

RESOLUTION NO. 2014-2000

A RESOLUTION REPEALING EXISTING CALIFORNIA ASSOCIATION OF SANITATION AGENCIES (CASA) BYLAWS AND ADOPTING PROPOSED NEW BYLAWS

THE LAS GALLINAS VALLEY SANITARY DISTRICT

WHEREAS, the Las Gallinas Valley Sanitary District is a current member of CASA; and

WHEREAS, the Board of Directors has received notification from CASA that their Executive Board has identified the need to modernize and update the bylaws to ensure CASA is compliant with applicable California law; and

WHEREAS, the Board of Directors, as voting members, are requested to cast their vote to approve repealing the existing CASA bylaws and adopting the new bylaws proposed by the CASA Executive Board; and

WHEREAS, such bylaws may need to be updated.

NOW THEREFORE, the Board of Directors of the Las Gallinas Valley Sanitary District has reviewed and now approves the proposed new CASA Bylaws, a copy of which is attached as Exhibit A by and incorporated by reference.

The previously approved CASA Bylaws are hereby repealed and declared null and void if the new bylaws are approved by the voting members of CASA.

If the CASA voting members approve the new bylaws, they shall remain in effect until amended by the voting members and Board of the California Association of Sanitation Agencies.

* * * * *

I hereby certify that the forgoing is a full, true, and correct copy of a resolution duly and regularly passed and adopted by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, at a meeting thereof held on the 8th day of May, 2014, by the following vote of the members thereof:

AYES, and in favor thereof Members: Clark, Elias, Greenfield, Murray, Schrieber
NOES, Members: none
ABSENT, Members: none
ABSTAIN, Members: none

Carolyn A. Memmott
Carolyn A. Memmott, District Secretary

APPROVED:

(seal)

Craig K. Murray
Craig K. Murray, President of Board of Directors



Adopted by the Board of Directors March 10, 2014
Approved by the Membership _____, 2014

BYLAWS
OF
CALIFORNIA ASSOCIATION OF SANITATION AGENCIES
(a California nonprofit mutual benefit corporation)

ARTICLE I.

General Provisions

Section 1. Name. The name of this corporation is CALIFORNIA ASSOCIATION OF SANITATION AGENCIES (hereafter referred to in these bylaws as "CASA" or "Association").

Section 2. Principal Office. The principal office for the transaction of business of the Association shall be located in California. The Board of Directors ("Board") shall have the authority to set and change the precise location of the principal office so long as the principal office remains in California. The Association may also have offices at such other places within or without the State of California where it is qualified to do business, as its activities may require, and as the Board may from time to time designate.

Section 3. Purposes and Limitations. The Association is a NONPROFIT MUTUAL BENEFIT CORPORATION organized under California law. The Association is formed for the purpose of engaging in any lawful act or activity for which a nonprofit mutual benefit corporation may be organized under the law.

The specific purpose of this Association is to provide leadership, advocacy and information to members, legislators, and the public, and to promote clean water and beneficial reuse issues that protect public health and the environment.

ARTICLE II.

Members

Section 1. Voting Members. CASA is organized with members, but without capital stock. Any local public agency or public organization authorized by California law to engage in the collection, treatment, or disposal of wastewater or the recycling of water

therefrom, may become a full voting member of the Association upon signing and approval of a membership application/agreement and payment of the required dues.

All persons admitted to voting membership in the Association shall have the rights afforded members under the California Nonprofit Mutual Benefit Corporation Law, including the right to vote on issues put before the membership. Each voting member shall have one (1) vote on membership issues.

Each voting member shall designate in writing the individual who shall exercise the voting rights and other privileges on behalf of the member and two alternates to that individual as well. The designation shall be filed with the Secretary of the Association and shall be maintained with the corporate records. Said designation may be changed by written notice to the Secretary of the Association.

Section 2. Non-voting Associate Members. CASA may also admit associate members who shall be non-voting members of the Association. Any person who isn't qualified for voting membership but who has a bona fide interest in the welfare of the Association and its mission and strategic goals may become an associate member upon signing and approval of a membership application/agreement and payment of the required dues. For purposes of these bylaws, "person" shall mean an individual, sole proprietorship, limited or general partnership, limited liability company, corporation, or any other business entity recognized by the state of California.

