

August 8, 2012 Discussion Draft

BYLAWS
OF
SRRTF
ADMINISTRATIVE AND CONTRACTING ENTITY

DRAFT - For Discussion Only

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ARTICLE I. DEFINITIONS

Section 1.1 “Board” means the board of directors of the Corporation as described in Article V.

Section 1.2 “Corporation” means SRRTTF Administrative and Contracting Entity, a Washington Nonprofit Corporation.

Section 1.3 “Members” means the members designated pursuant to Article IV.

ARTICLE II. OFFICES

The registered office of the Corporation in the state of Washington is [1780 Barnes Blvd. S.W., Bldg. G, Tumwater, WA 98512-0410]. The Corporation may have such other offices within or without the State of Washington as the Board may designate or the Corporation may require from time to time.

ARTICLE III. PURPOSE & FUNCTION

The purpose of the Corporation is to facilitate and support the administrative and contracting aspects of the Spokane River Regional Toxics Task Force (Task Force), as described and outlined in the Memorandum of Agreement Regarding the Spokane River Regional Task Force, dated _____, 2012. This Memorandum of Agreement is incorporated into these by-laws and the Articles of Incorporation by reference and attached hereto as Attachment “A”. As required by the Washington State Department of Ecology NPDES permits, the Spokane River wastewater discharge permittees must participate in a cooperative effort to create a Regional Toxics Task Force and participate in the functions of the Task Force.

The function of the Corporation is to provide organizational structure to address the administrative, funding and contractual needs of the Spokane River Regional Toxics Task Force.

ARTICLE IV. MEMBERS OF THE CORPORATION

Section 4.1 Membership

The Corporation shall have Members. Membership in the Corporation is open to all of the parties signed on to the above referenced Memorandum of Agreement Regarding Spokane River Regional Toxics Task Force, dated _____, 2012 (the "MOA" and each such party to the MOA, a "Task Force Member"). Additional Members may be appointed from time to time by two-thirds (2/3) vote of the Members present or represented at a properly called Member meeting.

Members of the Corporation will make decisions and develop recommendations through the Spokane River Regional Toxics Task Force, which will guide operations of the Corporation. Members may attend the Corporation Member meetings and serve as advisors to the Corporation Board of Directors for issues not addressed through the Task Force.

Section 4.2 Termination of Membership

The membership of any Member may be terminated for cause upon a two-thirds vote for such termination by the active Members present or represented at a properly called Member meeting. For these purposes "cause" for removal of a Member's membership shall include failure by such Member to pay dues or make special contributions as set forth in Section 4.3. A Member's membership shall be automatically terminated if such Member's status as a Task Force Member is terminated.

Section 4.3 Dues and Member Contributions

All Members may be required to contribute annual membership dues. Considering recommendations provided by the Spokane River Regional Toxics Task Force, the Board shall determine, after discussion, an equitable apportionment of the dues amount. The Board may establish different levels of dues requirements for different classes of Members, and may include in-kind or other types of contributions. The aggregate Member dues shall be the amount necessary to fund the Corporation's annual administrative fixed costs.

Any amounts beyond the annual administrative fixed costs which are required to fund specific projects or specific contractual obligations assumed by the Corporation shall be funded by a combination of additional private and public sources of funds. Considering recommendations provided by the Spokane River Regional Toxics Task Force, the Board shall determine, after discussion, an equitable apportionment between

Members to fund specific projects and specific contractual obligations assumed by the Corporation based on the purpose of the project, anticipated outcome or results, and/or contribution to the purpose of the Spokane River Regional Toxics Task Force and regulatory requirements.

The Corporation recognizes that any contributions for either administrative costs or to fund projects or contractual obligations assumed by the Corporation that are assessed toward an individual member must be approved by the individual member's regular appropriation/payment procedures.

Section 4.4 Member Annual Meeting

The annual meeting of the Members shall be held the first Wednesday in June, unless a different date is set by the Board, and at a location that is determined by the Board with advice of the Members so long as there is one annual meeting in each calendar year.

