

May/2005

CAPE FEAR RIVER ASSEMBLY

BY-LAWS

PREAMBLE

The stated purpose of the Cape Fear River Assembly (referred to herein as CFRA) as an incorporated private non-profit organization is to direct its efforts to the maintenance and improvement of the quality of life for the citizens residing in the Cape Fear River Basin including preservation and protection of the natural environment and to provide a mechanism for information exchange and public education. The CFRA will consider issues that affect the Cape Fear River, its tributaries, impoundments and waterways, which have direct or indirect impacts on the people, aquatic life and infrastructure in the basin.

ARTICLE I - Members

Section 1: Qualifications: General membership shall be open on a non-discriminatory basis to all citizens who subscribe to the purposes, by-laws and regulations of the CFRA.

Section 2: Voting Rights: Each member in good standing is entitled to vote on each matter submitted to a vote of the general membership.

Section 3: Life Members: Life Members may be proposed to and elected by the Board of Directors.

ARTICLE II - Meetings of the Cape Fear River Assembly

Section 1: Regular Meetings: At least one meeting of the general membership shall be held annually.

Section 2: Special Meetings: Special meetings of the general membership shall be called by the President or by a majority of the Executive Committee when initiated by a member of the Executive Committee to convene a general membership meeting.

Section 3: Place of Meetings: the President in consultation with the Executive Director shall determine the place and time for routine meetings of the CFRA.

Section 4: Quorum: A quorum for a general membership meeting shall be 15% of the general membership. Any member is entitled to vote by proxy when proxy is executed in writing and received by the Executive Secretary 24 hours prior to the meeting.

Section 5: Notice of Meetings: Notice of meetings of the general membership shall be given by mail or facsimile transmission to each member not less than ten (10) nor more than thirty (30) days prior to the date of such meeting. Notice of meetings for the Board of Directors and the Executive Committee shall be transmitted by mail, facsimile, telephone, or email not less than ten (10) days before a meeting. Emergency meetings of the Board of Directors or Executive Committee may be called to act on items of a critical nature, which are specified in a meeting

notice, as long as sufficient notice is made to all board members. Sufficient notice shall include: (1) receipt of written notice by the board member 48 hours prior to the meeting; or, (2) verbal notice provided directly to the board member at least 48 hours prior to the meeting.

ARTICLE III - Board of Directors

Section 1: General Powers: The Board of Directors shall be responsible for managing the affairs of the CFRA between meetings of the general membership and shall have the power to represent the CFRA and transact all business in the name of the CFRA.

Section 2: Composition: To the extent feasible there shall be categories of persons making up the Board of Directors as follows: elected officials, industry, public utilities, colleges/universities, community-based organizations, agriculture, and general.

Section 3: Geographical Diversity: To the extent feasible, members of the Board of Directors for each of the categories will be grouped respectively from the three geographical districts of the basin with a minimum of four persons from each of the geographical districts designated as "Upper Basin, Middle Basin and Lower Basin." The geographical basin boundaries are as follows:

<u>Upper</u>	<u>Middle</u>	<u>Lower</u>
Alamance	Cumberland	Bladen
Caswell	Harnett	Brunswick
Chatham	Hoke	Columbus
Durham	Johnston	Duplin
Forsyth	Lee	Jones
Guilford	Lenoir	New Hanover
Orange	Moore	Onslow
Randolph	Montgomery	Pender
Rockingham	Sampson	Robeson
Wake	Wayne	

Section 4: Membership: The Board of Directors shall consist of not less than twelve (12) nor more than thirty-nine (39) persons with equal representation of upper, middle and lower, excluding Life Members who shall be ex-officio voting members. Election to the Board of Directors shall be by the General Membership at the annual meeting.

