

DISCOVERY CLEAN WATER ALLIANCE

RESOLUTION NO. 2013 – 05

A RESOLUTION OF DISCOVERY CLEAN WATER ALLIANCE, ADOPTING BOARD RULES AND OPERATING PROCEDURES

WHEREAS, the Board desires to adopt Board rules and operating procedures for the Alliance; now, therefore

BE IT RESOLVED by the Board of Directors of Discovery Clean Water Alliance that the Board Rules and Operating Procedures attached to this Resolution are hereby adopted.

ADOPTED by the Board of Directors of Discovery Clean Water Alliance at a regular meeting held on January 18, 2013.

DISCOVERY CLEAN WATER ALLIANCE



Chair, Board of Directors

DISCOVERY CLEAN WATER ALLIANCE
BOARD RULES AND OPERATING PROCEDURES

Article I. DEFINITIONS

All capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Discovery Clean Water Alliance Interlocal Formation Agreement ("Agreement").

Article II. BOARD OF DIRECTORS

Section 2.01 General Powers. The Board of Directors shall exercise all policy, oversight and governance powers of the Alliance consistent with the Agreement.

Section 2.02 Composition of Board and Alternates. The Board of Directors shall consist of one Director and any alternate Directors ("Alternates") appointed by each Member. Directors and Alternates must be elected officials of the appointing Member.

Section 2.03 Appointment; Removal; Tenure; Participation. The Members may appoint and remove their Directors and Alternates in such manner and for such terms as they individually determine. The legislative body of a Member shall fill promptly a vacancy in a Director or Alternate position. A Director or Alternate shall hold office until the legislative body of the appointing Member has replaced the Director or Alternate by motion or resolution. Immediately following the adoption of the motion or resolution, the clerk of the legislative body shall forward a copy of the resolution or a written motion to the Chair and Clerk of the Board. Notwithstanding the foregoing, no Director or alternate shall continue in that capacity if he or she is no longer an elected official of the Member whom he or she represents. Only one Director or Alternate from each Member may actively participate in a Board meeting.

Article III. OFFICERS

Section 3.01 Titles and Numbers. The Board of Directors shall have a Chair, a Vice-Chair and a Secretary, each of whom shall be elected by the Board. The Board also shall have a Treasurer, who shall be the Treasurer of the Alliance appointed by resolution of the Board. The Board by resolution may appoint such other Officers as it deems necessary or appropriate. No two offices shall be held by the same person.

Section 3.02 Appointment and Term of Office. The Board Officers shall be elected at the first regular Board meeting of a calendar year, and shall serve for one year until the first regular Board meeting of the next calendar year or until removed by the Board. Each Officer

shall hold office until a successor shall have been appointed, except in the event of the termination of an Officer's term in the manner herein provided.

Section 3.03 Resignation. Any Officer may resign at any time by delivering written notice to the Chair and Clerk of the Board, or by giving oral notice at any meeting of the Board. Any such resignation shall take effect at any subsequent time specified therein or if the time is not specified, upon delivery thereof and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.04 Removal. Any Officer appointed by the Board may be removed by the Board upon thirty (30) days written notice, with or without cause. Appointment of an Officer shall not of itself create contract rights in the individual or in the Member.

Section 3.05 Chair. The Chair of the Board shall preside at all meetings of the Board, shall perform all duties incident to the office of Chair, and shall exercise and perform such other powers and duties as may be determined from time to time by resolution of the Board. In the absence of the Chair, or if there be none, the Vice-Chair shall preside at all meetings of the Board. The Chair shall sign deeds, leases, bonds, contracts or other instruments which the Board has approved and authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Rules to some other Officer or individual or shall be required by law to be otherwise signed or executed.

Section 3.06 Vice-Chair. The Vice-Chair shall perform the duties of the Chair in the absence or incapacity of the Chair. When so acting, the Vice-Chair shall have all the powers of and be subject to all the restrictions upon such Officers and shall perform such other duties as from time to time may be assigned by resolution of the Board.

Section 3.07 Secretary. The Secretary shall cause to be kept the minutes of the proceedings of the Board, shall give notices or cause notice to be given in accordance with the provisions of these Rules and as required by law and shall be custodian of the corporate records of the Alliance. The Secretary shall perform such other duties as from time to time may be assigned by resolution of the Board.

Section 3.08 Treasurer The Treasurer shall exercise and perform all powers and duties assigned to the Treasurer of the Alliance by state laws, and shall exercise and perform such other powers and duties as may be assigned by resolution of the Board.

Section 3.09 Delegation. In the case of absence or inability to act of any Officer or of any person herein authorized to act in his or her place, the Board may, from time to time, delegate the powers or duties of such Officer to any other Officer or any Director or other

person whom it may select. The Chair may delegate duties or powers in addition to those listed herein to Officers of the Board as necessary or appropriate to the conduct of the affairs of the Alliance.

Section 3.10 Vacancies. Vacancies in any Office arising from any cause may be filled by the Board at regular or special meeting of the Board.

