

Bylaws WateReuse Association

Article I Origin and Offices

Section 1: Name

The name of this corporation is the WateReuse Association, known commonly as WateReuse.

Section 2: Origin

WateReuse was formed in 1990 as a nonprofit public benefit corporation under California law.

Section 3: Offices

The principal office of the WateReuse is located in the Washington metropolitan area. WateReuse may have offices at such other places as designated by the Board of Directors.

Article II Mission and Objectives

Section 1: Mission

The mission of WateReuse is to educate the public on the importance of reusing water and to advocate for laws, policies and funding to increase water reuse in communities across the United States.

Section 2: Objectives

The objectives of WateReuse are to increase the production of reused water through science-based solutions, technology, innovation and policy, to diversify the water portfolio to ensure a safe, reliable supply of water, to treat water to fit its designated purpose, and to increase public awareness and acceptance of water reuse.

Article III Membership

Section 1: Eligibility

Membership in this corporation is open to any person, organization or government agency interested in promoting the objectives of this corporation, subject to the provision of the Bylaws.

Section 2: Classes of Membership

This corporation has two classes of membership.

A. Voting Members

To be a Voting Member, an entity must qualify as a:

- Public, private, investor-owned or not-for-profit utility that provides water or wastewater services, or
- Private, investor-owned or not-for-profit entity that manufactures products or provides professional services associated with the development, treatment or transportation of water or wastewater, or
- Private, investor-owned or not-for-profit commercial or industrial enterprise, or individual commercial or industrial facility, that demonstrates a commitment to water reuse.

B. Non-Voting Members

To be a Non-Voting Member, an entity must qualify as a:

- Public governmental agency that is responsible for water policy, management or permitting, or
- Public, private, investor-owned or not-for-profit educational institution, or
- A not-for-profit organization, such as a trade association, civic organization or foundation, that demonstrates a commitment to water reuse.

Section 3: Admission of Members

Admission of all members is determined by Section 2 or in such a manner as the Board of Directors may determine.

Section 4: Non-Transferability of Membership

Neither status in this corporation, nor the interest of any Member in this corporation or the assets thereof, shall (a) be subject to execution or become assets of the estate of any deceased Member or of any Member who may become bankrupt or otherwise cease operation or (b) descend to or vest in the heirs, legatees or devisees of any Member by his or her voluntary acts or by operation of law. Membership in this corporation may not be transferred.

Section 5: Voting Rights

Voting Members have the right to vote on the election of Directors, the disposition of all or substantially all of the assets of this corporation, any merger and its principal terms, and any election to dissolve this corporation. In addition, Voting Members shall have all rights afforded Members under the California Nonprofit Mutual Benefit Corporation Law.

Voting Members have one vote. Dues must be paid in full to maintain voting privileges. Voting may occur in person, via video or teleconference, by mail and electronically.

Votes must be cast by a Primary or Alternate Representative of the Member. To exercise voting privileges, Members must notify WateReuse, in writing, of the name of their designated Primary and Alternate Representative. Changes to the designees must be made in writing to WateReuse.

Section 7: Termination of Membership

Membership may be terminated for failure to maintain eligibility or pay dues as prescribed by the Board of Directors.

For all other causes, membership may be terminated by a two-thirds (2/3) vote of the Board of Directors based on a good faith determination that the Member has failed in a material and serious degree to observe the rules of conduct of this corporation, or has engaged in conduct materially or seriously prejudicial to the purposes and interest of this corporation.

Section 8: Reinstatement of Membership

A former Member, who is otherwise eligible for membership, may be reinstated by paying dues for the current year.

To establish a continuous record of membership, a former Member, who is otherwise eligible for membership, must pay dues in arrears and for the current year.

A former Member whose membership was terminated by the Board of Directors for reasons other than non-payment of dues may petition the Board of Directors for reinstatement.

Article IV Board of Directors

Section 1: Eligibility

Voting Members are eligible to serve as elected or appointed Directors on the Board of Directors. Non-Voting Members are eligible to serve as Directors appointed by the Board of Directors.

Membership eligibility must be maintained to serve on the Board of Directors.

Section 2: Composition

The Board of Directors will be comprised of fifteen (15) members who are elected by the full membership and eight (8) members who are appointed by the Board of Directors.

A representative from each eligible International Division and State Section will also serve on the Board of Directors.

Section 3: Terms

The term of office for each Director is two (2) years. Directors may serve three (3) consecutive two-year (2-year) terms. A Director may serve one (1) additional term to serve one (1) term as President. The Immediate Past President may serve one (1) additional term as an ex officio, non-voting member.

