adopted by a majority of the Board of Directors then in office, designate one or more committees in addition to the Standing Committees, each consisting of two or more members of the Organization, to serve at the pleasure of the Board. Committees may be proposed by any member in good standing but must be approved by the Board's which approval shall be based on a finding of sufficient interest to the membership and that the proposed committee is in keeping with the goals of the organization. Any committee, to the extent provided in the resolution of the Board, shall have all the authority of the Board, except that no committee, regardless of Board resolution, may:

- (a) take any final action on matters, which, under the Nonprofit Organization Law of California, also require members' approval or approval of the outstanding shares;
- (b) fill vacancies on the Board of Directors or in any committee;
- (c) fix compensation of the Board of Directors for serving on the Board or on any committee;
- (d) amend or repeal Bylaws or adopt new Bylaws;
- (e) amend or repeal any resolution of the Board of Directors which by its express terms is not so amendable or repealable;
- (f) appoint any other committees of the Board of Directors or the members of these committees;
- (g) expend corporate funds to support a nominee for director after there are more people nominated for director than can be elected; and
- (h) approve any transaction (1) to which the Organization is a party and one or more Board of Directors have a material financial interest; or (2) between the Organization and one or more of its Board of Directors or between the Organization or any person in which one or more of its Board of Directors have a material financial interest.

### SECTION 2. AD HOC COMMITTEES

The Board may establish such Ad Hoc Committees as and when it deems in the best interest of the organization. Ad Hoc committees shall include at a minimum include an appointed chair and secretary. The chair shall be responsible for the direction of the activities of the committee. The chair shall serve as a non

voting ex officio member of the Board of Directors during the period of existence of the committee. The secretary shall keep orderly records of the committee's activities. If the committee's activities involve financial affairs, the secretary may also serve as committee treasurer. A summary report from the secretary of the committee's activities, and if applicable financial activity, shall be presented annually to the Board of Directors at the February meeting of the Board.

### SECTION 3. STANDING COMMITTEES

There shall be the following standing committees whose purposes are outlined herein:

(a) Program Committee

The purpose of this committees shall be to organize the Regular meetings of the members and shall consist of the Sponsoring Director (who shall serve as Committee Chari) and as many members in good standing from the sponsoring Director organization, agency or employer, as may be required to supply the quality of the program desired. Appointments to the committee shall be made by the Committee Chari. SP

(b) Nominating committee

The purpose of the Nominating Committee shall be to make recommendations for the consideration by the membership during elections. This Committee shall consist of the immediate Past President and between four (4) and six (6) members in good standing appointed by the President and at least two (2) other members in good standing selected by other members of the board of Directors. B

(c) Underwood Award Committee

The Underwood Award Committee shall consist of the most recent three recipients of the award and shall select the next recipient. The award shall be presented annually to one of those members in good standing who best exemplifies the spirit and achievement of James B. Underwood by his or her contributions to the organization in the form of leadership, new ideas, exceptional work and having a spirit of working for the advancement of water works. Former recipients, having been already duly recognized shall not be eligible as a recipient as second time. The committee shall meet at the end of each calendar year and make its selection in time for the next February membership meeting.

(d) Sports Committee

The purpose of the Sports Committee shall be to organize the August regular membership meeting and shall consist of the Sports Chair and at least one Officer and at least one other Director. Additional members in good standing may be selected by the Sports Chair to supply the quality of the program desired.

### SECTION 4. MEETINGS AND ACTION OF COMMITTEES

Meetings and action of committees shall be governed by, and held and taken in accordance with, the provisions of Article VII of these Bylaws, concerning meetings of Board of Directors, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee. Special meeting of committees may also be called by resolution of the Board of Directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The Board of Directors may adopt rules for the government of any committee not inconsistent with the provisions of these Bylaws. All meetings shall be governed by Robert's Rules of Order.



ARTICLE X  
OFFICERS

SECTION 1. OFFICERS

The officers of the Organization shall be a President, a Vice President and a Secretary-Treasurer. The Organization may also have, at the discretion of the Board of Directors, one or more other vice presidents, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be appointed in accordance with the provisions of Section 3 of this Article X. Unless indicated otherwise, the President shall serve as the Chairman of the Board. Any number of offices may be held by the same person, except that neither the Secretary nor the Chief Financial Officer may serve concurrently as either the President or the Chairman of the Board.

SECTION 2. ELECTION OF OFFICERS

The officers of the Organization, except those appointed in accordance with the provisions of Section 3 of this Article X, shall be chosen by the Board of Directors, and each shall serve at the pleasure of the Board for a one year term. Only members who have served at least one complete term as a director shall be eligible to serve as an officer.