Associate members shall be non-voting members of the Association and shall not have any of the voting rights or other rights afforded voting members under the California Nonprofit Mutual Benefit Corporation Law.

Section 3. Non-voting Honorary Members. Any individual who meets the following minimum criteria may, by majority vote of the Board, be granted an honorary life membership in the Association:

1. He or she is no longer actively employed by or affiliated with a voting member of the Association.
2. He or she has held leadership positions, such as officer, director, committee chair or staff in the Association.
3. He or she has been an active participant in the Association for at least ten years.
4. He or she has made a significant individual contribution to the Association's mission and goals.

Honorary life members are not required to pay fees, dues or assessments, nor shall they be entitled to vote or hold office as a director or officer or be employed as staff. They shall be entitled to notice of meetings and to attend meetings in an emeritus capacity at their own expense so as to contribute their knowledge and experience for the good of the Association.

Section 4. Fees, Dues, and Assessments. The fees, dues, and assessments for all members of the Association shall be set by the Board and approved by the voting members.

Section 5. Good Standing. Those CASA members who have timely paid the required fees, dues, and assessments, who conduct themselves in accordance with any code of ethics established by the Association, and who are not in violation of any bylaw, rule, or policy of the Association, shall be members in good standing.

Section 6. Termination of Membership. Membership shall terminate on the occurrence of any of the following events:

- (a) Resignation of a member upon notice to the Association;
- (b) Failure of a member to pay any fees, dues, or assessments within the period of time established by the Board after they become due and payable;
- (c) Expulsion pursuant to Sections 7 and 8 of this Article.

Section 7. Suspension or Expulsion from Membership. Any CASA member may be suspended or expelled in accordance with this Article, based on the good faith determination by the Board, or a committee authorized by the Board to make such a determination, that the member has failed in a material and serious degree to comply with the Association's Articles of Incorporation, bylaws, code of ethics if any, or any law applicable to the Association and its members, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of the Association.

An entity whose membership is suspended shall not be a member in good standing during the period of suspension.

Section 8. Procedure for Suspension or Expulsion. If grounds appear to exist for suspension or expulsion of a member under this Article, the procedures set forth below shall be followed:

- (a) The member shall be provided at least 15 days prior notice of the proposed suspension or expulsion and the reasons for the proposed suspension or expulsion. Notice shall be given by any method reasonably calculated to provide actual notice. Any notice given by mail shall be sent first class or express mail to the member's last address as shown on the Association's records.
- (b) The member shall be given an opportunity to be heard, either orally or in writing, at least five (5) days before the effective date of the proposed suspension or expulsion. The hearing shall be held, or the written statement

considered, by the Board or by a committee authorized by the Board to determine whether the suspension or expulsion should take place.

- (c) The Board or authorized committee shall decide whether or not the member should be suspended, expelled or sanctioned in some other way. The decision of the Board or committee shall be in writing and shall be final.
- (d) Any action challenging an expulsion, suspension or termination of membership, including any claim alleging defective notice, must be commenced within one year after the effective date of the expulsion, suspension or termination.

Section 9. Effect of Termination, Suspension or Expulsion. All rights and privileges of a member of the Association shall cease upon termination, suspension or expulsion from membership. If a suspended member also has a director/officer on the Board, he/she will not be eligible to serve on the Board during the period of the member's suspension. He/she may resume his/her director/officer duties if the suspension is lifted and good standing is restored.

In the case of termination or expulsion, the member's membership in the Association shall terminate on the effective date of the termination or expulsion. If the terminated or expelled member had a director/officer on the Board, he/she shall no longer be eligible to serve on the Board as of the effective date of the member's termination or expulsion.

However, termination, suspension or expulsion shall not relieve the member (or former member) of any existing obligations to the Association (e.g. unpaid dues, fees, or assessments, duties of loyalty and confidentiality relative to CASA if the member had a director/officer on the Board, duty to return CASA property and documents, etc).

Section 10. No property Rights/No Withdrawal Value. Membership in the Association does not constitute an ownership interest in any asset of the Association at any time. If a member is terminated or expelled for any reason, the Association shall not be liable for the payment of any amount whatsoever to the member. Each member is received into membership on its express agreement to this provision.

Section 11. Transfer of Memberships. A membership or any right arising from membership may not be transferred to another person without the prior written approval of the Board.