Terms for Directors will end at the Annual Meeting of the Board of Directors or until their successors have been duly elected or appointed.

Section 4: Election and Appointment

Voting Members will elect Directors at the Annual Meeting of this corporation. Nominees receiving the highest number of votes for a given seat will be elected. Directors who are elected at the Annual Meeting of the corporation will take office at the Annual Meeting of the Board of Directors.

The Board of Directors will appoint Directors at the Annual Meeting of the Board of Directors. A majority vote of the Board of Directors is required to appoint a Director. Directors who are appointed will assume office immediately upon appointment.

Section 5: Vacancies

Vacancies will be filled for the remainder of the term by a majority vote of the Board of Directors.

Section 6: Removal

The Board of Directors may remove any Director for cause, including missing 50% or more meetings of the Board of Directors, by a two-thirds (2/3) vote.

Section 7: Authority

The Board of Directors is the governing body of this corporation. The activities and affairs of this corporation will be conducted and all corporate powers will be exercised by or under the direction of the Board of Directors, subject to the provisions of the California Nonprofit Public Benefit Corporation law and any limitations in the Articles of Incorporation and Bylaws relating to action required or permitted to be taken or approved by the Members of this corporation.

Section 8: Meetings

Regular and Special Meetings of the Board of Directors are open to all Members.

Regular Meetings of the Board of Directors will be held quarterly. The date, time and location of a Regular Meeting must be posted on the website at least 30 days prior to the Regular Meeting. The Executive Committee may cancel one Regular Meeting per year. The Executive Committee may convene one Regular Meeting via video conference or conference call per year. The Annual Meeting of the Board of Directors will be in the fourth quarter of the year.

The President may call a Special Meeting of the Board of Directors at any time. The President must convene a special meeting of the Board of Directors within 15 days of a

written request by a majority of the Board of Directors. The date, time, location and purpose of a Special Meeting must be posted on the website at least 15 days prior to a Special Meeting.

The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, are as valid as though the meeting had been duly held after proper call and notice, provided a quorum, hereinafter defined, is present and provided that either before or after the meeting each Director not present signs a waiver of notice, a consent to holding the meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 9: Quorum

A majority of the Directors constitutes a quorum. Directors may participate in person or via video, teleconference, or webcast as long as two-way communication is maintained.

Section 10: Majority Action as Board Action

Every act or decision done or made by a majority of the Directors at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless the Articles of the Incorporation or Bylaws of this corporation, or provisions of the California Nonprofit Public Benefit Corporation Law, particularly those provisions relating to appointment of committees (Section 5212), approval of contracts or transactions in which a Director has a material financial interest (Section 5233) and indemnification of Directors (Section 5238e), require a greater percentage or different voting rules for approval of a matter by the Board of Directors.

Section 11: Action by Unanimous Written Consent in Lieu of a Meeting

Any action that the Board of Directors is required or permitted to take may be taken without a meeting if all members of the Board of Directors consent in writing to the action; provided, however, that the consent of any Director who has material or financial interest in the transactions for which this corporation is a party and who is an "interested Director" as defined in Section 5233 of the California Corporations Code shall not be required for approval of that transaction. Such action by written consent shall have the same force and effect as any other approved action of the Board of Directors. All such consents shall be filed with the Minutes and the proceedings of the Board of Directors.

Section 12: Non-Liability of Directors

The Directors shall not be personally liable for the debts, liabilities, or other obligations of this corporation.

Article V Officers

Section 1: Eligibility

Any representative of a Voting Member who is a member of the Board of Directors in good standing is eligible for nomination and election as an Officer of this corporation.

Section 2: Positions

The Officers of this corporation are President, Vice President, Secretary and Treasurer. A representative of a water utility must serve as President at least every other term.

Section 3: Term

The term of office for Officers is two (2) years. Each Officer will serve one (1) two year (2-year) term. A Director may only serve in one Officer position at any given time.

Section 4: Election

The Board of Directors will elect Officers at the Annual Meeting of the Board of Directors. A majority vote of the Board of Directors is required to elect an Officer. Officers will assume the duties immediately upon installation. Officers will serve until their successors have been duly elected and assume office.

Section 5: Vacancies

Vacancies will be filled for the remainder of the term by a majority vote of the Board of Directors.

Section 6: Removal

The Board of Directors may remove any Officer for cause, including missing 50% or more meetings of the Board of Directors, by a two-thirds (2/3) vote.