SECTION 3. SUBORDINATE OFFICERS

The Board of Directors may appoint, and may authorize the Chairman of the Board or the President or another officer to appoint, any other officers that the business of the Organization may require, each of whom shall have the title, hold office for the period, have the authority, and perform the duties specified in the Bylaws or determined from time to time by the Board of Directors.

SECTION 4. REMOVAL OF OFFICERS

Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, with or without cause, by the Board of Directors, at any regular or special meeting of the Board, or, except in case of an officer chosen by the Board of Directors, by an officer on whom such power of removal may be conferred by the Board of Directors.

SECTION 5. RESIGNATION OF OFFICERS

Any officer may resign at any time by giving written notice to the Organization. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the right if any, of the Organization under any contract to which the officer is a party.

SECTION 6. VACANCIES IN OFFICES

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled only in the manner prescribed in these Bylaws for regular appointments to that office.

SECTION 7. RESPONSIBILITIES OF OFFICERS

(a) Chairman of the Board. If such an officer be elected, the Chairman of the Board shall preside at meetings of the Board of Directors and exercise and perform such other powers and duties as may be from time to time assigned to him/her by the Board of Directors or prescribed by the Bylaws. If there is no President, the

Chairman of the Board shall, in addition, be the chief executive officer of the Organization and shall have the powers and duties prescribed in paragraph b, below.

(b) President. Subject to such supervisory powers as may be given by the Board of Directors to the Chairman of the Board, if any, the President shall, subject to the control of the Board of Directors, generally supervise, direct, and control the business and the officers of the Organization. He/She shall preside at all meetings of the members and, in the absence of the Chairman of the Board, or if there be none, at all meetings of the Board of Directors. He/She shall have such other powers and duties as may be prescribed by the Board of Directors or the Bylaws.

(c) Vice Presidents. In the absence or disability of the President, the Vice Presidents, if any, in order of their rank as fixed by the Board of Directors or, if not ranked, a vice president designated by the Board of Directors, shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors or the Chairman of the Board.

(d) Secretary-Treasurer. The Secretary-Treasurer shall attend to the following:

(i) Book of minutes. The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of Board of Directors, committees of Board of Directors, and members, with the time and place of holding, whether regular or special, and if special, how authorized, the notice given, the names of those present at such meetings, the number of members present or represented at members' meetings, and the proceedings of such meetings.

(ii) Membership records. The Secretary shall keep, or cause to be kept, at the principal executive office, as determined by resolution of the Board of Directors, record of the corporate members, showing the names of all members and their addresses.

(iii) Notices, seal and other duties. The Secretary shall give, or cause to be given, notice of all meetings of the members and of the Board of Directors required by the Bylaws to be given. He/She shall keep the seal of the Organization in safe custody. He/she shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

(iv) Books of account. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Organization, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of account shall be open to inspection by any director at all reasonable times.

(vi) Deposit and disbursement of money and valuables. The Treasurer shall deposit all money and other valuables in the name and to the credit of the Organization with such depositories as may be designated by the Board of Directors shall disburse the funds of the Organization as may be ordered by the Board of Directors; shall render to the President and Board of Directors, whenever they request it, an account of all of his/her transactions as Treasurer and of the financial condition of the Organization; and shall have other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

(vii) Bond. If required by the Board of Directors, the Treasurer shall, at the sole expense of the Organization, give the Organization a bond in the amount and with the surety or sureties specified by the Board of faithful performance of the duties of his/her office and for restoration to the Organization of all its books, papers, vouchers, money, and other property of every kind in his/her possession or under his/her control on his/her death, resignation, retirement, or removal from office.

ARTICLE XI  
INDEMNIFICATION OF BOARD OF DIRECTORS, OFFICERS,  
EMPLOYEES AND OTHER AGENTS

SECTION 1. DEFINITIONS

For the purpose of this Article,

(a) "Agent" means any person who is or was a director, officer, employee, or other agent of this Organization, or is or was serving at the request of this Organization as a director, office employee, or agent of another foreign or domestic Organization, partnership, joint venture, trust, or other enterprise, or was a director, officer, employee, or agent of a foreign or domestic Organization that was a predecessor Organization of this Organization or of another enterprise at the request of the predecessor Organization.

(b) "Proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and

(c) "Expenses" includes, without limitation, all attorney fees, costs, and any other expenses incurred in the defense of any claims or proceedings against an agent by reason of his/her position or relationship as agent and all attorneys' fees, costs, and other expenses incurred in establishing a right to indemnification under this Article.