All meetings shall be open to the public and in accordance with the provisions of the Washington Open Meetings Act (Chapter 42.30 RCW), as that provision now exists or may be hereafter amended.

Section 4.5 Special Meetings

Special meetings of the Members for any purpose or purposes unless otherwise prohibited by statute may be called by the President, by the Board, or by Members having fifty-percent (50%) of the votes entitled to be cast.

Section 4.6 Extraordinary Actions

In the event of amendment to the Articles or Bylaws, dissolution, merger, or the sale, lease, exchange or other disposition of all, or substantially all, the property and assets of the corporation, the Board shall adopt a resolution to recommend such action to the Members at either an annual or special meeting of the Members. The Board shall cause notice of the meeting to be given to the members in accordance with Section 4.8 of these bylaws. The Members entitled to vote at such meeting may authorize such action by the Board by a vote of at least two-thirds of the Members present at the meeting.

Section 4.7 Place of Meeting

Meetings of the Members shall be held at either the principal office of the Corporation or at such other place within or without the State of Washington as the Board or the President may designate.

Section 4.8 Notice of Meetings and Waiver of Notice

Notice, in the form of a record, stating the place, day, and hour of the annual meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than fifty days before the date of the meeting, by or at the direction of the president, or the secretary, or the officers or persons calling the meeting, to each Member. Notice of regular meetings other than annual shall be made by providing each Member with the adopted schedule of regular meetings for the ensuing year at any time after the annual meeting and ten days prior to the next succeeding regular meeting and at any time when requested by a Member or by such other notice as may be prescribed by the bylaws. If notice is provided in a tangible medium, it may be transmitted by: mail, private carrier, personal delivery, or electronic (telegraph or teletype; telephone, wire, or wireless equipment that transmits a facsimile of the notice). If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his or her address as it appears on the records of the corporation, with postage thereon prepaid. Other forms of notice in a tangible medium described in this subsection are effective when received. Notice may be provided in an electronic transmission and be electronically transmitted. Such notice shall be effective only with respect to those members who have consented, in the form of a record, to receive electronically transmitted notices and which members have designated in such consent the address, location or system to which such notices may be electronically transmitted. Notice provided in an electronic transmission is effective when it is electronically transmitted to an address, location or system designated by the recipient for that purpose.

Whenever any notice is required to be given to any Member or director of a corporation under the provisions of applicable Washington law or under the provisions of the articles of incorporation or bylaws of the corporation, a waiver in the form of a record executed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

Section 4.9 Quorum

A majority of the Members of the Corporation entitled to vote shall constitute a quorum at a meeting of the Members.

Section 4.10 Manner of Acting

The vote of a majority of the votes entitled to be cast by the Members at a meeting at which a quorum is present shall be necessary and sufficient for the adoption of any matter voted on by the Members, unless a greater proportion is required by applicable Washington law, the articles of incorporation or these bylaws.

Section 4.11 Participation by Conference Call

Members may participate in any meeting by means of a conference call or similar communications equipment by which all persons participating in the meeting can hear

each other at the same time. Participation by such a means shall constitute presence in person at a meeting.

ARTICLE V. CORPORATE BOARD OF DIRECTORS

Section 5.1 Power and Name

The Board of Directors of the SRRTTF Corporation (the "Board") shall manage the business and affairs of the Corporation at all times. It shall report to the membership at the annual meeting as it deems appropriate or is otherwise required by these bylaws.

Section 5.2 Number and Qualification

The Board shall consist of at least six (6) and no more than seven (7) directors. The directors need not be residents of the State of Washington. No decrease in the number of directors may have the effect of shortening the term of any incumbent director unless such director resigns or is removed in accordance with the provisions of these bylaws.

Section 5.3 Tenure

Unless removed in accordance with these bylaws, each director shall hold office for the terms indicated in this section. The directors shall serve three-year terms. Terms of newly elected directors shall start on the day following their election. Each director shall hold office for the term for which the director is elected or appointed and until the director's successor shall have been selected and qualified.

