

By-Laws

Article I – Office

The principal office of the corporation shall be in the County of Orange in the State of California. Said office shall be designated from time-to-time by resolution of the Board of Directors.

Article II – Members

Sec 1. **Classes of Membership.** The corporation shall have two classes of membership: regular membership and life membership. All members shall have equal rights with all other members.

Sec 2. **Qualifications of Regular Members.** In order to be eligible for regular membership, an applicant must be actively engaged in management, administration, maintenance, or operation in the water or wastewater industries, or in business which supplies goods or services to said industries, or be an elected or appointed public official.

Sec. 3. **Qualification for Life Membership.** Any member who has been a regular member of the corporation for thirty-five (35) years shall be eligible for life membership. A life member shall have all of the same rights as a regular member, but shall not be obligated to pay dues or assessments. Members who qualified for life membership prior to January 1, 2011, shall remain life members notwithstanding that they were not members for thirty-five years at the time of becoming life members.

Sec 4. **Election of Members.** All new members shall be deemed elected to membership upon payment of membership dues established by the Board of Directors.

Sec 5. **Termination of Membership.** Membership shall be terminated by death or by failure to pay annual dues on or before their expiration. Any membership terminated by non-payment of dues will be reinstated upon payment. Membership may also be terminated by the unanimous vote of the Board of Directors for any of the following reasons:

- a) For non-payment of any assessment duly imposed by the Board of Directors.
- b) For any conduct adverse to the interests and purposes of the corporation.

Sec 6. **Resignation.** Any member may resign by written resignation filed with the Secretary and such resignation shall be effective upon receipt by the Secretary.

Sec 7. **Transfer of Membership.** Membership in this corporation is not transferable or assignable.

Article III – Meetings of Members

Sec 1. **Annual Meeting.** An annual meeting of the members shall be held in November of each year for the purpose of electing the Directors for the following calendar year and for the transaction of other business which may come before the meeting. The date and place of such meeting shall be selected each year by the Board of Directors. The annual meeting shall typically be held in conjunction with the November Regular Meeting, and all members shall be on notice that the Annual Meeting will occur at such time unless notice is otherwise given as provided herein.

Sec 2. **Regular Meetings.** There shall be a regular meeting or event of the members each month, unless otherwise determined by the Board of Directors. The place of each regular meeting shall be announced either at the regular meeting before such succeeding meeting, or by notice in a newsletter or e-mail communication sent before the meeting. No other notice need be given of such regular meeting. Any business which comes before the members may be acted upon at such regular meeting.

Sec 3. **Special Meetings.** Special meetings of the members may be called by the President or a majority of the Board of Directors.

Sec 4. **Notice of Meetings.** No notice except as provided in Sec. 2 of this Article need be given of any regular meeting other than the annual meeting of the members. Written or printed notice of the annual meeting shall be given not less than ten (10) days nor more than thirty (30) days prior to such annual meeting. Written or printed notice of any special meeting shall be given not less than ten (10) days nor more than thirty (30) days before such meeting and such notice shall state the time and place of such meeting and the purpose for which such special meeting was called. All notices shall be sent by the Secretary, at the direction of the President or the Board of Directors.

Sec 5. **Quorum.** For all annual, regular, and special meetings, the active members present in person shall constitute a quorum for the transaction of business, provided, however that the vote of a majority of such members registered as present at such meeting shall be necessary to carry any action requiring the vote of the members.

Sec 6. **Voting.** Only members present in person at any meeting shall be allowed to vote. Each member shall have a single vote on any matter coming before the members for their vote. Each member shall have one vote for each Director to be elected and votes shall not be cumulative. Where these By-Laws or the State laws governing non-

profit corporations require a majority vote by the entire membership in order for the corporation to act, then such vote may be conducted by mail in such manner as the Board of Directors shall determine.

Article IV – Board of Directors

Sec 1. **General Powers.** The affairs of the corporation shall be managed by its Board of Directors.