SECTION 2. SUCCESSFUL DEFENSE BY AGENT

To the extent that an agent of this Organization has been successful on the merits in the defense of any proceeding referred to in this Article, or in the defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection with the claim. If an agent either settles any such claim or sustains a judgment rendered against him/her, then the provisions of Section 3 through 5 shall determine whether the agent is entitled to indemnification.

SECTION 3. ACTIONS BROUGHT BY PERSONS OTHER THAN THE  
ORGANIZATION

Subject to the required findings to be made pursuant to Section 5, below, this Organization shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding other than an action brought by, or on behalf of, this Organization, or by an officer, director or person granted related status by the Attorney General, or by the Attorney General on the ground that the defendant director was or is engaging in self-dealing within the meaning of California Organizations Code Section 9243, or by the Attorney General or a person granted related status by the Attorney General for any breach of duty relating to assets held in charitable trust, by reason of the fact that such person is or was an agent of this Organization, for all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with the proceeding.

SECTION 4. ACTION BROUGHT BY OR ON BEHALF OF THE ORGANIZATION

(a) Claims settled. If any agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of this Organization, with or without court approval, the agent shall receive no indemnification for either amounts paid pursuant to the terms of the settlement or other disposition or for any expenses incurred in defending against the proceeding,

(b) Claims and suits awarded against agent. This Organization shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action brought against

said person by reason of the fact that the person is or was an agent of this Organization, for all expenses actually and reasonably incurred in connection with the defense of that action, provided that both of the following are met:

(i) The determination of good faith conduct required by Section 5, below, must be made in the manner provided for in that section; and

(ii) Upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the agent should be entitled to indemnify for the expenses incurred. If the agent is found to be so entitled, the court shall determine the appropriate amount of expenses to be reimbursed.

## SECTION 5. DETERMINATION OF AGENT'S GOOD FAITH CONDUCT

The indemnification granted to an agent in Sections 3 and 4 above is conditioned on the following:

(a) Required standard of conduct. The agent seeking reimbursement must be found, in the manner provided below, that he/she acted in good faith, in a manner he/she believed to be in the best interest of this Organization, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use in similar circumstances. The termination of any proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere, or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or in a manner which he/she reasonably believed to be in the best interest of this Organization or that he/she had reasonable cause to believe that his/her conduct was unlawful. In the case of a criminal proceeding, the person must have had no reasonable cause to believe that his/her conduct was unlawful.

(b) Manner of determination of good faith conduct. The determination that the agent did act in a manner complying with Paragraph (a) above shall be made in one of the following ways:

(i) the Board of Directors by a majority vote of a quorum consisting of Board of Directors who are not parties to the proceeding;

(ii) the affirmative vote (or written ballot in accordance with Article VI, Section 9) of a majority of the votes represented and voting at a duly held meeting at which a quorum is present (which affirmative votes also constitute a majority of the required quorum).

(iii) the court in which the proceeding is or was pending. Such determination may be made on application brought by this Organization or the agent or the attorney or other person rendering a defense to the agent, whether or not this Organization opposes the application by the agent, attorney, or other person.

## SECTION 6. LIMITATIONS

No indemnification or advance shall be made under this Article, except as provided in Sections 2 or 5(b)(iii), in any circumstance when it appears:

(a) That the indemnification or advance would be inconsistent with a provision of the articles, a resolution of the members, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

## SECTION 7. ADVANCE OF EXPENSES

Expenses incurred in defending any proceeding may be advanced by this Organization before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the agent to repay the amount of the advance unless it is determined ultimately that the agent is entitled to be indemnified as authorized in this Article.

## SECTION 8. CONTRACTUAL RIGHTS OF NONBOARD OF DIRECTORS AND NONOFFICERS

Nothing contained in this Article shall affect any right to indemnification to which persons other than Board of Directors and officers of this Organization or any subsidiary hereof, may be entitled by contract or otherwise.

## SECTION 9. INSURANCE

The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the Organization against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not this Organization would have the power to indemnify the agent against that liability under the provisions of this section.

## SECTION 10. FIDUCIARIES OR CORPORATE EMPLOYEE BENEFIT PLAN

This Article does not apply to any proceeding against any trustee, investment manager, or other fiduciary of an employee benefit plan in that person's capacity as such, even though that person may also be an agent of the Organization as defined in Section 1 of this Article. Nothing contained in this Article shall limit any right to indemnification to which such a trustee, investment manager, or other fiduciary may be entitled by contract or otherwise, which shall be enforceable to the extent permitted by applicable law.

