

Bylaws  
of  
Russian River Watershed Council  
A California Non Profit Public Benefit Corporation

**ARTICLE I**  
**NAME - PURPOSE – LOCATION**

SECTION 1: NAME: The name of this Corporation is The Russian River Watershed Council Inc. It is organized under the California Non-profit Public Benefit Corporation Laws of California (Corp. Code 5110, ET. Seq.) for charitable purposes and all activities are subject to Section 501 (c) (3) of the federal Internal Revenue Code. The Corporation is not organized for the private, personal gain of any one individual.

SECTION 2: PURPOSE: The purpose of the Russian River Watershed Council, as described in its mission statement, is to protect, restore and enhance the biological health of the Russian River and its' watershed through a community based process, which facilitates consensus, communication, and collaboration among all interested parties. The Corporation will also provide a coordination mechanism for local and regional groups and individuals interested in enhancing the Russian River watershed.

SECTION 3: OFFICE: The Board of Directors shall fix the location of the principal executive office of the Corporation at any place within the counties of Sonoma or Mendocino in the State of California. Presently, the Corporation's address is P.O. Box 3908 Santa Rosa, CA 95402 **\*\*Legal Advice**

SECTION 4: OTHER OFFICES: The Board of Directors may at any time establish branch offices to facilitate the Corporation and its' work. These offices must be located within Sonoma or Mendocino Counties in the State of California.

**ARTICLE II**  
**OBJECTIVES AND LIMITATIONS**

SECTION 1: OBJECTIVES: The major objectives of this Corporation are to restore and conserve the economic and environmental resources of the Russian River watershed by, encouraging responsible stewardship, implementing outreach and education programs, and facilitating cooperative efforts. The Corporation's major focus will be to promote stewardship, sustain a healthy economy, and protect critical habitat for native fisheries within the watershed. The Corporation will also work to disseminate balanced technical and scientific information to the general public.

SECTION 2: LIMITATIONS: A. The Board of Directors of the Russian River Watershed Council Inc. will only consider actions that are consistent with the mission of the Russian River Watershed Council and approved by the Voting Members of the Corporation.

B. No activity shall be undertaken by the Corporation that violates the non-profit status of the corporation under the California Non-Profit Public Benefit Corporation law, under federal or state law for Section 501 (c) (3) organizations.

SECTION 3: GRANTS: The Corporation shall seek and request monies from grantors and other funding sources for projects identified by the Russian River Watershed Council Inc. and to provide for the continued operation of the Corporation.

**ARTICLE III**

## **MEMBERSHIPS**

**SECTION 1: CLASSES OF MEMBERSHIPS.** This Corporation shall have a Board of Directors and voting membership with balanced representation from economic, environmental and general public stakeholders and geographic balance between Sonoma and Mendocino counties when possible.

**SECTION 2: VOTING MEMBERS.** Voting members can include any person or organization, represented by an individual, that has an interest in the Russian River watershed. Potential members must support the objectives of the Corporation as set forth in the mission statement and must be approved for membership by the Board of Directors.

**SECTION 3: VOTING MEMBERS.** The number of voting members shall be established by the Board of Directors with a minimum of (20) twenty members.

**SECTION 4: RIGHTS OF VOTING MEMBERS:** Voting members shall have the right to vote, as set forth in these bylaws, on the elections of directors, on the disposition of all or substantially all of the Corporation's assets, on any merger and its principal terms and any amendment of those terms, on any election to dissolve the Corporation, and any such matters brought forth by the membership. Voting members are eligible to vote only if they are in attendance at the time a vote is taken and new members must attend three meetings prior to casting a vote. Each voting member shall be entitled to one (1) vote on each matter submitted to a vote of the eligible voting members. In addition, voting members shall have all rights afforded members under **MEMBERSHIP PROVISIONS FOR PUBLIC BENEFIT CORPORATIONS.**

**SECTION 5: RESPONSIBILITIES OF VOTING MEMBERS.**

- (A) Adhere to these bylaws and be responsible for their enforcement at all times.
- (B) Standard of Behavior. Voting members shall at all times search for opportunities to develop group solutions and resolve conflicts, treat other members with respect, and be respectful of different views.