Article VI Committees

Section 1: Executive Committee

The Executive Committee is comprised of the Officers of the Board of Directors and the Immediate Past President who serves as a non-voting, ex officio member. The Executive Committee conducts day-to-day business of this corporation between meetings of the Board of Directors. The Executive Committee may act as empowered by the Board of Directors. If the Executive Committee doesn't achieve majority consent on an issue, the issue is forwarded to the full Board of Directors to decide.

Section 2: Standing Committee

The National Legislative and Regulatory Committee is a Standing Committee for this corporation. The committee may act as empowered by the Board of Directors. The Board of Directors may adopt rules and policies pertaining to the conduct of the committee.

Section 3: Other Committees

The Board of Directors may establish other committees as needed. At least one Director on the Board of Directors should serve as a member of each committee. The committees may act as empowered by the Board of Directors. The Board of Directors may adopt rules and policies pertaining to the conduct of the committees.

Article VII Meetings of the Corporation

Section 1: Annual Meeting

The Annual Meeting of this corporation is held at the Annual Symposium.

Section 2: Special Meetings

The Board of Directors may call a special meeting of this corporation at any time. The Board of Directors must notify members of the date, time, location and purpose of a special meeting at least thirty (30) days before the meeting.

The President is required to call a special meeting upon receipt of a written request by a majority of the members. The President or authorized Officer must notify all Members of the date and time of the special meeting within thirty (30) days of receipt of the request. The special meeting must not be scheduled less than thirty (30) days following

the receipt of the request nor more than sixty (60) days following the receipt of the request. If the notice is not timely given, the persons requesting the meeting may give the notice.

Business to be transacted at any special meeting of this corporation will be stated in the notice thereof; said notice to include a summary of any proposals to be heard at the meeting. No business other than that noticed may be considered at the meeting, with the exception that matters may be added to the agenda by two-thirds (2/3) vote of the members present and voting at the special meeting.

Section 3: Quorum

A quorum shall consist of twenty percent (20%) of the Voting Members. Voting Members may participate in person, via video, conference call or webcast, or electronically.

Section 4: Voting

Unless otherwise specified by these bylaws, a majority of the Voting Members voting shall govern. Votes sent by Voting Members before the meeting, via mail or electronically, will count toward the total vote.

Section 5: Rules of Order

The meetings and proceedings of this corporation will be conducted according to Robert's Rules of Order for parliamentary procedure, except as may otherwise be provided by these bylaws.

Article VIII Revenue and Expenditures

Section 1: Dues

The Board of Directors will adopt a dues structure for membership that may be modified, as deemed necessary, by a two-thirds (2/3) vote of the Board of Directors.

Section 2: Annual Budget

The Board of Directors will adopt an annual budget at the Annual Meeting of the Board of Directors. A proposed annual budget will be prepared and sent to each member of the Board of Directors thirty (30) days prior to the annual meeting. The budget will include the estimated income and anticipated expense for the coming fiscal year,

January 1 through December 31. Once adopted, the annual budget will be followed as closely as possibly by this corporation.

Article IX Indemnification

To the extent that a person who is, or was, a Director, Officer, employee or other agent of this corporation has been successful on the merits in defense of any civil, criminal, administrative or investigative proceeding brought to procure a judgment against such person by reason of the fact that he or she is, or was, an agent of this corporation, or has been successful in defense of any claim, issue or matter, therein, such person shall be indemnified against expenses actually and reasonably incurred by the person in connection with such proceeding. The terms agent, proceeding and expenses shall have the same meaning as contained in Section 5238 of California Nonprofit Public Corporation Law.

If such person either settles any such claim or sustains a judgment against him or her, then indemnification against expenses, judgments, fines, settlements, and other amounts reasonably incurred in connection with such proceedings shall be provided by this corporation but only to the extent allowed by, and in accordance with the requirements of, Section 5238 of the California Nonprofit Public Benefit Corporation Law. The Board of Directors shall act promptly to make any determinations related to indemnification decisions described herein.

Article X Subsidiaries

Section 1: Eligibility

When there are five (5) or more Members of WateReuse within the boundaries of a country or group of countries, or within a state or group of states in the United States, those Members may form a subsidiary of WateReuse. To establish the subsidiary, the Board of Directors and 2/3 of the Voting Members within the geographic region must approve bylaws. The Board of Directors shall approve subsequent amendments or repeal of the bylaws.

Section 2: Name

The legal name of a country or group of countries that forms a subsidiary will be The (country or area name) Division of the WateReuse Association and will be commonly known as WateReuse (country or area name). The legal name of a state or group of states that forms will be The (state or area name) Section of the WateReuse Association and will be commonly known as WateReuse (state or area name).