## ARTICLE XII RECORDS AND REPORTS

### SECTION 1. INSPECTION RIGHTS

Any member of the Organization may: (i) inspect and copy the records of members' names and addresses and voting rights during usual business hours on five days, prior written demand on the Organization, stating the purpose for which the inspection of rights are requested, and (ii) obtain from the secretary of the Organization, on written demand and on the tender of the Secretary's usual charges for such a list, if any, a list of names and addresses of members who are entitled to vote for the election of Board of Directors, and their voting rights, as of the most recent record date for which that list has been compiled, or as of a date specified by the member after the date of demand. The demand shall state the purpose for which the list is requested. This list shall be made available to any such member by the secretary on or before the later of ten (10) days after the demand is received or the date specified in it as the date by which the list is to be compiled.

Any inspection and copying under this section may be made in person or by an agent or attorney of the member and the right of inspection includes the right to copy and make extracts.

### SECTION 2. MAINTENANCE AND INSPECTION OF ARTICLES AND BYLAWS

The Organization shall keep at its principal executive office, or if its principal executive office is not in the State of California, at its principal business office in this State, the original or a copy of the articles and Bylaws as amended to date, which shall be open to inspection by the members at all reasonable times during

office hours. If the principal executive office of the Organization is outside the State of California and the Organization has no principal business office in this State, the secretary shall, on the written request of any member, furnish to that member a copy of the articles and Bylaws as amended to date.

### SECTION 3. MAINTENANCE AND INSPECTION OF OTHER CORPORATE RECORDS

The accounting books, records, and minutes of proceedings of the members and the Board of Directors and any committee(s) of the Board of Directors shall be kept at such place or places designated by the Board of Directors or, in the absence of such designation, at the principal executive office of the Organization. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept either in written or typed form or in any other form capable of being converted into written, typed or printed form. The minutes and accounting books and records shall be open to inspection on the written demand of any member, at any reasonable time during usual business hours, for a purpose reasonably related to the member's interests as a member. The inspection may be made in person or by an agent or attorney, and shall include the right to copy and make extracts. These rights of inspection shall extend to the records of each subsidiary Organization of the Organization.

### SECTION 4. INSPECTION BY BOARD OF DIRECTORS

Every director shall have the absolute right at any reasonable time to inspect all books, records and documents of every kind and the physical properties of the Organization and each of its subsidiary Organizations. This inspection by a director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

### SECTION 5. ANNUAL REPORT

The annual report to members referred to in the California Nonprofit Organization Law is expressly dispensed with, but nothing in these Bylaws shall be interpreted as prohibiting the Board of Directors from issuing annual or other periodic reports to the members of the Organization as they consider appropriate. However, the Organization shall provide to the Board of Directors, and to those members who request it in writing, within one hundred twenty (120) days of the close of its fiscal year, a report containing the following information in reasonable detail:

- (a) The assets and liabilities, including the trust funds, of the Organization as of the end of the fiscal year.
- (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year.
- (c) The revenue or receipts of the Organization both unrestricted and restricted to particular purposes, for the fiscal year.
- (d) The expenses or disbursements of the Organization, for both general and restricted purposes, during the fiscal year.
- (e) Any information required by California Organizations Code, Section 6322.

### ARTICLE XIII CONSTRUCTION AND DEFINITIONS

Unless the context requires otherwise, the general provisions, rules of construction and definitions in the California Nonprofit Organization Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes

the plural, the plural number includes the singular, and the term "person" includes both the Organization and a natural person.

#### ARTICLE XIV AMENDMENTS

##### SECTION 1. AMENDMENT BY MEMBERS

New Bylaws may be adopted or these Bylaws may be amended or repealed by approval of two-thirds (2/3) of the members or their proxies, or by written assent of these persons. In the case of an amendment proposed by the Board of Directors, the vote on such proposal shall be held at the regular membership meeting following the one at which the amendment is proposed.

##### SECTION 2. AMENDMENT BY BOARD OF DIRECTORS

The Board of Directors may not amend these Bylaws, but may propose such amendments to the membership for approval.

#### ARTICLE XV OBJECTIVES AND PURPOSES

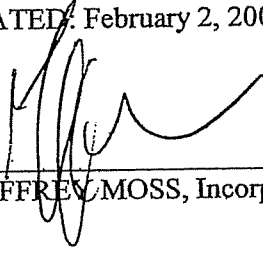
The objectives of this Organization shall be of providing a medium for the formal and informal exchange and dissemination of matters of common interest to those in the water works field and allied industries.

CERTIFICATE OF ADOPTION OF BYLAWS

ADOPTION BY INCORPORATORS

We, the undersigned, are all of the persons named as the Incorporators in the Articles of Incorporation, and consent to, and hereby do adopt the foregoing Bylaws, as the Bylaws of this Organization.