**SECTION 6: MEMBERSHIP DUES or FEES.** The Board of Directors shall establish any annual dues or fees payable to the Corporation by members.

**SECTION 7: MEMBER REMOVAL and RESIGNATION or SUSPENSION.** Any voting member may be removed, with cause, by a 2/3 majority vote by the membership at any regular meeting. Members absent from three concurrent regular meetings are suspended and voting rights relinquished. Voting rights may be reestablished by attending three concurrent regular meetings. Members wishing to resign from the Corporation may do so by notifying to President or Chairperson in writing.

## **ARTICLE IV MEMBERSHIP MEETINGS**

**SECTION 1: ANNUAL MEETING:** The Annual Membership meeting shall be held on the third Saturday in January.

**SECTION 2: REGULAR MEMBERSHIP MEETINGS:** Regular schedule for member meetings will be determined by the Board of Directors with input from the membership.

**SECTION 3: NOTICE:** Notice of all meetings will be as set forth in these bylaws.

## **ARTICLE V DIRECTORS**

### **SECTION 1: POWERS:**

A. **GENERAL CORPORATE POWERS.** Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable law, and subject to any limitation of the Articles of the Incorporation or Bylaws regarding actions that require approval of the members, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors.

B. **SPECIFIC POWERS.** Without prejudice to the general powers set forth in paragraph A of this Section, but subject to the same limitations, the directors shall have the power to:

1. Appoint and remove, at the pleasure of the Board, the Corporation's officers, agents, contractors, and employees and prescribe powers and duties for them that are consistent with law, with the Articles of Incorporation, and with these Bylaws.
2. Change the principal executive office or the principal business office in California from one location to another within the two (2) designated Counties of Mendocino or Sonoma.
3. On behalf of the Corporation for the Corporation's purposes, in the corporate name, receive deeds of trust, pledges, and grants. **\*\* Legal Advice**
4. Review and develop consensus for strategic planning, budgeting, and funding for the Corporation.
5. Prescribe and approve the forms of voting membership and board of Directors in the Corporation.

### **SECTION 2: QUALIFICATIONS OF FOUNDING DIRECTORS:**

The Founding Board of Directors for the Russian River Watershed Council Inc. will be comprised of the currently serving, elected members of the Steering Committee of the Russian River Watershed Council. These Steering Committee members must be willing and able to serve as members of the Board of Directors as set forth in these Bylaws and in strict compliance with all laws applicable to Non Profit Public Benefit Corporations and their governing boards. If members of the seated Steering Committee cannot serve as members of the Board of Directors for whatever reason they shall again become voting members. A vote shall be taken by written ballot of all voting members present to fill the vacancy or vacancies. Voting members who wish to be considered for a vacancy on the Board of Directors must then submit their name for consideration President or Chairperson. The individual or individuals receiving the highest number of votes will be seated as a member or members of the Board of Directors until the full nine (9) positions are filled. This process shall apply only to the first seating of the Board of Directors.

**ELIGIBILITY.** Any voting member is eligible for consideration to hold the office of director pursuant to these Bylaws and the laws governing nonprofit corporations.

### **SECTION 3. NUMBER AND COMPOSITION OF THE BOARD OF DIRECTORS.**

The Russian River Watershed Council Inc. will strive to achieve a geographic balance of representation from Mendocino and Sonoma Counties and representation from economic, environmental, and general public stakeholders. The Board of Directors shall consist of Nine (9) members. Four (4) shall represent Mendocino County and Four (4) shall represent Sonoma County and One (1) director shall be at large. If candidates from each county are not available to serve, then candidates from either county may be elected in their place.

**SECTION 4: TERM.** A director shall serve a (2) two-year term, which shall begin on the date elected and shall end on the date of the next election of directors. However, the founding directors of this Corporation shall have the following terms: (4) four directors for (1) one year and (5) five directors for (2) two years. The (4) four founding directors with (1) one-year terms may be re-nominated at the second annual meeting for a (2) two-year term. A director not elected at any annual meeting may be elected at any special meeting

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of the voting membership held for that purpose by written ballot. Each such director, including a director elected to fill a vacancy or elected at a special meeting by written ballot, shall hold office until expiration of the term for which elected and until successor has been elected and qualified. Board of Directors may serve no more than two (2) consecutive terms.