Article IV. MEETINGS OF THE BOARD

Section 4.01 Regular Meetings. Regular meetings of the Board of Directors shall be specified as to the date, time and place for the holding of such regular meetings by resolution of the Board.

Section 4.02 Special Meetings; Waiver of Notice; Exception. Special meetings of the Board may be called by the Chair or by the written request of Directors representing a Dual Majority Vote. Not less than twenty-four hours before any special meeting, notice of the special meeting shall be delivered to the Directors in accordance with RCW 43.30.080, stating the date, time and place and the business to be transacted at the meeting. The notice shall be delivered personally or by fax or electronic mail. Notice shall also be delivered personally or by fax or electronic mail to local newspapers or radio or televisions stations if required by RCW 43.30.080, shall be posted on the Alliance's web site if required by RCW 43.30.080, and shall be prominently displayed at the main entrance of the Alliance's principal office and the meeting site if the meeting is not held at the principal office. Whenever any notice is required to be given to any Director, notice shall be deemed waived by the Director where he or she submits to the Secretary or Clerk of the Board by fax or electronic mail a written waiver of notice at or prior to the convening of the meeting. The notice is also deemed waived where the Director is actually present at the convening of the meeting, except where a Board Member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully convened.

When the meeting is called to deal with an emergency involving injury or damage, or the likelihood of injury or damage, to persons or property, and the time requirements for notice provided for above would be impractical and increase the likelihood of such injury or damage, such required notice may be dispensed with and each Director shall be notified by the best means possible under the circumstances.

Section 4.03 Meetings by Telephonic Conferencing. Directors may participate in a meeting of the Board of Directors by means of a conference telephone or similar communication equipment if all persons participating in the meeting can hear each other at the

same time and the participation complies with Chapter 42.30 RCW. Participation by such means shall constitute presence in person at the meeting.

Section 4.04 Agenda for Meetings. The Chair of the Board of Directors, in consultation with the General Manager of the Administrative Lead, or the Executive Director of the Alliance if there is no Administrative Lead, shall prepare the preliminary agenda for meetings of the Board. The preliminary agenda, and attachments to the preliminary agenda, shall be distributed prior to a Board meeting in such manner and time as determined by the Board. The Board shall also determine the process for late additions to the agenda.

Section 4.05 Consent Agenda. At any meeting of the Board of Directors, the Board may consider as a group, without discussion, any routine and other matters identified by the Board, which shall be referred to on the agenda for the meeting as "consent," "consent agenda" or similar designation.

Section 4.06 Minutes. The minutes of meetings of the Board of Directors shall be prepared by the Administrative Lead, or if there is no Administrative Lead by Alliance staff, and the preparation of the minutes shall be supervised by the Secretary of the Board. The minutes, following approval, shall be open to public inspection in accordance with applicable law.

Section 4.07 Executive Sessions. During any meeting of the Board of Directors, the Board may hold an executive session to discuss matters as permitted by Chapter 42.30 RCW and applicable laws. Minutes need not be kept during executive sessions.

Section 4.08 Appearance before the Board. At its pleasure, the Board of Directors may take public testimony on agenda items, or on other relevant items which any person may wish to call to the attention of the Board. The Chair shall have the discretion to limit the time and order of appearances as deemed desirable for a fair presentation of views consistent with the other business before the Board.

Section 4.09 Quorum. Directors or alternates from a minimum of three member agencies shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 4.10 Manner of Acting; Rules of Procedure. Meetings of the Board of Directors shall be conducted in accordance with the current edition of *Robert's Rules of Order Newly Revised*, to the extent such Rules are consistent with the Agreement and these Rules. The Board may act by voice votes called for by the Chair, but any Director may require a recorded tabulation of votes by making a request either immediately before the vote is taken or immediately after a voice vote has been taken.

Article V. COMMITTEES AND ADVISORY BOARDS

Section 5.01 Standing Committees. The Board of Directors by resolution may create Standing Committees and determine the membership and chair thereof. Standing Committees shall be advisory only and shall not act on behalf of the Board, conduct hearings or take testimony or public comment. Members of Standing Committees shall be Directors, Alternates and/or employees of Members or Alliance. The initial Standing Committees, which do not need to be established by resolution, shall be as described in this section. In addition to the responsibilities described below, the Board may refer additional matters to the Standing Committees from time to time as the Board deems appropriate.

(1) Finance Advisory Committee. The Finance Advisory Committee composition, chair and responsibilities shall be as follows:

- a. Composition. The committee shall consist of Member and Alliance (if any) finance staff, as determined by each Member and the Alliance.
- b. Chair. The Finance Director of the Administrative Lead, or the Finance Director of the Alliance if there is no Administrative Lead, shall chair the committee.
- c. Responsibilities. The committee shall advise the Board and Administrative Lead staff, or Alliance staff if there is no Administrative Lead, on financial matters for the Alliance. At a minimum, the Administrative Lead staff, or Alliance staff if there is no Administrative Lead, shall present to the committee information regarding the following Significant Decisions for review and comment a reasonable number of days before the Significant Decisions are presented to the Board (Interlocal Formation Agreement section referenced below in parenthesis):
 - i. Plans for the borrowing of money (IV.F.1.a)
 - ii. Operating Budgets (IV.F.1.d)
 - iii. Capital Budgets (IV.F.1.e)
 - iv. Amendments to the Financial Policies (IV.F.2.b)
 - v. Capital Plans (IV.F.2.c)
 - vi. Material allocation or reallocation of capacity (IV.F.2.d)
 - vii. Payment obligations of a withdrawing member (IV.F.2.e)
 - viii. Admission of new members (IV.F.2.f)