Section 12. Limitations. No person shall hold more than one membership in the Association.

Section 13. Liability of Members. Except as provided by law, no member is liable for the Association's debts, liabilities, or obligations.

Section 14. Meetings of Members.

- (a) **Place of Meetings.** Meetings of the members shall be held in any place designated by the Board. In the absence of any such designation, members' meetings shall be held at the Association's principal office.
- (b) **Annual Meeting.** An annual meeting of the members shall be held each year at a time and location determined by the Board. At this meeting, any proper business may be transacted, subject to any limitations in law or these bylaws. Written notice of the annual members' meeting shall be given to all members of the Association, and the Board, in accordance with the procedures provided in subsections (d) and (e) below. Only voting members of CASA as described in Section 1 above may vote at the CASA annual membership meeting. Other interested persons may attend (but do not vote), and may be excluded from some portions of the meeting in the discretion of the Board President.
- (c) **Special Meetings of the Members.** Other meetings of the members ("special meetings") may be called at any time by 1) the Board, (2) the President of the Board, or (3) five percent of the voting members.

A special meeting of members shall be called by written request, specifying the general nature of the business proposed to be transacted and submitted to the President or the Secretary of the Association. The officer receiving the request shall cause notice to be given promptly to the members entitled to vote, in accordance with subsections (d) and (e) below, stating that a meeting will be held at a specified time and date. If the meeting is called by anyone other than the Board or President, the meeting date shall be at least thirty-five (35), but not more than ninety (90) days after receipt of the request. If the Board or President calls the meeting, the meeting date may be any date for which appropriate notice is given in accordance with subsections (d) and (e) below. If notice of a requested special meeting is not given within twenty (20) days after receipt of the request, the person or persons requesting the meeting may give the notice.

- (d) **Notice Requirements for Members' Meetings.** Written notice of any membership meeting shall be given, in accordance with these bylaws, to each voting member of the Association. Subject to any additional requirements in law or these bylaws, the notice shall state the place, date and time of the meeting, the means of electronic transmission by and to the Association (Corporations Code Sections 20 and 21) or electronic video screen communication, if any, by which members may participate in the meeting, and the general nature of the business to be transacted, and no other business may be transacted. The notice of any meeting at which directors are to be elected shall include the names of all those who are nominees at the time the notice is given to members.

- (e) Manner of Giving Notice for Meetings. Except as otherwise provided in these bylaws or by law, notice of any meeting of members shall be sent not less than 10 nor more than 90 days before the date of the meeting to each member who, on the record date for notice of the meeting, is entitled to vote; provided, however, that if notice is given by mail, and the notice is not mailed by first-class or express mail service, then that notice shall be given not less than 20 days before the meeting.

Notice of a members' meeting or any report shall be given personally, by electronic transmission (Corporations Code sections 20 and 21), or by regular, bulk, or express mail service, addressed to a member at the address of the member appearing on the books of the Association or given by the member to the Association for purpose of notice; or if no such address appears or is given, at the place where the principal office of the Association is located. An affidavit of giving of any notice or report in accordance with the provisions section, executed by the Secretary, shall be prima facie evidence of the giving of the notice or report.

Notice given by electronic transmission by the Association under this subdivision shall be valid only if it complies with Corporations Code Section 20. Notwithstanding the foregoing, notice shall not be given by electronic transmission by the Association after either of the following:

- (1) The Association is unable to deliver two consecutive notices to the member by that means.
- (2) The inability to so deliver the notices to the member becomes known to the Secretary or other person responsible for the giving of the notice.

Section 15. Waiver of Notice or Consent. The transactions of any members' meeting, however called or noticed and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (1) a quorum is present, and (2) either before or after the meeting, each member who is not present in person, signs a written waiver of notice, a consent to holding of the meeting, or an approval of the minutes. The waiver of notice, consent or approval need not specify either the business to be transacted or the purpose of any meeting of members. All such waivers, and consents, or approvals shall be filed with the corporate records or made a part of the minutes.

A member's attendance at a meeting shall also constitute a waiver of notice of and presence at that meeting, unless the member objects at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened. Also, attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be included in the notice of the meeting, but not so included, if that objection is expressly made at the meeting.

