

**BYLAWS**

**OF THE**

**GROUNDWATER RESOURCES ASSOCIATION**

**OF CALIFORNIA**

A California Nonprofit Mutual Benefit Corporation

# TABLE OF CONTENTS

	Page
ARTICLE I OFFICES .....	1
Section 1. Principal Office.....	1
Section 2. Registered Office and Agent.....	1
Section 3. Other Offices .....	1
ARTICLE II PURPOSES .....	2
Section 1. Objectives and Purposes .....	2
ARTICLE III DIRECTORS .....	3
Section 1. Powers and Duties .....	3
a. General Powers.....	3
b. Special Powers.....	3
Section 2. Duties.....	3
Section 3. Number of Directors, Election of Directors and Restrictions on Directors and Vacancies .....	4
a. Number and Qualifications of Directors.....	4
b. Election and Term of Office .....	4
c. Vacancies .....	4
d. Compensation .....	5
Section 4. Non-Liability; Indemnification; Insurance .....	5
a. Nonliability of Directors.....	5
b. Indemnification by Corporation of Directors, Officers, Employees and Other Agents .....	5
c. Insurance for Corporate Agents.....	6
Section 5. Meetings .....	6
a. Regular Meetings.....	6
b. Special Meetings.....	6
c. Location of Meetings.....	6
d. Notice of Meetings .....	6
e. Contents of Notice .....	7
f. Waiver of Notice and Consent to Holding Meetings.....	7
g. Quorum for Meetings .....	7

# TABLE OF CONTENTS

(continued)

	Page
h. Majority Action as Board Action.....	7
i. Conduct of Meetings .....	7
j. Action by Unanimous Written Consent Without Meeting .....	8
ARTICLE IV OFFICERS.....	9
Section 1. Number of Executive Officers.....	9
Section 2. Qualification, Election, and Term of Office .....	9
Section 3. Subordinate Officers.....	9
Section 4. Removal and Resignation.....	9
Section 5. Vacancies.....	9
Section 6. Duties of President.....	10
Section 7. Duties of Vice President.....	10
Section 8. Duties of Secretary.....	10
Section 9. Duties of Treasurer .....	10
ARTICLE V BRANCHES.....	12
Section 1. Branch Formation .....	12
Section 2. Branches and Territory .....	12
Section 3. Branch Offices and Elections .....	12
Section 4. Branch Operations .....	12
ARTICLE VI EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS.....	13
Section 1. Execution of Instruments.....	13
Section 2. Checks and Notes .....	13
Section 3. Deposits.....	13
ARTICLE VII CORPORATE RECORDS, REPORTS AND SEAL.....	14
Section 1. Maintenance of Corporate Records .....	14
Section 2. Corporate Seal .....	14
Section 3. Inspection Rights .....	14
a. Directors' Inspection Rights.....	14
b. Members' Inspection Rights.....	14
c. Right to Copy and Make Extracts.....	15
Section 4. Annual Report.....	15

## TABLE OF CONTENTS

(continued)

	Page
Section 5. Annual Statement of Specific Transactions to Members .....	16
Section 6. Fiscal Year of the Corporation .....	16
ARTICLE VIII AMENDMENT OF BYLAWS .....	17
Section 1. Amendment .....	17
ARTICLE IX AMENDMENT OF ARTICLES .....	18
Section 1. Amendment of Articles After Admission of Members .....	18
ARTICLE X COMMITTEES .....	19
Section 1. Executive Committee .....	19
Section 2. Other Committees.....	20
Section 3. Meetings and Action of Committees.....	20
ARTICLE XI PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS.....	21
Section 1. Prohibition Against Sharing Corporate Profits and Assets.....	21
ARTICLE XII MEMBERS.....	22
Section 1. Qualification And Rights Of Membership .....	22
a. Rights of Members .....	22
b. Good Standing .....	22
c. Voting Rights.....	22
d. Classes and Qualifications of Members .....	22
Section 2. Admission of Members .....	23
Section 3. Fees, Dues and Assessments.....	23
Section 4. Membership Record .....	23
Section 5. Nonliability of Members.....	23
Section 6. Nontransferability of Memberships .....	23
Section 7. Termination of Membership .....	23
a. Grounds for Termination .....	23
b. Procedure for Expulsion .....	24
c. Rights on Termination .....	25
Section 8. Meeting of Members.....	25
a. Place of Meetings .....	25

## TABLE OF CONTENTS

(continued)

	<b>Page</b>
b. Annual Meetings.....	25
c. Special Meetings of Members .....	25
d. Notice of Meetings .....	25
e. Quorum of Meetings.....	26
f. Majority Action as Membership Action .....	27
Section 9. No Proxy Voting.....	27
Section 10. Conduct of Meetings .....	27
Section 11. Action Without a Meeting .....	27
a. Reasonable Nomination and Election Procedures.....	27

## ARTICLE I

### OFFICES

**Section 1. Principal Office.** The principal office of this corporation (the “Corporation”) shall be in such locality as determined by the Board of Directors.