### SECTION 5: VACANCIES ON THE BOARD OF DIRECTORS.

A. **EVENTS CAUSING VACANCY.** 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 a court, convicted of a felony, or found by final order or judgment of any court to have breached a duty under Article 3 of Chapter 2 of the California Nonprofit Public Benefit Corporation Law; (c) the vote of the members or, if the Corporation has fewer than fifty (50) members, the vote of a majority of all members, 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 such meeting.

B. **RESIGNATIONS.** Any director may resign by giving written notice to the Chairperson or President if any or Secretary of the Board. Except on notice to the Attorney General of California, no director may resign if the Corporation would be left without a duly elected quorum of (5) five directors. **\*\* Legal Advice**

C. **FILLING VACANCIES:** Except for a vacancy created by the removal of a director by the voting members a vacancy on the Board may be filled by a nomination of the majority of the directors then in office, whether or not there is less than a quorum, or by a sole remaining director with an approving majority vote of the voting members. Vacancies created by an increase in the number of directors shall be filled at the next annual meeting of members by election.

### D. NO VACANCY OR REDUCTION OF NUMBER OF DIRECTORS.

No reduction of the authorized number of directors shall have the effect of removing any director before the director's term of office expires.

**SECTION 6: CONFLICT OF INTEREST.** No director shall gain profitably or financially in any manner from their position as a member of the Board of Directors.

**SECTION: 7: RESTRICTION ON INTERESTED PERSONS AS DIRECTORS:** No more than 49 percent of the persons serving on the board may be "interested directors". An "interested director" is (a) any person compensated by the corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as director; and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the corporation. **\*\* Legal Advice**

### SECTION 8: MEETINGS AND NOTIFICATION.

A. **PLACE OF MEETINGS.** Meetings of the Board of Directors shall be held at any place within California that has been designated by resolution of the Board or in the notice of the meeting or, if not so designated, at the principal executive office of the corporation. The Board of Directors will establish a regular schedule of Board meetings.

B. **MEETINGS BY TELEPHONE.** Any emergency meeting of the Board of Directors may be held by

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conference telephone or similar communication equipment, as long as all directors participating in the meeting can hear one another. All such directors shall be deemed to be present at such meeting.

C. ANNUAL MEETING. A meeting of the members of the Board of Directors and the voting members will be held for purposes of organization, elections of officers, and transaction of other business.

D. SPECIAL MEETINGS. Special meetings of the Board of Directors for any purpose may be called at any time by the Chairperson of the Board or President if any, the Vice Chair or Vice President or the Secretary, or any three (3) directors.

NOTIFICATION OF MEETINGS. Notice of the time and place of all meetings shall be given to each director, and each voting member by one of the following methods: (a) by personal delivery of written notice, (b) by first-class mail, (c) by telephone, or (d) by telegram (e) fax or (f) e-mail. All such notices shall be given or sent to the director's, and voting member's address, email, or telephone number as shown on the records of the Corporation. A list of regularly scheduled meetings will be distributed at the beginning of each quarter. In the case of a special meeting at least (3 ) three days prior notification must be given.

E. QUORUM. A majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn. Every action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be the act of the Board, subject to the most stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to (a) approval of contracts or transactions in which a director has a direct or indirect material financial interest, (b) approval of certain transactions between corporations having common directorships, (c) creation of and appointments to committees of the Board, and (d) indemnification of directors. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

F. WAIVER OF NOTICE. Notice of a meeting need not be given to any director or voting member who, before the meeting, signs a waiver of notice, or a written consent to the holding of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers and consents shall be filed with the corporate records and made a part of the minutes of the meetings. Notice of a meeting need not be given to any director or voting member who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

G. ADJOURNMENT. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. As set forth in these Bylaws notice of that meeting must be given to all members of the Board of Directors and all voting members.