Section 16. Quorum. Thirty (30) of the voting members shall constitute a quorum for the transaction of business at any meeting of members. Provided, however, that if any meeting of members is actually attended by less than one-third of the voting power, the only matters that may be voted on are those for which the general nature of the action was specified on the notice of the meeting.

Section 17. Loss of Quorum. The members present at a duly called or held meeting at which a quorum is present may continue to transact business until 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 (or by a greater number if required by law or by the articles of incorporation or these bylaws). Any meeting may be adjourned by a majority of those members in attendance, whether or not a quorum is present.

Section 18. Act of the Members. If a quorum is present, the affirmative vote of a majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be the act of the members, unless the vote of a greater number is required by law, or by the articles of incorporation or these bylaws.

Section 19. Eligibility to Vote/Number of Votes. Voting members entitled to vote at any meeting of members or by ballot shall be all those voting members in good standing as of the date the vote is taken. Each voting member shall be entitled to one vote at any annual or special meeting of members.

Section 20. Proxies. Proxy voting is not allowed.

Section 21. Action of Members by Written Ballot Without a Meeting. Any action that may be taken at any meeting of members may be taken without a meeting by complying with the following procedure.

The President of CASA shall cause a ballot to be distributed to each voting member in accordance with Section 14(e) of this Article.

Any written ballot pursuant to this section shall: 1) set forth the proposed action, 2) provide an opportunity to specify approval or disapproval of any proposed action, and 3) provide a reasonable time within which to return the ballot to the Association.

The cover letter or memo soliciting ballots shall indicate the number of responses needed to meet the quorum requirement and, with respect to ballots other than for the election of directors, shall state the percentage of approvals necessary to pass the action submitted. The solicitation must specify the time by which the ballot must be received by the Association in order to be counted.

Approval of an action by written ballot pursuant to this section shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve at a

meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

Directors may be elected by written ballot under this section. If directors are to be elected by written ballot and the Board adopts a nomination procedure for the election process, the procedure may provide for a date for the close of nominations prior to the printing and distributing of the written ballots.

A written ballot may not be revoked. All written ballots shall be filed with the Secretary of the Association and maintained in the corporate records for at least three years.

ARTICLE III.

Board of Directors

Section 1. Powers of Board of Directors. The Board, subject to restrictions of law, the Articles of Incorporation, and these bylaws, shall exercise all powers of the Association. Without limitation on its general power, except as specified herein, the Board may do the following:

- (a) **Policies.** Adopt policies, rules and procedures for the management and operation of the Association.
- (b) **Administration.** Employ or retain an individual or management firm to administer the day-to-day activities of the Association. An individual retained pursuant to this authority shall be known as the Executive Director. The Executive Director, if any, cannot also be a member of the Board. The Board may also employ, retain, or authorize the employment of such other employees, independent contractors, agents, accountants, and legal counsel as it from time to time deems necessary or advisable in the interest of the Association, prescribe their duties and set their compensation.
- (c) **Bonds.** Require officers, agents, and employees charged by the Association with responsibility for the custody of any of its funds or negotiable instruments to give adequate bond.
- (d) **Borrowing money.** Borrow money and incur indebtedness on behalf of the Association and cause to be executed and delivered for the Association's purposes, in the Association name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, liens, and other evidences of debt and securities.
- (e) **Gifts.** Receive and accept gifts, devises, bequests, donations, annuities, and endorsements of real and personal property, and use, hold and enjoy the same, both as to principal and income, and to invest and re-invest the same or any part thereof for the furtherance of any objects, interests or purposes of this Association.

- (f) Contributions. Make such contributions as the Board determines are necessary and advisable in furtherance of the interests and purposes of this Association.
- (g) Fiscal Year. Fix and change the fiscal year of the Association.
- (h) Contracts. Enter into contracts and agreements with individuals and with public and private entities for the advancement of the purposes for which the Association is organized.
- (i) Property. Acquire, construct and possess real and personal property.
- (j) Bank Accounts and Special Funds. Establish one or more bank accounts and/or special funds in order to accomplish and further the purposes of the Association.
- (k) Committees. Appoint committees as provided in these bylaws.
- (l) Lobbying/Political Activity. Lobby local, state, and federal agencies and officials and engage in political activity on issues important to the members of CASA.
- (m) Political Action Committees. Establish and administer state and federal political action committees in order to accomplish and further the purposes of CASA.
- (n) Litigation. Initiate or participate in litigation as a party or via amicus brief if such action is deemed in the best interests of the corporation.
- (o) Other. Do and perform all acts and exercise all powers incidental to, or in connection with, or deemed reasonably necessary for the proper implementation of the purposes of the Association.