DATED: February 2, 2007

  
\_\_\_\_\_  
JEFFREY MOSS, Incorporator

SECRETARY'S CERTIFICATE

This is to certify that the foregoing is a true and correct copy of the Bylaws of the Organization and that such Bylaws were duly adopted by the Incorporators of the Organization on the date set forth above.

DATED: February 8, 2007

  
\_\_\_\_\_  
WENDY GJESTLAND



**ATTACHMENT Part II 1)**  
**NARRATIVE OF ACTIVITIES**

**The main activities of the Organization will be:**

- Three General Membership dinner meetings (including speaker program) per year
  - General Membership meetings shall be held to permit the exchange of information and knowledge between members regarding Water Works issues, projects and products and permit exchange of professional information between members. Speakers will speak on subjects of interest to the Water Works Industry. 50% of organization time.
- One annual golf tournament and dinner meeting
  - This event will be used to raise funds for Organization activities and to permit exchange of professional information between members. 0% of organization time. 20% of organization time.
- One annual summer social event
  - This event will be used to raise funds for Organization activities and to permit exchange of professional and personal information between members. 30% of organization time. 10% of organization time.
- Water Project Tours. 10% of organization time.
- Preparation and distribution of Annual membership Directory. 10% of organization time.

**ATTACHMENT Part II 1)**  
**NARRATIVE OF ACTIVITIES**

ATTACHMENT Part II 3a)

Name	Title	Mailing Address
Ed Stevenson	President	999 Rush Creek Place Novato, Ca 94945
Chris Hentz	Vice Pres.	999 Rush Creek Place Novato, Ca 94945
Wendy Gjestland	Secretary/ Treasurer	999 Rush Creek Place Novato, Ca 94945
Leonard Ash	Director	999 Rush Creek Place Novato, Ca 94945
Matt Moses	Director	999 Rush Creek Place Novato, Ca 94945
Serge Terentieff	Director	999 Rush Creek Place Novato, Ca 94945
Carl Gowan	Director	999 Rush Creek Place Novato, Ca 94945
Gil Hernandez	Director	999 Rush Creek Place Novato, Ca 94945
Ron Quinzon	Director	999 Rush Creek Place Novato, Ca 94945
Brandon Laurie	Director	999 Rush Creek Place Novato, Ca 94945

**Attachment Part II 4)**

**UNANIMOUS WRITTEN CONSENT  
OF THE DIRECTORS OF  
BAY AREA WATER WORKS ASSOCIATION**

**January 8, 2007**

The undersigned, constituting all of the directors of **BAY AREA WATER WORKS ASSOCIATION** (the "Association"), hereby adopt the following resolutions, effective as of the above date.

**1. Waiver of Meeting**

**RESOLVED**, the undersigned hereby waive the holding of a meeting of the directors of the Association and execute this Unanimous Written Consent in its place.

**2. Creation of Corporate Entity**

**RESOLVED**, that the undersigned hereby accept the creation of the corporate entity known as **BAY AREA WATERWORKS ASSOCIATION**.

**FURTHER RESOLVED**, that the undersigned hereby approve of a merger of this association into **BAY AREA WATER WORKS ASSOCIATION**, the corporate entity.

**FURTHER RESOLVED**, that the details of such merger, including the transfer of assets and members, shall be agreed upon between the Board of this Association and the Board of the corporate entity. The Board hereby approves of the transfer of any such assets and members to the corporate entity.

**3. Omnibus Resolution**

**RESOLVED**, that the officers of the Association are hereby authorized and directed, in the name and on behalf of the Association, to make all such arrangements, to do and perform all such acts and things and to execute and deliver all such instruments and documents as the officers, in consultation with legal counsel, may deem necessary or appropriate in order to fully effectuate the purpose of each and all the foregoing resolutions (hereby ratifying and confirming any and all actions taken heretofore and hereafter to accomplish such purposes, all or singular).

This action may be signed in one or more counterparts, each of which shall be deemed an original, and all of which shall constitute one instrument.

**IN WITNESS WHEREOF**, the undersigned has executed this Action by Unanimous

///

Written Consent as of the date first mentioned above.

\_\_\_\_\_  
Leonard Ash

\_\_\_\_\_  
Matt Moses

\_\_\_\_\_  
Serge Terentieff

\_\_\_\_\_  
Carl Gowan

\_\_\_\_\_  
Gil Hernandez

\_\_\_\_\_  
Ron Quinzon

\_\_\_\_\_  
Brandon Laurie

SEE NEXT  
TAB FOR  
SIGNED  
ORIGINAL