Section 5.4 Appointment of Directors

The City of Spokane, Spokane County, Liberty Lake Water and Sewer District, Inland Empire Paper, and Kaiser Aluminum shall each appoint one director. Considering the recommendation of the Task Force, the five (5) directors shall then appoint one (1) director designated by the Board as a representative of conservation and environmental interests, provided, however that the director represents an organization that is a party to the MOA and is a Member of the Corporation. The Spokane Tribe of Indians shall be entitled to appoint one (1) director, provided, however that the Spokane Tribe of Indians becomes a party to the MOA and becomes a Member of the Corporation.

Section 5.5 RESERVED

Section 5.6 RESERVED

Section 5.7 Annual and Other Regular Meetings

An annual meeting of the Board shall be held, without other notice than this bylaw, immediately after and at the same place as the annual meeting of the Members. The Board may specify by resolution the time and place, either within or without the state of Washington, for holding any other regular meetings of the Board.

Section 5.8 Special Meetings

Special meetings of the Board may be called by the President, the Secretary or any director. Notice of special meetings of the Board stating the date, time, and place thereof shall be given at least seven (7) days prior to the date set for such meeting by the person or persons authorized to call such meeting, or by the Secretary at the direction of the person or persons authorized to call such meeting. The notice may be oral or written or transmitted by e-mail. Notice may be provided in an electronic transmission and be electronically transmitted. Such notice shall be effective only with respect to those members who have consented, in the form of a record, to receive electronically transmitted notices and which members have designated in such consent the address, location or system to which such notices may be electronically transmitted. Notice provided in an electronic transmission is effective when it is electronically transmitted to an address, location or system designated by the recipient for that purpose. Written notice is effective upon dispatch if such notice is sent to the director's address, e-mail address, telephone number, or other number appearing on the records of the Corporation. If no place for such meeting is designated in the notice thereof, the meeting shall be held at the principal office of the Corporation. Unless otherwise required by law, neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice of such meeting.

Any director may waive notice of any meeting at any time. Whenever any notice is required to be given to any director of the corporation pursuant to applicable law, a waiver thereof in writing signed by the director entitled to notice shall be deemed equivalent to the giving of notice. The attendance of a director at a meeting shall constitute a waiver of notice of the meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully convened.

Section 5.9 Quorum

A minimum of four (4) or sixty percent (60%) of the number of directors specified in or fixed in accordance with these bylaws shall constitute a quorum for the transaction of any business at any meeting of directors.

Section 5.10 Manner of Acting

If a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the Board, unless the question is one upon which a different vote is required by express provision of law or the articles of incorporation or these bylaws.

Section 5.11 Participation by Conference Telephone

Directors may participate in a regular or special meeting of the Board by, or conduct the meeting through the use of, any means of communication by which all directors participating can hear each other during the meeting and participation by such means shall constitute presence in person at the meeting.

Section 5.12 Presumption of Assent

A director who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless the director's dissent or abstention shall be entered in the minutes of the meeting or unless the director delivers his or her dissent or abstention to such action to the person acting as the secretary of the meeting before the adjournment thereof or delivers such dissent or abstention to the secretary of the corporation immediately after the adjournment of the meeting which dissent or abstention must be in the form of a record. Such right to dissent or abstain shall not apply to a director who voted in favor of such action.

Section 5.13 Action by Board Without a Meeting

Any action permitted or required to be taken at a meeting of the Board may be taken without a meeting if one or more consents in the form of a record setting forth the action so taken, shall be executed, either before or after the action taken, by all the directors. Action taken by consent is effective when the last director executes the consent, unless the consent specifies a later effective date.