**Section 2. Registered Office and Agent.** The Corporation shall have and continuously maintain registered office and registered agent in the State of California, as required by the California Nonprofit Mutual Benefit Corporations Code. The registered agent shall either be an individual resident of the State or a corporation authorized to transact business in the State.

**Section 3. Other Offices.** The Corporation may also have offices at such other places, within or without the State of California, where it is qualified to do business, as its business may require and as the Board of Directors may, from time to time, designate. These other offices may be established to facilitate operation of Branches of the Corporation.

## ARTICLE II

### PURPOSES

**Section 1. Objectives and Purposes.** This Corporation is a nonprofit mutual benefit corporation organized under the California Nonprofit Mutual Benefit Corporation Law. The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under such law.

The primary objectives and purposes of this Corporation shall be:

- Promote the professional development of scientists, engineers and those involved in the assessment, use, management and protection of the state's groundwater resources.
- Formulate statewide policy and legislation related to the assessment, use, management and protection of groundwater.
- Disseminate scientific and technical information relating to the assessment, use, management and protection of groundwater to GRA members, groundwater professionals, policy leaders, regulators and the public.
- Assist in the development of educational programs that promote greater understanding of the importance of groundwater resources.
- Facilitate the development of alternative technologies and standardization of methods to advance groundwater assessment, use, management and protection.
- Encourage cooperation among groundwater professionals, policy leaders, regulators, managers and the public locally, statewide and nationally.
- Be recognized as an authority on issues relating to groundwater.

This Corporation is organized exclusively for such purposes within the meaning of Section 501(c)(6) of the Internal Revenue Code.

## ARTICLE III

### DIRECTORS

#### Section 1. Powers and Duties.

a. **General Powers.** Subject to the provisions of the California Nonprofit Mutual 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, if any, of this Corporation, the activities and affairs of this Corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors.

The Board may delegate the management of the activities of the Corporation to any person or person, management company, or committee however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

b. **Special Powers.** Without prejudice to these general powers, but subject to the same limitations, the Directors shall have the power to:

- (1) Appoint and remove, at the pleasure of the Board, all officers, agents and employees of the Corporation; prescribe powers and duties for them that are consistent with law, with the Articles of Corporation and with these Bylaws; and fix their compensation and require from them security for faithful performance of their duties.
- (2) Change the principal office or the principal office in the State of California from one location to another; cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency or country and conduct its activities within or outside the State of California; and designate any place within or outside the State of California for the holding of any meeting, including annual meetings.
- (3) Adopt and use a corporate seal and alter the form thereof.
- (4) Borrow money and incur indebtedness on behalf of the Corporation and cause to be executed and delivered for the purposes of the Corporation, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations and other evidences of debt and securities.

#### Section 2. Duties. It shall be the duty of the Directors to:

- (a) Perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation of this Corporation, or by these Bylaws;



- (b) Appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all Officers, agents and employees of the Corporation;
- (c) Supervise all Officers, agents and employees of the Corporation to assure that their duties are performed properly;
- (d) Meet at such times and places as required by these Bylaws;
- (e) Register their individual addresses with the Secretary of the Corporation. Notices of meetings provided to them at such addresses, as described in these Bylaws, shall be valid notices thereof.
- (f) A Director shall perform the duties of a Director, including duties as a member of any committee of the Board upon which the Director may serve, in good faith, in a manner such Director believes to be in the interests of the Corporation and with such care, including reasonably inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

**Section 3. Number of Directors, Election of Directors and Restrictions on Directors and Vacancies.**

**a. Number and Qualifications of Directors**

The Corporation shall have at least eleven (11), and not more than fifteen (15), Directors, all of whom are members in good standing and collectively they shall be known as the Board of Directors. The number of Directors may be changed by amendment of this Bylaw, or by repeal of this Bylaw and adoption of a new Bylaw, as provided in these Bylaws. The President and Vice President may, but are not required to, hold a Director position.

**b. Election and Term of Office**

Directors shall be elected as specified in these Bylaws by the voting members in good standing of the Corporation, and shall hold office for a term of three (3) years. Directors shall be divided into three (3) classes, such that terms of approximately one-third (1/3) of the Directors shall expire each year. Each Director shall hold office until the expiration of the term for which elected and until a successor has been elected.