Sec. 2. **Number and Qualifications.** The Board of Directors shall consist of seven (7) members. All Directors shall be residents of, have their primary place of business in, or have substantial business with water or sewer agencies in Orange County, California, and shall be members of the corporation.

Sec. 3. **Election and Tenure of Office of Directors.** The Directors shall be elected at the Annual Meeting of the members, to serve for one year and until their successors are elected and have qualified. No Director shall serve more than seven (7) consecutive terms. There is no prohibition against directors returning to service after a break in service.

Sec. 4. **Regular Meetings.** A regular meeting of the Board of Directors shall be held at the same place and immediately before the regular meeting of the members. The President of the Board may provide for a different time and place for regular meetings with the consensus of the Board of Directors. No notice of the annual or the regular meeting established by consensus of the Board of Directors need be given.

Sec. 5. **Special Meetings.** Special meetings of the Board of Directors may be called at any time by the President or any two members of the Board. The time and place of such special meeting shall be set by the person or persons, calling said meeting.

Sec. 6. **Notice.** Notice of any special meeting be given in a manner that it is received by all of the members of the Board of Directors at least two (2) days before the meeting and shall be given by any reasonable means, including facsimile transmission, mail, electronic mail, or telephone. Attendance at any special meeting shall be deemed a waiver of notice.

Sec 7. **Quorum.** A majority of the Board of Directors shall constitute a quorum.

Sec 8. **Manner of Acting.** The act of a majority of the Directors at a meeting where a quorum is present shall be an act of the Board of Directors, unless the act of a greater number is required by law.

Sec. 9. **Vacancies.** Any vacancy occurring in the Board of Directors shall be filled by the remaining Board of Directors. Any Director elected to fill a vacancy shall be elected to fill the unexpired term of his predecessor in office.

Sec. 10. **Past President.** The Past President of the Board of Directors shall serve the year succeeding his term of office as an *ex-officio* member of the Board of Directors. The *ex-officio* member shall be a non-voting member of the Board of Directors.

Sec. 11. **Attendance at Meetings.** Failure of a member of the Board of Directors to attend four (4) or more consecutive regular meetings of the members or four (4) or more meetings of the Board Directors may be grounds for removal from the Board of Directors by vote of the remaining members of the Board of Directors.

Sec. 12. **Special Board Action.** 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 of Directors shall unanimously, individually or collectively, consent in writing to such action. Such action shall have the same force and affect 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 of Directors for the meeting immediately following such action. For purposes of this Section 12, a writing shall include, but not be limited to, electronic communications, such electronic mail and/or text messages.

Article V – The Officers

Sec. 1. **The Officers.** The officers of the corporation shall be President, a Vice-President, a Secretary, and a Treasurer, and all officers shall be members of the Board of Directors.

Sec. 2. **Term.** The officers of the corporation shall be elected annually by the Board of Directors and shall take office on the first Friday of December. Officers shall hold office for one year, subject to removal at the pleasure of the Board of Directors.

Sec. 3. **President.** The President shall be a Director who has served a minimum of two (2) years on the Board of Directors, unless none of the Board members has served the minimum time. The President shall be the principal executive officer of the corporation, and shall supervise and transact all of the business of the corporation. The President shall preside at all meetings of the Board of Directors and of the members. The President may sign, with the Secretary Treasurer, or any other proper officer of the corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed and, in general, the President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time-to-time.

Sec. 4. **Vice-President.** In the absence of the President, or in the event of his inability or refusal to act, the Vice-President shall perform 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-President shall also perform such other duties as from time-to-time may be assigned him by the President or Board of Directors.

Sec. 5. **Secretary.** The Secretary shall keep the minutes of the meetings of the Board of Directors, shall see that all required notices are given in accordance with laws and these By-Laws, be custodian of all corporate records, keep a list of all members and their addresses and, in general, perform all duties incident to the office of Secretary.