Section 5.14 Board Committees

The Board may by resolution adopted by a majority of directors in office designate from among its Members one or more committees, each of which must have two (2) or more directors and shall be governed by the same rules regarding meetings, action without meetings, notice, waiver of notice, quorum, and voting as applicable to the Board. Each such committee shall have and may exercise only the authority specifically granted to it by the Board, these bylaws, or the Articles of Incorporation. The designation of any such committee and the delegation thereto of authority shall not relieve the Board, or any Members thereof, of any responsibility imposed by law.

Section 5.15 Resignation

Any director may resign at any time by delivering written notice to the President, the Secretary, or the registered office of the Corporation, or by giving oral notice at any

meeting of the directors or Members. 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.

A director is deemed to have resigned immediately should the Member that the director represents withdraw, voluntarily or otherwise, from the Task Force or from the Corporation.

Section 5.16 Removal

Any director may be removed from office at any time, with or without cause, by direction of the Member that appointed the director to the Board, and such Member shall appoint a replacement director.

Section 5.17 Vacancies

A vacancy on the Board may occur by the resignation, removal, or death of an existing director, or by reason of increasing the number of directors on the Board as provided in these bylaws and may only be filled as provided by Section 5.4 of these bylaws. A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office, except that the term of office of a vacancy to be filled by reason of an increase in the number of directors shall continue only until the next election of directors.

Section 5.18 Compensation

By resolution of the Board, the directors may be paid their reasonable expenses incurred, if any, for attendance at meetings of the Board or committee thereof.

ARTICLE VI. OFFICERS

Section 6.1 Number and Qualifications

The Corporation shall have the following officers: President, Vice-President (one or more), Treasurer, and Secretary. Such other officers and assistant officers, including a Chairman of the Board, as may be deemed necessary or appropriate may be appointed by the Board. By resolution, the Board may designate any officer as chief executive officer, chief operating officer, or any similar designation. Any two or more offices may be held by the same person, except for the offices of President and Secretary. Officers shall not be required to be Members of the Corporation.

Section 6.2 Appointment and Term of Office

The officers of the Corporation shall be appointed by the Board to serve for a one-year term or such term as the Board may deem advisable. Terms of newly appointed officers shall start on the day following their election. Each officer shall hold office until a successor shall have been appointed regardless of such officer's term of office, except in the event of such officer's removal in the manner herein provided.

Section 6.3 Resignation

Any officer may resign at any time by delivering written notice to the President, the Secretary, or the registered office of the Corporation, or by giving oral notice at any meeting of the directors or Members. 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 6.4 Removal

The Board may remove an officer with or without cause whenever they deem it in the best interests of the Corporation to do so. The removal of an officer shall be without prejudice to the contract rights, if any, of the officer so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

Section 6.5 Chair and Vice-Chair of the Board

The Board may appoint from among its directors a director to serve as the Chair of the Board. The Chair of the Board, if the Board has appointed a director to such office, shall, if present, preside at all meetings of the Board including the annual meeting, and exercise and perform such other powers and duties, if any, as may be determined from time to time by resolution of the Board. The Vice-Chair of the Board, if the Board appoints a director to such office, shall perform the duties of the Chair of the Board in his/her absence, or in the event of his/her death, disability or refusal to act. The Vice-Chair of the Board shall exercise and perform such other powers and duties, if any, as may be determined from time to time by resolution of the Board.

Section 6.6 President

The President shall be the principal executive officer of the Corporation and, subject to the control of the Board, shall supervise the affairs of the Corporation, serve as or designate the presiding officer at the annual meeting of the Members in the absence of the Chairperson of the Board and may appoint representatives to affiliate organizations and establish committees to consider matters of importance to the Corporation. The President shall keep the Board informed of actions and seek their guidance on matters of major importance. The President may sign deeds, mortgages, bonds, contracts, or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these bylaws to some other officer or agent of the Corporation or

shall be required by law to be otherwise signed or executed. In general, the President shall perform all duties incident to his/her office and such other duties as may be prescribed by resolution of the Board from time to time.