Section 3: Objectives

These subsidiaries shall support the mission and objectives of WateReuse and shall not undertake activities or advocate positions that contradict the mission and objectives of WateReuse. The objectives of the subsidiaries are public engagement on state, regional and local issues related to water reuse and advocacy for legislation, regulation and funding within its state and country to increase water reuse. International subsidiaries shall not lobby on behalf of WateReuse in the United States. In carrying out the section objectives, all publicly distributed materials shall be consistent with appearance standards established by WateReuse.

Section 4: Membership

A WateReuse Member located within the boundaries of a subsidiary or a WateReuse Member whose home office is located within the boundaries of a subsidiary shall be a Member of the subsidiary. A WateReuse Member whose primary location is not within the boundaries of the subsidiary but has an office located within the subsidiary may become a Member of the subsidiary by paying subsidiary dues. The rights of membership classes in the subsidiary shall not exceed the rights of those membership classes in WateReuse.

Section 5: Dues

Upon establishment of a division and thereafter, Members of the subsidiary will pay dues to WateReuse. The dues will be established by the Board of Directors. Dues collected during the first year shall be in proportion to the time remaining in the WateReuse budget year. Subsidiaries within the United States shall receive at least thirty percent (30%) of the dues collected by WateReuse.

Thereafter, the subsidiary may establish supplemental dues, which are in addition to the dues paid to WateReuse, by approval of a majority of the Members in the subsidiary. For international subsidiaries, supplemental dues shall be collected, held and administered by the subsidiary in a manner approved by a majority vote of the Members and consistent with the laws of their country. For subsidiaries within the United States, supplemental dues shall be collected and administered by WateReuse and unspent dues shall be held in reserve for the subsidiary.

Section 6: Budget and Expenditures

Subsidiaries within the United States will submit an annual balanced budget approved by a majority of its Members to WateReuse for inclusion into the WateReuse annual budget. Throughout the year, the Secretary-Treasurer will approve expenditures authorized under the approved annual budget. The Board of Directors may authorize

multi-year state section contracts or expenditures in excess of the subsidiaries annual budget.

Section 7: Governance

The subsidiary will establish a Board of Trustees with a minimum of five (5) Members selected by a majority of the Voting Members within the subsidiary. The Board of Trustees will have two Officers, a President and Secretary-Treasurer. The Board of Trustees will also designate one Member to serve on the WateReuse Board of Directors. The President of the subsidiary shall notify the Executive Director of WateReuse of its designate and any time an alternative Member will represent the subsidiary at a meeting of the Board of Directors.

Section 8: Chapters

The Board of Trustees of a subsidiary may enter into a Memorandum of Understanding to establish a local chapter within the boundaries of the subsidiary. Bylaws, rules and procedures of the local chapter must be consistent with these bylaws. The legal name of a state of group or states that forms will be The (county or area name) Chapter of the WateReuse Association (with reference to division or section if a division or section exists for the chapter region). In carrying out the activities of the chapter, all publicly distributed materials must be consistent with appearance standards established by WateReuse.

The local chapter shall be responsible for its own finances and administration. The local chapter will not receive regular financial or administrative support from WateReuse or its subsidiaries. The local chapter may request financial support from either WateReuse or its subsidiaries for specific special activities.

Section 9: Meetings

Subsidiaries and local chapters may hold such meetings as it deems necessary. To the greatest extent possible, such meetings should be scheduled so as not to conflict with WateReuse meetings, activities, conferences or seminars.

Article XI Amendments

Section 1: Requirements

These Bylaws may be adopted, amended or repealed by a vote of simple majority of the Voting Members of this corporation. Voting may occur in person, via video or teleconference, by mail and electronically.

Section 2: Procedures

Amendments to the Bylaws may be proposed by any Member or by the Board of Directors. All proposed amendments must be posted on the WateReuse web site at least thirty (30) days prior to that meeting.

Article XII Dissolution

Upon the dissolution of this corporation, after paying or adequately providing for the debts and obligations of this corporation, the Directors or persons in charge of the liquidation shall divide any remaining assets among the Members in accordance with their respective rights therein: or if the same cannot be determined, by agreement of the Members, or failing agreement, as required by law.

Certificate of the Secretary

I, the undersigned, certify that I am the present acting Secretary of the WateReuse Association, and the above Bylaws consisting of eighteen (10) pages were adopted by the Voting Members of this corporation, in accordance with Article X of these Bylaws on MONTH XX, 2015.

Secretary

Date