(2) Management and Infrastructure Committee. The Management and Infrastructure Committee composition, chair and responsibilities shall be as follows:

- a. Composition. The committee shall consist of Member and Alliance (if any) executive, management, public works and engineering staff, as determined by each Member and the Alliance.
- b. Chair. The General Manager of the Administrative Lead, or the Executive Director of the Alliance if there is no Administrative Lead, shall chair the committee.
- c. Responsibilities. The committee shall advise the Board and Administrative Lead staff, or Alliance staff if there is no Administrative Lead, on management and infrastructure matters for the Alliance. At a minimum, the Administrative Lead staff, or Alliance staff if there is no Administrative Lead, shall present to the committee information regarding the following Significant Decisions for review and comment a reasonable number of days before the Significant Decisions are presented to the Board (Interlocal Formation Agreement section referenced below in parenthesis):
 - i. Change of the Administrative Lead (IV.F.1.b)
 - ii. Change in ownership of material Regional Assets (IV.F.1.c)
 - iii. Operating Budgets (IV.F.1.d)
 - iv. Capital Budgets (IV.F.1.e)
 - v. Exercise of eminent domain by the Alliance (IV.F.1.f)
 - vi. Amendments to the Interlocal Formation Agreement (IV.F.2.a)
 - vii. Capital Plans (IV.F.2.c)
 - viii. Material allocation or reallocation of capacity (IV.F.2.d)
 - ix. Payment obligations of a withdrawing member (IV.F.2.e)
 - x. Admission of new members (IV.F.2.f)
 - xi. Termination of the Interlocal Formation Agreement (IV.F.2.g)

(3) Operations Coordination Committee. The Operations Coordination Committee composition, chair and responsibilities shall be as follows:

- a. Composition. The committee shall consist of Member and Alliance (if any) operations and public works staff, as determined by each Member and the Alliance.
- b. Chair. The Operations Manager or Public Works Director of the Operator with the largest annual operations budget, or the Operations Manager of the Alliance if there is no Operator, shall chair the committee.
- c. Responsibilities. The committee shall advise the Board and Operator(s), or Alliance staff if there is no Operator(s), on operations and

maintenance matters for the Alliance. At a minimum, the Administrative Lead staff, or Alliance staff if there is no Administrative Lead, shall present to the committee information regarding the following Significant Decisions for review and comment a reasonable number of days before the Significant Decisions are presented to the Board (Interlocal Formation Agreement section referenced below in parenthesis):

- i. Change of Operator (IV.F.1.b)
- ii. Change in ownership of material Regional Assets (IV.F.1.c)
- iii. Operating Budgets (IV.F.1.d)

Section 5.02 Meetings and Voting of Standing Committees. Meetings of Standing Committees shall be held at such times and places as may be fixed by each Standing Committee or its chair. Recommendations of the Standing Committees shall be by a simple majority based on one vote per Member.

Section 5.03 Special Committees. The Board of Directors by motion may establish Special Committees with such powers, duties and membership as the Board may determine. Members of Special Committees shall not be required to be Directors, Alternates or employees of Members. All matters considered by Special Committees requiring action shall be referred to the Board for action, unless the Board delegates to the Special Committee authority to act on behalf of the Board.

Section 5.04 Advisory Boards. The Board of Directors by motion may establish Advisory Boards with such powers, duties and membership as the Board may determine. Members of Advisory Boards shall not be required to be Directors, Alternates or employees of Members. All matters considered by Advisory Boards requiring action shall be referred to the Board for action, unless the Board delegates to the Advisory Board authority to act on behalf of the Board.

Article VI. STAFF AND CONSULTANTS

The staff of the Alliance shall consist of such officers and employees as established by resolution of the Board of Directors. If the Board creates a chief executive officer position, the chief executive officer shall appoint persons to fill other staff positions, subject to such confirmation by the Board. The Board may hire or retain legal counsel and independent auditors. The Board may hire or retain such other consultants as it may determine, subject to the Agreement.

Article VII. BOOKS AND RECORDS

The Alliance shall keep correct and complete books and records of its activities and proceedings and such other records as may be required, necessary or advisable. All books and records shall be subject to disclosure under the Public Records Act Chapter 42.56 RCW.

Article VIII. FISCAL YEAR

The fiscal year of the Alliance shall be determined by resolution of the Board of Directors. In the absence of such resolution, the fiscal year shall be the calendar year.

Article IX. AMENDMENTS TO RULES

These Rules may be altered, amended or repealed and new Rules may be adopted by a Dual Majority Vote, provided that the amendment has been submitted in writing at a regular meeting of the Board of Directors.