

# **JAMES RIVER WATER AUTHORITY**

## **BYLAWS**

### **ARTICLE I**

#### **PREAMBLE AND POWERS**

1.1 The Act. Subject to the Articles of Incorporation, the James River Water Authority (the “Authority”) shall have all of the rights, powers and duties and shall be subject to the limitations and restrictions set forth in the Virginia Water and Waste Authorities Act, Chapter 51, Title 15.2 of the Code of Virginia of 1950, as amended (the “Act”). These bylaws are made pursuant to the authority contained in the Act.

### **ARTICLE II**

#### **BOARD MEMBERS**

2.1 Members. The Board of the Authority (“Board”) shall consist of six (6) members. The Board of Supervisors of the Counties of Fluvanna and Louisa (collectively the “Governing Bodies”) shall each appoint three (3) members of the Board. Members are to be appointed for a term of four years and may be reappointed.

### **ARTICLE III**

#### **MEETINGS**

3.1 Regular Meetings. Regular meeting of the Board shall be held monthly, at 10:30 a.m. on the first Tuesday of the month at the Spring Creek Sports Club, 181 Clubhouse Way, Zion Crossroads, Virginia 22942. The Board may by resolution change the date and frequency, and may fix the time and place of any regular meeting at any time prior to the meeting and may adjourn any meeting from time to time or to another place. The June meeting on the first Tuesday of the month shall be the annual meeting of the Board.

3.2 Special Meetings. Special meetings may be called by the Chairman, or his or her representative, upon 24 hours notice to all members and alternate members by telephone, by written notice delivered by hand or by facsimile machine. Such notice shall include the time, date, place and purpose of such special meeting.

3.3 Emergency Meetings. Emergency meetings may be called by the Chairman, or his or her representative, upon 4 hours notice to all members and alternate members by telephone, by written notice, by hand or by facsimile machine. Such notice shall include the time, date, place and purpose of such emergency meeting. The declaration of emergency must be approved by affirmative vote of the members at the emergency meeting.

3.4 Quorum. A majority of the members of the Board shall constitute a quorum (four of the six members constitutes a quorum).

3.5 Voting. Each member of the Board shall be entitled to one vote on matters before the Board. A vote of the majority of members is necessary for any action taken by the Board (i.e. four affirmative votes are necessary no matter how many members are present).

3.6 Public Meetings. All meetings shall be open to the public, except when, pursuant to the provision of Section 2.2-3711 of the Code of Virginia of 1950, as amended, the members have voted to hold an executive or closed meeting and no resolution, ordinance, rule, contract, regulation or motion adopted, passed or agreed to in an executive or closed session shall become effective unless the members following such session, reconvene in an open meeting and take a vote of the membership on such resolution, ordinance, rule, contract, regulation or motion.

3.7 Order of Business. The order of business for each regular meeting of the Board shall be:

1. Call to Order
2. Adoption of Agenda
3. Items from the Public
4. Approval of Minutes of Preceding Meeting
5. Financial Report
6. Discussion/Information Items
7. Action Items
8. Consent Agenda
9. Closed Meeting
10. Adjournment

The Board may by resolution revise the order of business at any meeting.

#### ARTICIVE IV OFFICE AND RECORDS

4.1 Office. The principal office of the Authority shall be the Fluvanna County Office Building in Fluvanna County oat Main Street, Palmyra, Virginia 22963.

4.2 Records. The Authority's books and records shall be maintained at the principal office and shall be open for inspection to any member of the Board or alternate upon request. By resolution, from time to time, the Board may modify this.

ARTICLE V  
OFFICERS AND DUTIES

5.1 Officers. Officers of the Authority shall consist of a Chairman, Vice-Chairman, a Secretary, and a Treasurer. All officers shall be members.

5.2 Terms of Office. All officers shall be elected for a term of two years and shall hold office until June 30 of each even numbered year, unless a shorter term specified in the resolution electing such officer. An election of officers shall be held at the June meeting on the third Thursday of each even numbered year, with duly elected officers beginning office on July 1 of such year. A special election of officer(s) shall be held to fill the unexpired term of officer(s) that are no longer able to perform their duties. Officers may succeed themselves.

5.3 Chairman. The Chairman shall preside at all meetings of the Board at which he or she is present. The Chairman shall have the powers and perform such duties as conferred upon the office of Chairman. The Chairman shall sign all contracts and other instruments to be executed on behalf of the Authority, unless the Board authorizes or assigns another officer or the Executive Director to do so.

5.4 Vice-Chairman. The Vice-Chairman shall act as Chairman in the Chairman's absence and shall possess such powers and perform such duties as are conferred upon the Chairman and perform other such duties as the Board may assign.

5.5 Secretary. The Secretary shall act as clerk of the Board. He or she shall give notice of the meetings, keep minutes, affix the seal of the Authority to all documents which require such seal to be affixed and perform other duties as may be assigned by the Board. The Secretary may be assisted by the staff of the Authority.

5.6 Treasurer. The Treasurer shall have general charge and supervision of all financial books and accounts of the Authority. He or she shall perform other duties incident with the job of Treasurer and perform other duties as may be assigned. The Treasurer may be assisted by the staff of the Authority.

The Secretary and Treasurer positions may be filled by one person.

5.7 Additional Officers. In addition to the officers above mentioned, the Board may provide for such deputies, assistants, committees and other officers, as it may deem necessary. Such additional officers need not be members.

ARTICLE VI  
INDEMNIFICATION

6.1 Limit on Liability. In every instance in which Virginia law as it exists on the date hereof or may hereafter be amended, permits the limitation or elimination of

liability of directors or officers of a corporation to the corporation or its shareholders, the directors and officers of the Authority shall not be liable to the Authority. The liability of a director or officer of the Authority, to the Authority, for damages assessed against such director or officer is eliminated, provided such director or officer has discharged his or her duties in accordance with the applicable statutory standards of conduct for directors and officers. The liability of a director or officer shall not be eliminated or limited if the director or officer engaged in willful misconduct, or a knowing violation of the criminal law, or of any federal or state law.