## SECTION 9: COMMITTEES AND SESSIONS.

A. EXECUTIVE SESSION. Executive session may be called by the Chairperson of the Board, or President by the Vice Chairman, or Vice President or by a majority of directors present during any regular or special meeting. All persons who are not directors including other voting members will be excused unless invited to remain by a vote of the Board. A director who is an "interested director" as defined by the California Corporations Code shall be excluded from that portion of a meeting of the Board of Directors in which the "transaction of interest" occurs either for discussion or vote. All discussions are confidential and are to remain so unless the board deems the information can be made public. **\*\* Legal Advice**

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**B. ACTION WITHOUT MEETING OR NOTICE.** An action of the Board of Directors may be valid when taken without a meeting or when taken with a meeting without proper notice for emergency purposes or when notice is not possible. In order to be valid, a statement approving actions or waiving notice of a meeting must be signed and dated by all directors, and duly noted in minutes of the next meeting.

**C. COMPENSATION AND REIMBURSEMENT.** Directors and members of committees shall not receive compensation for their services as such. The Corporation shall provide reimbursement of documented expenses for activities of the directors on behalf of the Corporation as the Board may determine by resolution to be just and reasonable at the time that the resolution is adopted. Initially a resolution may be adopted to forego compensation until funding is secured for such purposes.

**D. COMMITTEE OF THE BOARD.** The Board, by a resolution adopted by a majority of the directors, with a quorum present, may create one or more committees, each consisting of two or more directors and whatever voting members as deemed necessary to serve at the pleasure of the Board. Appointments to committees of the Board shall be by majority vote of the authorized number of directors. The Board may appoint one or more directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee, to the extent provided in the Board resolution, shall have all the authority of the Board, except that no committee, regardless of Board resolution may:

1. Take any final action on any matter that, under the California Nonprofit Public Benefit Corporation Law, also requires approval of the majority of all voting members;
2. Fill vacancies on the board or any committee that has the authority of the Board;
3. Amend or repeal bylaws or adopt new bylaws;
4. Amend or repeal any resolution of the Board that by its express terms is not so amendable or can not be repealed;
5. Create any other committee of the Board or appoint the members of committees of the Board;
6. Expend corporate funds to support a nominee for director.
7. Approve any contract or transaction to which the Corporation is a party and in which one or more of its Directors has a material financial interest, except as with special approval as provided for in Section 5233(d)(3) of the California Corporations Code.

**E. MEETINGS AND ACTION OF COMMITTEES.** Meeting and actions of committees of the Board shall be governed by, held, and taken in accordance with the provisions of these bylaws concerning meetings and other board actions, except that the time regular meetings of such committees and the calling of special meetings of such committees may be determined either by Board resolution or, if there is none, by resolution of the committee of the Board. Notice of committee meetings should be made available to the voting membership whenever feasible. Minutes of each meeting of any committee of the Board shall be kept and shall be filed with corporate records. The Board may adopt rules for the government of any committee, provided they are consistent with these Bylaws or, are in the absence of rules adopted by the Board, the committee may adopt such rules.

**F. STANDING COMMITTEES.** The Board shall have the discretion to establish standing committees such as finance or personnel or any other committee deemed necessary to manage the day-to-day business of the Corporation and its members. Standing committees will be made up of members of the Board of Directors. Committees comprised of voting members may address topics carried over from previous planning documents or other relevant topics.

**G.** A standing committee shall be established for the oversight and management of the Russian River Interactive Information System (RRIIS).

**H. AD HOC COMMITTEES.** The Board shall have the discretion to establish, from time to time such ad

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hoc committees as are determined by the Board to be of benefit to the Corporation and its members. Ad hoc committees may also be requested by the membership. The Board shall appoint one or more members of the Board to the committee as Board representatives, and shall designate one of these appointed members of the Board as the Chair of the committee, and shall determine for each committee its purpose, the appropriate process for designation of members to the committee, its term of existence, and such other organizational, substantive, and operational matters the Board deems to be appropriate. They shall have the right at any time to terminate the existence of any committee formed pursuant to this paragraph. The Board shall not delegate to any committee formed pursuant to this paragraph any of the authority of the Board.