Section 2. Number/Qualifications. The Board shall consist of 13 directors as follows:

Twelve (12) directors elected by and from among the voting members; and

One (1) director appointed by the President from among the non-voting associate members.

Every director must be interested in and committed to the mission and purposes of CASA.

Section 3. Election of Directors. The twelve elected directors shall be elected at the annual meeting of the membership, or by written ballot in accordance with these bylaws. The one appointed director shall be appointed by the President at the annual meeting of

the Board. The Board may adopt additional procedures relative to the nomination and election process.

Section 4. Terms of Office. The term of office for all elected directors shall be three (3) years and all elected directors shall serve until expiration of the term for which elected and until a successor has been elected and qualified. The term of office for the appointed director shall be one (1) year and he/she shall serve until expiration of the term for which appointed and until a successor has been appointed and qualified. There shall be no limit on the number of terms a director may serve if he or she remains qualified and elected or appointed. The terms of the elected directors may be staggered using any reasonable method.

Section 5. Reduction of Number of Directors. No change of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

Section 6. Resignations/Removals. Any director may resign by giving written notice to the President or the Secretary. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective.

Any elected director may be removed from the Board by a majority vote of the members at any properly called and noticed membership meeting where a quorum is present or by written ballot pursuant to Section 21 of Article II above. The appointed director may be removed from the Board by a majority vote of the other Board members at any properly called and noticed Board meeting where a quorum is present.

Section 7. Vacancies. A vacancy or vacancies on the Board shall exist on the occurrence of the following: (a) the death or resignation of any director, (b) the declaration by resolution of the Board of a vacancy in the office of a director who has been declared of unsound mind by an order of court or convicted of a felony, (c) the vote of the members or the Board, as applicable, to remove any director(s), (d) the increase of the authorized number of directors, or (e) 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 required to be elected at that meeting or the failure of the Board to appoint any director they are authorized to appoint.

Section 8. Filling Vacancies. Vacancies on the Board may be filled by a majority vote of the remaining directors on the Board at any properly called and noticed Board meeting where a quorum is present. The members may fill any vacancy or vacancies not filled by the Board. Any individual filling a vacancy pursuant to this section shall meet the criteria for election to that seat. An individual appointed to fill a vacancy shall serve until the end of the term of the director whose vacancy he or she is filling.

Section 9. Annual and Special Board Meetings. An annual meeting of the Board shall be held in conjunction with the annual membership meeting. Other meetings ("special meetings") of the Board may be held from time to time on the call of the President, the

Board, or any two directors. The time and purpose for any special meeting shall be set by the person(s) calling such meeting.

Section 10. Notice of Board Meetings. Notice of meetings of the Board, specifying the time and place of the meeting, shall be given to each director at least seven (7) days before the meeting if sent by first-class mail or express mail service, or forty-eight (48) hours before the meeting if personally delivered or delivered by telephone (including a voice messaging system), or by electronic transmission by the Association (Corporations Code Section 20).

Notice shall be deemed delivered when deposited in the U.S. mail or with an express mail service, or when received if delivered personally or by telephone, or on its confirmation of delivery if by electronic transmission. A notice, or waiver of notice, need not specify the purpose of any meeting of the board.

Section 11. Place and Time of Meetings. Meetings of the Board shall be held at whatever place and time is designated from time to time by the Board or persons calling the meeting and, in the absence of any designation, shall be held at the principal office of the Association.

Section 12. Board meetings by Telephone or Video Conference or by Electronic Transmission.

Directors may participate in a meeting of the Board through use of conference telephone, electronic video screen communication, or electronic transmission by and to the Association (Corporation Code Sections 20 and 21).

Participation in a meeting through use of conference telephone or electronic video screen communication constitutes presence in person at that meeting as long as all directors participating in the meeting are able to hear one another.

Participation in a meeting through use of electronic transmission by and to the Association, other than conference telephone and electronic video screen communication, constitutes presence in person at that meeting if both of the following apply:

(a) Each director participating in the meeting can communicate with all of the other directors concurrently.