**c. Vacancies**

Vacancies on the Board of Directors shall exist on the occurrence of the following: (1) on the death, resignation or removal of any Director, and (2) the declaration by resolution of the Board of a vacancy in the office of a Director who has been declared of unsound mind by a final order of court, or convicted of a felony, or been found by a final order or judgment of any court to have breached any duty under any provision of the California Nonprofit Mutual Benefit Corporation Law.

Any Director may resign effective upon giving written notice to the Chair of the Board, the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation. No Director may resign if the Corporation would then be left without a duly elected Director or Directors in charge of its affairs, except upon notice to the State Attorney General.

If this Corporation has any members, then, if the Corporation has less than fifty (50) members, Directors may be removed without cause by a majority of all members, or, if the Corporation has fifty (50) or more members, by vote of a majority of the votes represented at a membership meeting at which a quorum is present. Except for vacancies created by the removal of a Director, vacancies on the Board may be filled by approval of the Board or, if the number of Directors then in office is less than a quorum, by (1) the unanimous written consent of the Directors then in office, (2) the affirmative vote of a majority of the Directors then in office at a meeting held pursuant to notice or waivers of notice complying with this Article of these Bylaws, or (3) a sole remaining Director.

A person elected to fill a vacancy as provided by this Section shall hold office until the next annual election of the Board of Directors or until his or her death, resignation or removal from office.

**d. Compensation**

Directors shall serve without compensation except that they shall be entitled to receive reimbursement for actual and necessary expenses, or a portion of those expenses as deemed feasible and appropriate by the Board of Directors. In addition, Directors shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their regular duties. Directors may not be compensated for rendering services to the Corporation in any capacity other than Director unless such other compensation is just and reasonable and permitted by the Nonprofit Mutual Benefit Corporation Law.

**Section 4. Non-Liability; Indemnification; Insurance.**

**a. Nonliability of Directors**

Except as provided by the Nonprofit Mutual Benefit Corporation Law, no Director shall be personally liable for the debts, liabilities, or other obligations of the Corporation.

**b. Indemnification by Corporation of Directors, Officers, Employees and Other Agents.** 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 the 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, but only to

the extent allowed by, and in accordance with the requirements of, Section 7237 of the California Nonprofit Mutual Benefit 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 7237 of the California Nonprofit Mutual Benefit Corporation Law.

**c. Insurance for Corporate Agents.** The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the Corporation (including a Director, Officer, employee or other agent of the Corporation) against any liability other than for violating provisions of law.

## **Section 5. Meetings.**

**a. Regular Meetings.** Regular meetings of Directors shall be held at least twice during the calendar year.

**b. Special Meetings.** Special meetings of the Board of Directors may be called by the Chair of the Board, the President, the Vice President, the Secretary, or by any two Directors, and such meetings shall be held at the place, within or without the State of California, determined by the person or persons calling the meeting in cooperation with the members of the Board.

**c. Location of Meetings.** Meetings shall be held at locations to be determined by the Board of Directors within or without the State of California. Notice regarding meeting schedule and location shall be filed with the Secretary of the Corporation, or written notice shall be provided to all Board members. Any meeting, regular or special, may be held by conference telephone or similar communications equipment, so as long as all Directors participating in such meeting are able to communicate and participate in the meeting.

**d. Notice of Meetings.** Notice of regular meetings of the Board shall be provided at least 30 days prior to the meeting time. Special meetings of the Board may be held upon ten (10) days notice by first-class mail, or forty-eight (48) hours notice delivered personally, by telephone, facsimile or electronically. If sent by mail, the notice shall be deemed to be delivered on its deposit in the mail. Such notices shall be addressed to each Director at his or her address as shown on the books of the Corporation. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place of the adjourned meeting are fixed at the meeting adjourned and if such adjourned meeting is held no more than twenty-four (24) hours from the time of the original meeting. Notice shall be given of any adjourned regular or special meeting to Directors absent from the original meeting if the adjourned meeting is held more than twenty-four (24) hours from the time of the original meeting.

e. **Contents of Notice.** Notice of meetings not herein dispensed with shall specify the place, day and hour of the meeting. The purpose of any Board meeting need not be specified in the notice.

f. **Waiver of Notice and Consent to Holding Meetings.** The transactions of any meeting of the Board, 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, as 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.

g. **Quorum for Meetings.** A quorum shall consist of a majority of the number of Directors. Except as otherwise provided in these Bylaws or in the Articles of Incorporation of this Corporation, or by law, no business shall be considered by the Board at any meeting at which such a quorum is not present, and the only motion which the Chair shall entertain at such meeting is a motion to adjourn. However, a majority of the Directors present at such meeting may adjourn from time to time until the time fixed for the next regular meeting of the Board.