Sec. 6. **Treasurer.** The Treasurer shall have charge of and be responsible for all funds and securities of the corporation, receive and give receipts for money due and payable to the corporation from any source whatsoever, and deposit such money in the name of the corporation in such banks or other depositories as shall be from time to time selected by the Board of Directors, and in general, perform the duties incident to the office of Treasurer.

Article VI – Contracts, Checks, Deposits and Funds

Sec. 1. **Contracts.** The Board of Directors may authorize any officers, agent or agents of the corporation, in addition to the officers so authorized by the By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation and such authority may be general or confined to specific instances.

Sec. 2. **Checks, Drafts, etc.** All checks, drafts, or orders for the payment of money, notes or other evidence of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation as shall from time-to-time be determined by resolution of the Board of Directors. In the absence of such resolution by the Board of Directors, such instruments shall be signed by the Treasurer and countersigned by the President or Vice President.

Sec. 3. **Deposits.** All funds of the corporation shall be deposited from time-to-time to the credit of the corporation in such banks or other depositories as the Board of Directors may select.

Sec. 4. **Gifts.** The Board of Directors may accept on behalf of the corporation, any contribution, gift, bequest, or devise for the general purpose or for any special purpose of the corporation.

Sec. 5. **Budget.** The Board of Directors shall adopt an annual operating budget on or before July 1 of each year.

Sec. 6. **Committee Budgets.** Committees organizing any tournament, barbeque, dinner-dance, or other special event on behalf of the corporation shall submit a budget to and obtain the approval of the Board of Directors prior to advertising, selling tickets or incurring any expense or obligation in connection with the event.

Sec. 7. **Annual Audit.** Annually following the close of the fiscal year and prior to filing the corporation tax returns, the Board of Directors shall conduct an audit which shall consist of a financial review of the revenue and expenses for the fiscal year and preparation of a balance sheet and a statement of revenues, expenses, and changes in retained earnings for the fiscal year just ended.

Article VII – Books and Records

The Corporation shall keep correct and complete books and records or accounts and shall also keep minutes of the proceedings of the annual meeting of the members and meetings of the Board of Directors and shall keep a record of the names and addresses of the members. All records shall be available for inspection by any member at reasonable times.

Article VIII – Compensation of Officers

There shall be no compensation paid to any Officer or Director of the corporation. No Officer or Director of the corporation shall receive any remuneration for any services performed by him for the corporation in any capacity until a resolution authorizing such remuneration shall have been adopted by the Board of Directors before such services are performed. No Officer or Director may be an employee for the corporation. This Article shall not be construed to prevent the corporation from employing and compensating persons as agents or employees of the corporation for carrying on the purposes of the corporation.

Article IX – Membership Fees and Assessments

Sec. 1. **Dues.** The annual dues shall be fixed by the Board of Directors annually by the affirmative vote of a majority of the Board of Directors. Annual dues may be paid on a rolling basis, with any paid membership extending for a period of 12 months from such payment. All paid memberships shall be valid of a period of 12-months, and expire at the end of such term unless renewed at the then-current annual due rate.

Sec. 2. **Assessments.** There shall be no annual assessment, but special assessments may be levied and collected from all members. No special assessment may be levied unless it shall first have been approved by a majority of the Board of Directors and further approved by a majority of the entire membership.

Article X – Disposition of Income and Assets

The receipts of the corporation shall be used for the payment of operating expenses and for general purposes of this corporation, and no part of the income or assets shall ever be distributed to the members. In the event the corporation is dissolved, all assets remaining after the payment of obligations of the corporation shall be distributed or transferred to a non-profit corporation selected by the then acting Board of Directors whose purposes are similar to this corporation.

Article XI – Amendment of By-Laws

These By-Laws, except as to Article X, may be amended or rescinded by a majority vote of those members present at any regular or special meeting or by a majority vote of those members responding in any written vote conducted by mail or electronic mail.

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