(b) Each director is provided the means of participating in all matters before the Board, including, without limitation, the capacity to propose, or to interpose an objection to, a specific action to be taken by the Association.

Section 13. Waiver of Notice and Consent to Meetings. Notice of a meeting need not be given to any director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting.

All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

Section 14. Quorum. A majority of the authorized number of directors shall constitute a quorum of the Board for the transaction of business.

Section 15. Act of the Board. Unless otherwise restricted by law or these bylaws, every act or decision done or made by a majority of directors present at a meeting duly held at which a quorum is present shall be regarded as an act of the Board. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of a director(s), if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

Section 16. Adjournment. A majority of the directors present, whether or not a quorum, may adjourn any meeting to another time and place. If the meeting is adjourned for more than 24 hours, notice of the adjournment to another time or place must be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment. Any business that might have been transacted at a meeting as originally noticed may be transacted at an adjourned and rescheduled meeting.

Section 17. Closed Meetings. Any meeting of the Board may be closed by the President so that only directors and individuals deemed necessary by the President are present. Members of the Association who are not directors may attend any Board meeting unless excluded by the President as described in this Section.

Section 18. Board Action Without Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting, if all directors on the board individually or collectively consent in writing to that action. An action by written consent shall have the same force and effect as a unanimous vote of the directors.

Section 19. Compensation of Directors/Officers. Directors and officers shall not receive compensation from CASA for their services as directors/officers. Directors/officers may, at the discretion of the Board, receive reimbursement for travel and other actual expenses related to activities on behalf of the Association if authorized by the Board or a committee having such authority.

Section 20. Voting Power. For all purposes, the voting power of each voting director shall be one vote.

Section 21. Property Rights. No director shall have any property rights in any assets of the Association.

ARTICLE IV.

Officers

Section 1. Officers of the Association. The elected officers of the Association shall be a President, a Vice-President, and a Secretary/Treasurer. All officers must be directors. The Executive Director shall be an officer of the corporation, but not an elected officer.

Section 2. Election of Officers. The elected officers of the Association shall be elected by the Board from among its directors at the annual Board meeting.

Section 3. Terms of Office; Term Limits. Elected officers shall serve at the pleasure of the Board for one (1) year terms. There is no limit on the number of terms an officer may serve if she is a director and continues to be qualified and elected by the Board.

Section 4. Removal of Officers. Any elected officer may be removed at any time, with or without cause, by a majority vote of the Board at any properly called and noticed meeting where a quorum is present.

Section 5. Resignation of Officers. An officer may resign at any time by giving written notice to the President or Secretary of CASA. The resignation shall take effect as of the date the notice is received or at any later time specified in the notice and, unless otherwise specified in the notice, the resignation need not be accepted to be effective.

Section 6. Vacancies in Office. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled by a majority vote of the directors present at any annual or special meeting of the Board where a quorum is present. The individual filling a vacant officer position shall serve until the end of the term of the officer whose vacancy he or she is filling.

Section 7. Responsibilities of Officers.

(a) President. The President of the Board shall preside at meetings of the Board and shall exercise and perform such other powers and duties as the Board may assign from time to time.

(b) Vice-President. In the absence or disability of the President, the Vice-President shall perform all of the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions on the President. In case of death or resignation of the President, the Vice-President shall assume the office of President and fulfill the remainder of that term of office. The Vice-President shall have such other powers and perform such other duties as the Board or the bylaws may prescribe.

(c) Secretary/Treasurer.

The Secretary/Treasurer shall keep or cause to be kept a book of minutes at the principal office, or at such other place as the Board may order, of all meetings of

the Board. The Secretary/Treasurer shall give, or cause to be given, notice of all conferences and meetings of the Members and Board for which the bylaws require notice, and shall have such other powers and perform such other duties as the Board or the bylaws prescribe.

The Secretary/Treasurer shall keep and maintain the following records on behalf of the corporation:

- Copies of the Articles of Incorporation and Bylaws.
- Accounting books.
- Minutes of board and membership meetings.
- Membership lists.
- Any records related to special meetings.
- Tax records.