## ARTICLE VI

### NOMINATION AND ELECTION OF DIRECTORS

SECTION 1: DATE OF ELECTION. The election of the Board of Directors shall take place at the Annual Membership meeting each calendar year.

SECTION 2: NOMINATIONS OF DIRECTORS. Nominations for members of the Board of Directors shall be made in two ways:

A. The Board of Directors shall create a list of nominees in the last quarter of the calendar year, starting in 2006.

B. Additional nominees will be considered during the last quarter of the calendar year by the submission of their name in writing to the Secretary of the Board. This submission must be made and signed by at least two voting members and must include the signature of the nominee consenting to the nomination.

C. SOLICITATION OF VOTES. The Board shall formulate procedures that allow a reasonable opportunity for a nominee to communicate to members the nominee's qualifications, a reasonable opportunity for the nominee to solicit votes, and a reasonable opportunity for discussion.

D. USE OF CORPORATE FUNDS. No corporate funds may be expended to support a nominee for director.

SECTION 3: ELECTION. If the number of nominees established under Section 2 of this Article is equal to or less than the maximum number of directors allowed, then the nominees shall be declared elected on the date scheduled for and properly noticed as the election day. If the number of nominees exceeds the number of directors allowed, a notice of election will be distributed. The notice will include the names of the nominees and their statements, limited to (100) words. This notice shall be distributed with the notice of the Annual Membership meeting. The election shall be conducted by private written ballot and results shall be determined and announced at that meeting.

## ARTICLE VII OFFICERS

SECTION 1: OFFICERS: The officers of the Corporation shall be a Chairperson or President a Vice Chair or Vice President a Secretary, and a Chief Financial Officer. The Corporation may also have, at the discretion of the Board, one or more Vice-Chairpersons, one or more assistant Secretaries, and such other officers as may be appointed in accordance with the provisions of Section 2 of this Article. A person may hold any number of offices, except that neither the Secretary nor the Chief Financial Officer may serve concurrently as either the President or the Chairperson of the board. No two Board members may be married to each other. **\*\* Legal Advice**

SECTION 2: ELECTION OF OFFICERS: The officers of the Corporation, except those appointed under Section 3 of this Article, shall be chosen annually from the Board of Directors, and each shall serve at the pleasure of the Board, subject to the rights, if any of an officer under any contract of employment. The

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Chairperson or President shall be selected from among the directors by the voting members and the remaining officers shall be selected from the Board of Directors by the Board of Directors.

**SECTION 3: OTHER OFFICERS:** The Board may appoint and may authorize the Chairperson of the Board, or other officer, to appoint any other officer that the Corporation may require. Each officer so appointed shall have the title, hold office for the period, have authority, and perform duties specified in the bylaws as determined by the Board.

**SECTION 4: REMOVAL AND RESIGNATION OF OFFICERS:** Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, with cause, by a majority of the Board of Directors, at any regular or special meeting of the Board. A director removed from office may enter into an appeals process through the voting membership. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary. Any resignation shall take effect at the date the receipt of that notice or at any later time specified in that notice; unless otherwise specified in that notice, that acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

**SECTION 5: VACANCIES IN OFFICES:** A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the same manner prescribed in these Bylaws by written ballot.

## **SECTION 6: RESPONSIBILITIES OF OFFICERS:**

**A. CHAIRPERSON OF THE BOARD OR PRESIDENT.** The Chairperson of the Board, or President, if present, shall preside at meetings of the Board of Directors and exercise and perform such other powers and duties as may be from time to time assigned to the Chairperson or President, by the Board of Directors or prescribed by the bylaws. The Chairperson of the Board or President shall in addition, be the Chief Executive Officer of the Corporation and shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and the Corporation. The Chairperson shall be an ex-officio member of all the standing committees and shall have other powers and duties as may be prescribed by the Board of Directors or the Bylaws.

**B. VICE CHAIR OR VICE PRESIDENT.** In the absence or disability of the Chairperson, a Vice Chair or Vice President elected by the voting members or if not elected then so designated by the Board of Directors, shall perform all the duties of the Chairperson or President and when so acting shall have all the powers of and be subject to all the restrictions upon the Chairperson or President.