6.2 Indemnification of Officers and Members. The Authority shall indemnify any person who was or is a party or who is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitral or investigative by reason of the fact that he or she is or was an officer or member of the Authority, or is or was serving at the request of the Authority as an officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in the manner such person reasonably believed to be in or not opposed to the best interests of the Authority, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Authority, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

To the extent that an officer or member of the Authority has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in this Section or in defense of any claim, issue or matter therein, such officer or member shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such officer or member in connection therewith.

Any indemnification this Section (unless ordered by a court) shall be made by the Authority only as authorized in the specific case upon a determination that indemnification of the officer or member is proper in the circumstances because such officer or member has met the applicable standard of conduct set forth in this Section. Such determination shall be made either (a) by the members of the Authority by a majority vote of a quorum consisting of members who were not parties to such action, suit or proceeding, or (b) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested members so directs, by independent legal counsel in a written opinion.

Expenses (including attorneys' fees) incurred in defending an action, suit or proceeding, whether civil, criminal, administrative, arbitral or investigative, may be paid by the Authority in advance of the final disposition of such action, suit or proceeding

as authorized in the manner provided in this Section upon receipt of an undertaking by or on behalf of the officer or member to repay such amount unless it shall ultimately be determined that such officer is entitled to be indemnified by the Authority as authorized in this Article.

Each such indemnity shall continue as to a person who has ceased to have the capacity referred to above and shall inure to the benefit of the heirs, executors and administrators of such a person.

The Authority shall have power to make any other or further indemnity to any person permitted under the laws of the Commonwealth of Virginia.

## ARTICLE VII COMMITTEES

7.1 Special or Standing Committees. The Board may establish such special or standing committees, as it may deem necessary or desirable for the conduct of business. Persons serving on such committees may be reimbursed for their expenses. The Board may establish such technical and advisor bodies as it deems appropriate and members of such bodies need not be a member of the Board. Nothing in this Article shall be construed to limit the Authority's powers to contract with consultants and experts and to pay them for their services.

## ARTICLE VIII ADMINISTRATION

8.1 Executive Director. The Board may select and employ an Executive Director and shall pay such compensation as deemed appropriate. The Executive Director shall be the chief executive officer of the Authority responsible for the day to day operations of the Authority. Under the policies and directives established by the Authority the Executive Director shall have charge and responsibility for all personnel, operations and business of the Authority. The Executive Director shall be responsible for payment of bills, receipt of monies and records of revenues and expenses. The Executive Director shall prepare an annual budget for Board consideration and shall be responsible for the administration of the approved budget, to include budget reports to the Board. The Executive Director shall perform all other duties, incident to chief executive officer, and shall perform such other duties and have such other powers as the Board may designate.

8.2 Staff. The Board may approve and the Executive Director will administer such staff as approved by the Board. The Authority may establish employment positions and compensation and benefit plans for the staff as deemed appropriate.

8.3 Assistant Executive Director. An Assistant Executive Director may be employed by the Authority to perform those duties assigned by the Executive Director

and act for the Executive Director in his absence. The Assistant Executive Director is authorized to sign checks for the Authority. 6

8.4 Emergency Powers. In case of an emergency, such as a significant failure of equipment or pipe line, flood, fire or natural disaster that endanger the safe operation of the facilities of the Authority, the Executive Director is authorized to take such actions as the Executive Director deems necessary. As soon as practical, the Executive Director will inform the Board of such actions. The Chairman may call a Board meeting at the Chairman's discretion to discuss the emergency pursuant to Sections 3.2 and 3.3.

## ARTICLE IX FINANCES AND PAYMENTS

9.1 Funds. Monies of the Authority shall be deposited or kept in bank or banks, as the Board shall designate from time to time. Each check, draft or voucher on the Authority's funds shall be signed by the Executive Director or Assistant Executive Director, if any, and countersigned by the Chairman, Vice-Chairman or Treasurer of the Authority.

9.2 Audits. At least annually, the Authority shall cause an audit to be made by an independent certified accountant of the Authority's funds. Audit results shall be reported to the Board and the County Administrators of the Governing Bodies.

9.3 Trustee. The Board may appoint a bank or other financial institution to act as trustee of Authority funds.

## ARTICLE X FISCAL YEAR

10.1 Fiscal year. The fiscal year of the Authority shall be July 1 to June 30 of the following year.

## ARTICLE XI COUNSEL

11.1 Legal Counsel. The Authority may engage legal counsel to advise and represent it in legal matters and proceedings and to act as counsel to the Authority.

## ARTICLE XII RULES OF PROCEDURE

12.1 Procedures. Robert's Rules of Order shall govern all matters of procedure not specifically addressed by the Bylaws.

12.2 Minutes of Meetings. Minutes shall be kept for each meeting of the Board and the number of votes for or against any resolution, authorization or policy shall be recorded. 7

ARTICLE XIII  
OFFICIAL SEAL

13.1 Seal. The official seal of the Authority shall consist of the embossed impression of a circular metallic disc containing in the outer rim the words “James River Water Authority” and in the inner circle the words “Seal” and “Virginia”.

ARTICLE XIV  
AMENDMENTS

14.1 Amendments of Bylaws. Except as otherwise provided by law, these Bylaws may be amended, added to, altered or repealed in whole or part by the Authority at any meeting of the Authority, provided that notice of the proposed amendment, addition, alteration or repeal is given in the notice of such meeting, and that all members of the Authority are present at such meeting.