Section 5: Term of Office: The term of office of a member of the Board of Directors shall be three (3) years. Members shall be elected by classes resulting in approximately one third (1/3) of the terms expiring each year. A member may serve successive terms. The seat on the Board of Directors of any member on the Board is automatically vacated when the member is absent for three (3) consecutive duly notified meetings of the Board of Directors, except when excused by the President in response to a request for excuse submitted prior to the meeting of the Board of Directors.

Section 6: Meetings: The Board of Directors will meet at least four times a year at a place and time selected by the President. Special meetings may be called by the President or may be called when a majority of the Executive Committee approves the calling of a Board of Directors meeting.

Section 7: Quorum: A quorum of the Board of Directors shall consist of fifty (50) percent of the members of the Board of Directors exclusive of Life Members.

Section 8: Interim Appointments: Upon vacancy of a board member position, the President and representatives from the respective sub-basin will identify a replacement, who meets position criteria, for Executive Committee consideration and approval. This individual will then serve for the remainder of the original member's term. In addition, this interim appointment will only apply if the period prior to the next annual meeting and the associated board member elections is greater than 6 months. Otherwise, board vacancies will be addressed for the remainder of the term at the subsequent annual meeting.

ARTICLE IV - Officers

Section 1: Officers: The officers of the Board of Directors shall be a President, Vice President, Secretary, Treasurer, and Immediate Past President (non-voting ex-officio). The Board of Directors may combine the offices of Secretary and Treasurer. These officers shall also be the officers of the General Membership and the Executive Committee.

Section 2: Election and Term of Office: the Board of Directors at the regular annual meeting of the general membership shall elect these officers annually. Each officer shall hold office until his successor shall have been duly elected and qualified. The Board of Directors may, at any duly called meeting, fill remaining terms of any vacancies that occur between annual meetings of the membership.

Section 3: Duties of the Officers:

Section 3a: President: The President shall be the principal executive officer of CFRA and its Board of Directors and its Executive Committee and shall, in general, supervise the business of the Board of Directors and the Executive Committee. The President, when authorized, shall execute instruments on behalf of the CFRA and is the duly appointed recipient for any legal notices or legal correspondence to the CFRA. The President shall perform all other duties incident to the office of President and such other duties as may be prescribed by the General Membership, Board of Directors and Executive Committee from time to time.

Section 3b: Vice President: The Vice President shall assist the President, and in the absence of the President, preside over any duly called meeting. In the event of the President's inability to act, the Vice President shall perform duties of the President and shall perform such other duties assigned by the Board of Directors, Executive Committee and General Membership from time to time.

Section 3c: Secretary: The Secretary shall be responsible for the minutes of the meetings of the General Committee, the Board of Directors, and the Executive Committee. Staff assistance will be engaged to record and compose the record minutes. The Secretary shall also perform all duties as from time to time may be assigned by the President, the Board of Directors and the Executive Committee.

Section 3d: Treasurer: Staff assistance will be engaged to provide professional assistance to the treasurer to include sign all vouchers, checks or drafts drawn on monies of the CFRA; and shall receive, deposit and account for all monies received by the CFRA. The Treasurer shall be responsible for reporting the financial records to the Board of Directors or the Executive Committee. The Treasurer shall chair the audit committee, if formed.

Section 3e: Immediate Past President: The Immediate Past President shall be a non-voting ex-officio member of the Board of Directors. The duties of the Immediate Past President shall be to provide assistance to the new president in such manner as deemed appropriate by the President. The primary responsibility of this officer is to promote continuity in the transition of the office.

ARTICLE V - Executive Committee

Section 1: General Purpose: The General Purpose of the Executive Committee is to manage the affairs of the Board of Directors between the meetings of the Board of Directors and have the power and authority to represent the Board of Directors and to transact all business in the name of the Board of Directors whenever the Board of Directors is not in session. Provided however, that the Executive Committee may not overrule or ignore any fixed policy of the Board of Directors or General Membership and provided that all decisions of the Executive Committee shall be reviewed, and may be subject to ratification, by the Board of Directors in its next meeting. Any new authorizations for expenditures of finances shall be subject to ratification by the Board of Directors if not previously appropriated by the Board of Directors.