**C. SECRETARY.** The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of directors, committees of directors, and members, with the time and place of holding, whether annual, regular, or special, and, if special, how authorized, the notice given, the names of the those present at directors' meetings or committee meetings, the number of members present or represented at members' meetings, and proceedings. The Secretary shall keep or cause to be kept, at the principal office in California, a copy of the Articles of Incorporation and Bylaws, as amended to date. **\*\* Legal Advice re: website as house for records**

The Secretary shall keep or cause to be kept at the principal office of the Corporation, or at a place determined by resolution of the Board of Directors, a record of the Corporation's members, or a duplicate record of members, showing the names of all members and the address of each member. The Secretary shall give notice and cause for all meetings of the members, of the Board of Directors, and of committees

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of the Board of Directors, required by the Bylaws or bylaw to be given.

The Secretary shall be responsible for providing all polling materials and shall oversee all elections including the necessary scheduling of any election called for under the provisions of these bylaws. The Secretary shall keep the seal of the Corporation, if one is adopted, in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors.

**D. CHIEF FINANCIAL OFFICER.** The Chief Financial Officer shall keep and maintain or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, and capital. The Chief Financial Officer shall be responsible and accountable for operating budgets and separate project budgets. The projections of funds needed from grant money will be handled by the Chief Financial Officer, as will the general budgets and special projects. The Chief Financial Officer shall send or cause to be given to the members and directors such financial statements and reports as required to be given by law, by these bylaws, or by the Board. The book of accounts shall at all reasonable times be open to inspection. The Chief Financial Officer shall prepare or cause to be prepared various reports including but not limited to tax returns as required by law, grant requests and grant reporting.

The Chief Financial Officer shall deposit or cause to be deposited all money and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board of Directors. The Chief Financial Officer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, shall render to the Chairperson of the Board, or President if any, and the directors, whenever they request it an account of all transactions and the financial condition of the Corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board of directors or the Bylaws.

If required by the Board, the Chief Financial Officer shall give the Corporation a bond in the amount and with the surety or sureties by the Board for faithful performance on the duties of the office and for restoration to the Corporation of all of its books, papers, vouchers, money and other property of every kind in the possession or under the control of the Chief Financial Officer on his or her death, resignation, retirement, or removal from office.

## **ARTICLE VIII INDEMNIFICATION**

**SECTION 1: RIGHT OF INDEMNITY:** To the fullest extent permitted by law, this Corporation shall indemnify its directors, officers, employees, and other persons described in Section 5238(a) of the California Corporations Code, including persons formerly occupying any such position against all expense, 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 corporation, by reason of the fact the person is or was a person described in that sections. “Expenses,” as used in this bylaw, shall have the same meaning as in Section 5238(a) of the California Corporations Code.

**SECTION 2: APPROVAL OF INDEMNITY:** On written request to the Board by any person seeking indemnification under Section 5238(b) or Section 5238(c) of the California Corporations Code, the board shall promptly determine under Section 5238(e) of the California Corporations Code, whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(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

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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 5238(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 5238(b) or Section 52138(c) has been met and, if so, the members present at the meeting in person shall authorize indemnification.

**SECTION 3: ADVANCEMENT OF EXPENSES:** To the fullest extent permitted by law, and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under Sections 1 and 2 of this Article in defending any proceeding covered by those Sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is not entitled to be indemnified by the Corporation for those expenses.

**SECTION 4: INSURANCE:** The Corporation will purchase and maintain insurance to the fullest extent permitted by law on behalf of its officers, directors, employees, and other agents against any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising out of the officer's, director's, employee's, or agent's status as such. At no time will the Corporation function, make any decisions, take any action or perform in any way without this indemnification in full force. Loss of this protection will cause a recess of the efforts of the Corporation until such time as a proper insurance policy is in force.

## **ARTICLE IX FINANCIAL MATTERS**

**SECTION 1: FISCAL YEAR:** The fiscal year of the Corporation shall begin Jan. 1 and end the last day of December of the same year.