The Secretary/Treasurer shall cause to be prepared and distributed the following reports on behalf of the corporation:

- Annual Report: An annual report, audited by a Certified Public Accountant selected by the Board, must be prepared within 120 days of the close of the corporation's fiscal year. This must include: a balance sheet for the end of the fiscal year; an income statement and statement of changes in financial position for the fiscal year; a statement of where the records of current members' names and addresses are located and; a statement of transactions involving self-dealing, indemnifications or advances between the corporation and any director, officer or holder of more than 10 percent of voting power.

The report must be made available to any member on request, and members must be notified of the availability of the report annually.

- Secretary of State Filing: A biennial form must be filed with the Secretary of State that gives the name and address of the officers and an agent for service of process.
- IRS tax return: A federal tax return must be prepared and filed by November 15 of each year.

(d) Executive Director. The Executive Director serves at the pleasure of the Board and may not be an individual who is serving on the Board. The Executive Director shall be the chief executive officer and general manager of CASA and shall supervise, direct, and control the Association's day-to-day activities, affairs, and administration. The Executive Director shall keep the Board apprised of significant matters relating to the operation of the Association, its activities, employees, contractors, and financial condition. The Executive Director shall have such other powers and duties as the Board or the Bylaws may prescribe.

ARTICLE V.

Committees

Section 1. Committees of the Board. The Board may create one or more “committees of the Board”, each consisting of two or more directors *and no persons who are not directors*, to serve at the pleasure of the Board. Appointments to committees of the Board shall be made by the President. Any such committee, to the extent provided in the Board resolution creating the committee, shall have all the authority of the Board, except that no committee, regardless of Board resolution, may:

- (a) Fill vacancies on the Board or on any committee that has the authority of the Board;
- (b) Fix compensation of the directors for serving on the Board or on any committee;
- (c) Amend or repeal Bylaws or adopt new Bylaws;
- (d) Amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable;
- (e) Create any other committees of the Board or appoint the members of committees of the Board; or
- (f) Approve any contract or transaction to which the Association is a party and in which one or more of its directors has a material financial interest, except as allowed by the California Corporations Code.

Section 2. Notice Requirements for Committees of the Board. Written notice for meetings of committees of the Board shall be given in accordance with Article III of these bylaws. Provided, however, that this notice may be waived in writing, or by the committee member’s actual attendance at the meeting.

Section 3. Quorum for Committees of the Board. A majority of the voting members of any committee of the Board shall constitute a quorum, and the acts of a majority of the voting members present at a meeting at which a quorum is present shall constitute the act or recommendation of the committee.

Section 4. Advisory Committees. The Board may also establish advisory committees composed of any number of directors and/or non-directors who shall be appointed by the President. Advisory committees shall provide advice and recommendations to the Board but shall not have the authority of the Board or any final decision making authority.

Section 5. Meetings by Telephone or Video Conference or by Electronic Transmission. Any meeting of a committee may be held by telephone or video

conference or by electronic transmission in the same manner provided for in Article III of these bylaws.

ARTICLE VI.

Liability, Indemnification, and Insurance stop

Section 1. Liability. Subject to any limitations contained in the California Corporations Code, there is no monetary liability on the part of, and no cause of action for damages shall arise against, any volunteer director or officer of the Association based on any alleged failure to discharge the person's duties as a volunteer director or officer if the duties are performed in accordance with the standards of conduct provided for in the California Corporations Code.

Section 2. Indemnification.

- (a) Indemnification. To the fullest extent permitted by law, this Association shall indemnify its directors, officers, employees, and other persons described in Section 7237(a) of the California Corporations Code, including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that Section, and including an action by or in the right of the Association, by reason of the fact that the person is or was a person described in that Section. "Expenses," as used in this bylaw, shall have the same meaning as in Section 7237 of the California Corporations Code.
- (b) Approval of Indemnity. On written request to the Board by any person seeking indemnification under Section 7237(b) or Section 7237(c) of the California Corporations Code, the Board shall promptly determine under Section 7237(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, the Board shall promptly call a meeting of members. At that meeting, the members shall determine under Section 7237(e) whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the members present at the meeting shall authorize the indemnification.

Section 3. Insurance. The Board shall adopt a resolution authorizing the purchase and maintenance of an insurance policy or policies or bond on behalf of its directors, officers or employees against any liabilities, other than for violating provisions against self-dealing, incurred by the director, officer or employee in such capacity or arising out of their status as such.