Section 2: Composition: The composition of the Executive Committee shall be made up of the officers of the Board of Directors, plus up to six (6) additional members composed of two (2) members from each of the Geographical Districts and appointed by the Board of Directors.

Section 3: Action without meetings: The Executive Committee can unanimously take action without a meeting if the action is described in one or more written consents signed by all of the voting Executive members and included in the minutes.

ARTICLE VI - Additional Committees

Section 1: Establishment of Committees: The Board of Directors shall have the responsibility to establish additional committees and define the purposes and authority for such committees. The President shall have the right to appoint members to these committees. When possible and practical, membership on any additional committee should be equally divided among the previously defined geographical areas.

Section 2: Nominating Committee: The President shall appoint a nominating committee at least forty-five (45) days prior to the annual general membership meeting to propose a list of candidates for all vacancies on the Board of Directors and all offices of the Board of Directors. Nominations may be received from the floor of the general membership meeting for the Board of Directors and from the floor of the Board of Directors for offices of the CFRA. Equitable distribution of office nominations among the three (3) geographical districts of the river basin shall be the objective including rotation of the office of President.

Section 3: Audit Committee: The President may appoint an Audit Committee to review the annual audit and make a report to the Board of Directors.

Section 4: Technical Committee: The general purpose of the Technical Committee is to provide for the coordination of technical activities conducted through the support of the CFRA. In addition, this committee will provide the input for future funding considerations. The composition of the Technical Committee shall be made up of two members from each of the three sub-basin association technical committees and the Executive Director, and will be appointed by the President. Equitable geographic distribution/representation (upper, middle, lower) will be achieved for members of committees.

Section 5: Finance Committee: To assist and advise the executive director on preparation of the annual budgets for operations and special projects. To assist and recommend to the board, the identity of future funding sources and the development of strategy for obtaining available funding of the operation of the Cape Fear River Assembly.

Section 6: Long Range Plans Committee: To evaluate the strategic plan annually and to recommend to the board policy changes essential to maintaining a long range plan consistent to the Assembly's mission.

Section 7. Public Relations and Education: To provide information to various parties regarding the need for water resource management efforts in the CFR basin and to provide explanation for the need of support for the CFRA's related efforts.

Section 8. Legislative: To work with the CFRA board in establishing legislative agendas that will have impact for both funding programs as well as all regulations which will improve water quality of our river basin.

Section 9. Water Resources Management: To promote effective water quality management throughout the basin and to promote the state policies for the Cape Fear River Basin.

ARTICLE VII - Executive Director

Section 1: Appointment: The Board of Directors shall have the authority and responsibility to appoint an Executive Director to serve the General Membership, the Board of Directors, and the Executive Committee; and to establish conditions of employment and compensation for the position. The Executive Director shall serve at the pleasure of the Board of Directors and may be terminated with or without cause.

Section 2: Duties and Responsibilities: The Executive Director shall carry out the administrative responsibilities that may be assigned by the President, the Board of Directors and the Executive Committee. The Board of Directors shall resolve any conflicts in assignments. The Board of Directors shall establish a position description outlining general responsibilities and job assignment instructions more specifically defining duties and tasks. The evaluation of job performance of the Executive Director shall be by the Executive Committee.

Section 3: Staff: The Executive Director may hire, supervise and terminate such staff positions as authorized and budgeted by the Board of Directors and at such wages or salaries approved by the Board of Directors.

Section 4: Support Facilities: The CFRA may provide staff support facilities, equipment and supplies by ownership, lease or contract as needed to fulfill its responsibilities and objectives. Disposal of any assets will be in accord with applicable state and federal regulations.

ARTICLE VIII - Contracts and Grants

Section 1: Contracts: The CFRA is authorized to enter into contracts for goods and services and make payment therefore, upon authorization by the Board of Directors or Executive Committee, when there is an existing appropriation.