**SECTION 2: DISBURSEMENTS:** Disbursements shall be made by check, one authorized signature required for amounts under \$500 and two authorized signatures required for amounts in excess of \$500. Disbursements in conformance with an approved budget, following the normal costs of operation and under the amount of \$500, may be made without board of directors' approval. However, disbursements not in conformance with an approved budget, or \$500 or greater, must be first approved by the board of directors.

**SECTION 3: INSURANCE:** The Corporation shall acquire insurance coverage for officers and directors liability as well as bonding for signers of checks in an amount set by the Board of Directors.

**SECTION 4: ANNUAL REPORT:** The Board shall cause an annual report to be prepared and made available to the members and directors within one hundred twenty (120) days after the end of the Corporation's fiscal year. The report shall, thereafter, be available at the corporate office. The report shall contain the following information:

- A. The assets and liabilities, including any trust funds, of the Corporation at the end of the fiscal year.
- B. The principal changes in assets and liabilities, including trust funds.
- C. The revenues and receipts of the Corporation, both unrestricted and restricted to particular purposes.
- D. The expenses or disbursements of the Corporation for both general and restricted purposes.

### **ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATION**

**SECTION 1.** As part of the annual report to all members, the Corporation shall annually prepare and furnish to each Director a statement of any transaction or indemnification within one hundred twenty (120)

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days after the end of the Corporation’s fiscal year:

A. Report any transaction in which the Corporation was a party in which an “interested director” had a direct or indirect material financial interest, and which involved more than ten thousand (\$10,000).

B. Report any indemnification or advances aggregating more than ten thousand dollars (\$10,000) paid during the fiscal year to any officer or director of the corporation.

**ARTICLE X  
AMENDMENTS**

SECTION 1: AMENDMENT BY THE BOARD: Subject to the rights of members, the Board, may by a (5) person vote adopt, amend or repeal Bylaws unless the action would materially and adversely affect the voting members’ rights as to voting or transfer. Further a notice of proposed bylaw changes must be agendized (30) days in advance of any vote pertaining to such a change. The item must then be approved by (60%) of the voting members present at the properly noticed, regularly scheduled meeting. Approval of the action set forth by the proposed change will take effect (30) days from the day of the vote.

SECTION 2: AMENDMENT BY MEMBERS: Proposed changes to these bylaws by any member must be agendized (30) days in advance of any vote pertaining to such change. All agendized items shall be included in the monthly meeting notice. The agendized item can then be taken under consideration by the voting members. At which time proposed new bylaws may be adopted or the current bylaws may be amended by a (60%) approval of the voting members present at a properly noticed regularly scheduled meeting.

**ARTICLE XI  
DISSOLUTION**

Upon dissolution of this Corporation any funds remaining, after provision has been made to fulfill its obligations, shall be distributed to one or more regularly organized and qualified charitable, educational, scientific or philanthropic organizations to be selected by the Board of Directors.

**CERTIFICATE OF SECRETARY:**

This is to certify that the foregoing is a true and correct copy of the Russian River Watershed Council Inc. Bylaws, and that said Corporation duly adopted such Bylaws.

Dated: \_\_\_/\_\_\_/\_\_\_ Signed: \_\_\_\_\_

**WRITTEN CONSENT OF DIRECTORS ADOPTING BYLAWS**

We, the undersigned, are all the persons named as the Founding Directors in the Articles of Incorporation of The Russian River Watershed Council a California Nonprofit Public Corporation, and, pursuant to the authority granted to the Directors by these bylaws to take action by unanimous written consent without a meeting, consent to, and hereby do, adopt the ongoing bylaws, consisting of twelve (12) pages, as the bylaws of this Corporation.

Dated: \_\_\_/\_\_\_/\_\_\_ Signed: \_\_\_\_\_

## **DEFINITIONS**

**Conflict of Interest** – Scot Stegeman to provide language

**Emergency Meeting** - Scot Stegeman to provide language

**Voting Members** – Individuals who meet the voting member qualifications listed in the Bylaws of the Russian River Watershed Council.

**Board of Directors** – Individuals who meet the Board of Directors qualifications listed in the Bylaws of the Russian River Watershed Council.