When a meeting is adjourned for lack of a quorum, it shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted at such meeting, other than by announcement at the meeting at which the adjournment is taken, except as provided herein.

The Directors present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of Directors from the meeting, provided that any action thereafter taken must be approved by at least a majority of the required quorum for such meeting or such greater percentage as may be required by law, or the Articles of Incorporation or Bylaws of this Corporation.

h. **Majority Action as Board Action.** Every act or decision done or made by a majority of the Directors present at a meeting duly called and held at which a quorum is present is the act of the Board of Directors, unless the Articles of Incorporation or Bylaws of this Corporation, or provisions of the California Nonprofit Mutual Benefit Corporation Law provide otherwise.

i. **Conduct of Meetings.** Meetings of the Board of Directors shall be presided over by the Chair of the Board, or, if no such person has been so designated or, in his or her absence, the President of the Corporation or, in his or her absence, by the Vice President of the Corporation or, in the absence of each of these persons, by a Chair chosen by the majority of the Directors present at the meeting. The Secretary of the Corporation shall act as secretary of all meetings of the Board, provided that, in his or her absence, the presiding Officer shall appoint another person to act as Secretary of the Meeting.

Meetings shall be governed by Roberts' Rules of Order as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with these Bylaws, with the Articles of Incorporation of this Corporation, or with provisions of law.

**j. Action by Unanimous Written Consent Without Meeting.** An action required or permitted to be taken by the Board may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to that action. The written consent or consents shall be filed with the minutes of the proceedings of the Board. The action by written consent shall have the same force and effect as a unanimous vote of the Directors.

## ARTICLE IV

### OFFICERS

**Section 1. Number of Executive Officers.** The Officers of the Corporation shall be a President, a Vice President, a Secretary, and a Chief Financial Officer who shall be designated the Treasurer. The Corporation may also have, as determined by the Board of Directors, a Chair of the Board, Assistant Secretaries, Assistant Treasurers, or other Officers. Any number of offices may be held by the same person except that neither the Secretary nor the Treasurer may serve as the President or Chair of the Board.

**Section 2. Qualification, Election, and Term of Office.** Any member in good standing may serve as Officer of this Corporation. Officers shall be elected by the Board of Directors, at any time, and each Officer shall hold office until he or she resigns or is removed or is otherwise disqualified to serve, or until his or her successor shall be elected and qualified, whichever occurs first. The regular term of office for all Officers shall be for one calendar year. No Officer, except Treasurer, shall serve more than two consecutive terms in the same office, with the exception of an Officer elected or appointed to fill an unexpired term.

**Section 3. Subordinate Officers.** The Board of Directors may appoint such other Officers or agents as it may deem desirable, and such Officers shall serve such terms, have such authority, and perform such duties as may be prescribed from time to time by the Board of Directors.

**Section 4. Removal and Resignation.** Any Officer may be removed, either with or without cause, by the Board of Directors, at any time. Any Officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the Corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The provisions of this Section shall be superseded by any conflicting terms of a contract, which has been approved or ratified by the Board of Directors relating to the employment of any Officer of the Corporation.

**Section 5. Vacancies.** Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any Officer shall be filled by the Board of Directors. In the event of a vacancy in any office other than that of President, such vacancy may be filled temporarily by appointment by the President until such time as the Board shall fill the vacancy. Vacancies occurring in offices of Officers appointed at the discretion of the Board may or may not be filled, as the Board shall determine.

**Section 6. Duties of President.** The President shall be the chief executive Officer of the Corporation and shall, subject to the control of the Board of Directors, supervise and control the affairs of the Corporation and the activities of the Officers during his/her term. The President shall serve as a voting member of the Board of Directors during his/her term. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, by the Articles of Incorporation or these Bylaws, or which may be prescribed from time to time by the Board of Directors. Unless another person is specifically appointed as Chair of the Board of Directors, he or she shall preside at all meetings of the Board of Directors. If applicable, the President shall preside at all meetings of the members. Except as otherwise expressly provided by law, by the Articles of Incorporation, or by these Bylaws, he or she shall, in the name of the Corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the Board of Directors.

**Section 7. Duties of Vice President.** In the absence of the President, or in the event of his or her inability or refusal to act, the Vice President shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions on, the President. The Vice-President shall work closely with the President and become familiar with all aspects of the Corporation's affairs and programs. The Vice-President shall also serve as a voting member of the Board of Directors. The Vice President shall have other powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation, or by these Bylaws, or as may be prescribed by the Board of Directors.