Section 2: Grants and Contributions: The CFRA is authorized to receive and authorize grants and contributions of money, goods and services when appropriate to the purposes, by-laws and regulations of the CFRA.

ARTICLE IX - Finances

Section 1: Receipt and Disbursement of Funds: The CFRA may receive funds from any legal source and disburse funds for any purpose authorized under the by-laws and actions of the Board of Directors.

Section 2: Fees: The Board of Directors may establish fees for membership of individuals, government agencies and private entities and determine the benefits to be received there for.

Section 3: Review and Audit: The Executive Committee will cause a financial review and audit to be conducted annually at end of the fiscal year. The Executive Committee may appoint a qualified external auditor to conduct the review of the financial records and comment on their adequacy, consistency and completeness.

ARTICLE X - Conflict of Interest

Section 1: State and Federal Compliance: Officers, staff, members of the Executive Committee and members of the Board of Directors shall comply with all state and federal laws, statutes, regulations and the Board of Director's Conflict of Interest Policy as attached

Section 2: Notice: It is the duty and responsibility of any person, agency or organization, whether public or private notify the President in writing of any actual, potential or perceived conflict of interest and to withdraw from discussion and voting on such issue anyone receiving funds from CFRA. The President will forward any notice received to members of the Board of Directors requesting comment and direction, and if necessary seek a legal opinion on the matter.

ARTICLE XI - Indemnification

Section 1: Liability: The officers and members and their private property shall not be liable in any matter of debt, obligations, undertakings, or liabilities and, to the extent covered by insurance, may be held harmless by the CFRA against any personal expense, losses or liabilities that may accrue from time to time in any manner by reason of the ownership, administration or distribution of CFRA property or funds or by reason of any act of commission or omission on their part in the conduct of the affairs of the CFRA, so long as they act in good faith. They shall not be liable or accountable in any manner for honest mistakes or errors of judgment, nor for errors or wrongdoings of agent, broker, attorney, or servants.

Section 2: Indemnification: Any person who at any time serves or has served as a director, officer, employee, or agent of the CFRA for any other enterprise, shall have a right to be indemnified by the CFRA to the fullest extent permitted by law against.

- a. reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with any threatened, pending or completed action, suit or proceedings, whether civil, criminal, administrative or investigative, and whether or not brought by or on behalf of the CFRA, seeking to hold him liable by reason of the fact that he is or was acting in such capacity; and
- b. reasonable payments made by him in satisfaction of any judgment, money decree, fine, penalty, or settlement for which he may become liable in any such suit or proceeding.

The Board of Directors of the CFRA shall take all such actions as may be necessary and appropriate to authorize the CFRA to pay the indemnification required by the by-law, including without limitation, to the extent needed, making a good faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount of indemnity due him and giving notice to, and obtaining approval by the members of the CFRA. Any person, who at any time after the adoption of these by-laws serves or has served in any of the aforesaid capacities for to

have done so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from the provision of this by-law.

ARTICLE XII - Amendments to By-Laws

These by-laws may be altered, amended or repealed by a two-thirds (2/3) vote of the members present at any duly constituted meeting of the general membership provided written notice of proposed changes are made to general membership at least 30 days prior to the meeting at which such changes will be voted upon.

ARTICLE XIII - Rules of Procedure

Section 1: The rules contained in Robert's Rules of Order, latest revised edition, shall govern the official meetings except where they may conflict with these by-laws, established policies or legal constraints.

Section 2: The President, or other presiding officer, may appoint a parliamentarian for any meeting to interpret and rule on the rules of procedure.

ARTICLE XIV - Adoption

The CFRA hereby adopts these amended by-laws on this 14th day of April 1998. By-laws shall become effective April 16, 1998.

Amended: September 30 1999

Amended: December 14 2000

Amended: December 4 2003

Amended: May 12, 2005