Section 6.7 Vice-President

In the absence of the President or in the event of his/her death, disability or refusal to act, the Vice-President, or in the event there shall be more than one Vice-President, the Vice-Presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their election or appointment, shall perform the duties of the President. When so acting the Vice-President shall have all the powers of and be subject to all the restrictions upon the President and shall perform such other duties as from time to time may be assigned to the Vice-President by resolution of the Board.

Section 6.8 Secretary

The Secretary shall keep the minutes of the proceedings of the Members and Board; shall give notices in accordance with the provisions of these by-laws and as required by law; shall be custodian of the corporate records of the Corporation; shall keep a record of the names and addresses of all Members; may sign with the President, or a Vice-President, deeds, mortgages, bonds, contracts, or other instruments that shall have been authorized by the Board; and in general shall perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to the Secretary by resolution of the Board.

Section 6.9 Treasurer

The Treasurer manages the fiscal affairs of the Corporation, is responsible for keeping correct and complete books and records of account and supervising the billing and collection of dues. The Treasurer is authorized to pay bills of the Corporation arising from (1) expenses that officers incur in fulfilling their stated responsibilities and (2) incidental expenses of no more than \$1,000.00 that the Corporation may incur. For all other expenditures greater than \$1,000 but less than \$5,000 the President's approval shall be obtained; the Board's approval is required for all expenditures of over \$5,000.00. The Treasurer is authorized to invest currently unneeded funds in interest-bearing savings deposits that are insured by an agency of the federal government and to perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to the Treasurer by resolution of the Board. A financial report shall be submitted yearly at the annual meeting. The Treasurer shall not be required to give a bond for the faithful discharge of his/her duties.

ARTICLE VII. RESERVED

ARTICLE VIII. CONTRACTS, LOANS, CHECKS, DEPOSITS

Section 8.1 Contracts

The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and that authority may be general or confined to specific instances.

Section 8.2 Loans

No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board, which authority may be general.

Section 8.3 Checks, Drafts, Etc.

All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by the officer or officers, or agent or agents, of the Corporation and in the manner as shall from time to time be prescribed by resolution of the Board.

Section 8.4 Deposits

All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in a Corporation controlled bank account. The Treasurer and the Secretary will have signature rights to the account.

Section 8.5 Loans to Directors and Officers

No loans shall be made by the Corporation to any officer, director, or Member.

ARTICLE IX. MISCELLANEOUS PROVISIONS

Section 9.1 Rules of Procedure

The rules of procedure at meetings of the Board, meetings of the Members, and committee meetings shall be the rules contained in Roberts' Rules of Order on Parliamentary Procedure, as amended, so far as applicable and when not inconsistent with these bylaws, the articles of incorporation, or any resolution of the Board.

Section 9.2 Books and Records

The Corporation shall keep correct and complete books and records of account, minutes of the proceedings of its Members, the Board, and any committees designated by the Board, and such other records as may be necessary or advisable.

Section 9.3 Fiscal Year

The fiscal year of the Corporation shall be from January 1st to December 31st, or such other fiscal year as may be determined by resolution adopted by the Board.

Section 9.4 Copies of Resolutions

Any person dealing with the Corporation may rely upon a copy of any of the records of the proceedings, resolutions, or votes of the Board when such records are certified by the President or Secretary.

Section 9.5 Amendments to these Bylaws

These bylaws may be altered, amended, or repealed, and new bylaws may be adopted, upon a vote by a minimum of four (4) directors or by a two-thirds vote of the directors present, whichever is greater, at any meeting of the Board; provided that each director received notice at least ten (10) days prior to the meeting, and that such notice indicated the text of the proposed by-law amendment and that a by-law amendment would be voted upon at the meeting.

**ARTICLE X. SECRETARY'S
CERTIFICATION**

The undersigned, being the Secretary of the Corporation, hereby certifies that these bylaws are the bylaws of SRRTTF Administrative and Contracting Entity, adopted by resolution of the directors on _____, 2012.

DATED this _____ day of _____, 2012.

Secretary

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