ARTICLE VII.

Miscellaneous

Section 1. Inspection of Records. The members and directors of the Association shall have the right to inspect the records of the Association to the extent and under the circumstances provided by the California Nonprofit Mutual Benefit Corporation Law.

Section 2. Fiscal Year. Unless changed by the Board, the fiscal year of the Association shall begin on July 1 and end on June 30.

Section 3. Conflicts of Interest. Board members and committee members must actively seek to avoid situations and activities that create an actual or potential conflict between the individual's personal interests and the interests of the Association. If a Board member or committee member believes that a conflict exists relative to a particular issue being considered by the Board or any committee, he or she shall disclose the conflict to the Board or committee, as appropriate, and abstain from discussion or voting on the issue.

For purposes of this section and these bylaws, a "conflict of interest" means a situation in which a Board or committee member is part of a discussion or decision by the Board or a committee which has the potential to financially benefit that Board or committee member or a member of that Board or committee member's immediate family. "Immediate family" means, spouse or same-sex/domestic partner, children, parents, siblings, parents-in-law, or siblings-in-law.

Both the fact and the appearance of a conflict of interest should be avoided. Board members or committee members who are unsure as to whether a certain transaction, activity, or relationship constitutes a conflict of interest should discuss it with the President, who will determine whether disclosure to the Board or the assistance of legal counsel is required.

Section 4. Intellectual Property. All intellectual property prepared or purchased by or on behalf of the Association, including but not limited to the CASA name, educational, promotional, and training materials, newsletters, contracts, logos, service marks, membership lists, contributor lists, and research results, shall be the exclusive property of the Association and directors, members, and contractors/employees agree to deal with it as such. Directors, members and contractors/employees agree that they will not sell, transfer, publish, modify, distribute, or use for their own purposes, the intellectual property belonging to the Association without prior approval of the Board memorialized in a writing signed by the President.

Section 5. Required Disclosures and Reporting. CASA shall comply with the disclosure and reporting requirements of federal and state agencies to which it is subject.

ARTICLE VIII.

Amendments

Section 1. Amendment to Bylaws. These bylaws may be initially adopted, amended, or repealed and new bylaws adopted, by a majority vote of the Board at any properly called and noticed meeting where a quorum is present.

However, approval of the members is also required for any amendment or for new bylaws after the initial adoption that would:

- (a) Materially and adversely affect the members' rights as to voting or dissolution;
- (b) Effect an exchange, reclassification, or cancellation of all or part of the memberships;
- (c) Authorize a new class of membership;
- (d) Change the number of authorized directors;
- (e) Change from a fixed number of directors to a variable number of directors, or vice versa;
- (f) Increase or extend the terms of directors;
- (g) Allow any director to hold office by designation or selection rather than by election by the members;
- (h) Increase the quorum for members' meetings; or
- (i) Repeal, restrict, create, expand, or otherwise change proxy rights.

All proposed bylaw amendments or new bylaws must be sent to all directors and/or members eligible to vote on such amendments or new bylaws at least ten (10) days prior to the meeting at which the amendments or new bylaws will be discussed and voted on.

ARTICLE IX.

Dissolution

Section 1. Voluntary Dissolution. The Association may be voluntarily dissolved at any time by a majority vote of the voting members at any properly called meeting where a quorum is present. If the voting members approve the dissolution, the Board shall promptly cease operations and proceed to wind up and dissolve the Association.

Section 2. Remaining Assets. Upon the dissolution of the Association, all debts thereof shall be paid and its affairs settled, and all remaining assets shall be distributed as determined at the time of dissolution by the CASA Board in its sole discretion, so long as the distribution is not inconsistent with law.

**CERTIFICATE OF SECRETARY
OF
CALIFORNIA ASSOCIATION OF SANITATION AGENCIES**

I certify that I am the duly elected and acting Secretary of the CALIFORNIA ASSOCIATION OF SANITATION AGENCIES, a California Nonprofit Mutual Benefit Corporation; that the above Bylaws, consisting of 20 typewritten pages including this page, are the Bylaws of this Association as adopted by the Board of Directors on March 10, 2014, and approved by the voting members on _____, 2014; and that these Bylaws have not been amended since that date.

Executed on the _____ day of _____, 2014, at
_____, California.

_____, Secretary