**Section 8. Duties of Secretary.** The Secretary shall:

- (a) Certify and keep at the principal office of the Corporation the original, or a copy of these Bylaws as amended or otherwise altered to date.
- (b) Keep at the principal office of the Corporation or at such other place as the Board may determine, a book of minutes of all meetings of the Directors, and, if applicable, meetings of committees of Directors and of members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.
- (c) See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.

In general, perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation of this Corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

**Section 9. Duties of Treasurer.** Subject to the provisions of these Bylaws relating to the "Execution of Instruments, Deposits and Funds," the Treasurer shall:

- (a) Have charge and custody of, and be responsible for, all funds and securities of the Corporation, and deposit all such funds in the name of the

Corporation is such banks, trust companies, or other depositories as shall be selected by the Board of Directors.

- (b) Receive, and give receipt for, monies due and payable to the Corporation.
- (c) Disburse, or cause to be disbursed, the funds of the Corporation as may be directed by the Board of Directors, taking proper vouchers for such disbursements.
- (d) Keep and maintain adequate and correct accounts of the Corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses.
- (e) Exhibit at all reasonable times the books of account and financial records to any Director of the Corporation, or to his or her agent or attorney, on request therefore.
- (f) Render to the President and Directors, whenever requested, an account of any or all of his or her transactions as Treasurer and of the financial condition of the Corporation.
- (g) Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.

In general, perform all duties incident to the Office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation of the Corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.



## ARTICLE V

### BRANCHES

**Section 1. Branch Formation.** The Board of Directors shall have the authority to form Branches of the Corporation to facilitate operations. Branch formation may be considered by the Board when any group of 10 or more persons, each of whom are members in good standing, request formation of a Branch to facilitate conduct of meetings and the Corporation's activities.

**Section 2. Branches and Territory.** The Corporation shall have geographic Branches to facilitate the goals of the Corporation and to conduct meetings. The Branch territories shall be defined by the Board of Directors. The addition and/or deletion of territory to the jurisdiction of any Branch shall be within the direction of the Board of Directors. The Board must give thirty (30) days notice to the Branch being affected by a territory change and the affected Branch or Branches shall be given the opportunity to be heard by the Board of Directors prior to any change in territory by the Board of Directors.

**Section 3. Branch Offices and Elections.** Annually, each Branch shall elect the following Branch Officers: President, Vice President, Secretary and Treasurer, and each Branch shall have the option of also electing one or more Members at Large. At the discretion of each Branch, the Secretary and Treasurer may be joined in a single officer position. The Branch election shall take place annually prior to the last Branch meeting of each calendar year, or at the discretion of the Branch, but never less frequently than once every three years.

Branch Officers shall hold office until the expiration of the term for which elected and until a successor has been elected. All Branch Officers must be members of the Corporation in good standing. The regular term of office for all Branch Officers shall be for one calendar year.

**Section 4. Branch Operations.** Each Branch is empowered to collect fees, on a voluntary basis, for any purpose reasonably related to the purposes of the Corporation and as deemed reasonable and necessary for the conduct of Branch business.

## ARTICLE VI

### EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

**Section 1. Execution of Instruments.** The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any Officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors, no Director, Officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

**Section 2. Checks and Notes.** Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for payment of money, and other evidence of indebtedness of the Corporation shall be signed by any one of the members of the Executive Committee.

**Section 3. Deposits.** All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

## ARTICLE VII

### CORPORATE RECORDS, REPORTS AND SEAL

**Section 1. Maintenance of Corporate Records.** The Corporation shall keep at its principal office:

- (a) Minutes of all meetings of Directors, committees of the Board and of all meetings of members indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;
- (b) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;
- (c) A record of its members, if any, indicating their names and addresses and, if applicable, the class of membership held by each member and the termination date of any membership;
- (d) The Corporation's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the members, if any, of the Corporation at all reasonable times during office hours.

**Section 2. Corporate Seal.** The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the Corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instruments.

**Section 3. Inspection Rights.**

**a. Directors' Inspection Rights.** Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the Corporation.

**b. Members' Inspection Rights.** If this Corporation has any members, then each and every member shall have the following inspection rights for any purpose reasonably related to such person's interest as a member of the Corporation.

- (1) To inspect and copy the record of all members; names, addresses and voting rights, at reasonable time, upon five (5) business days' prior written demand on the Corporation, which demand shall state the purpose for which the inspection rights are requested.
- (2) To obtain from the Secretary of the Corporation, upon written demand and payment of a reasonable charge, a list of the names, addresses and voting rights of those members entitled to vote for

the election of Directors as of the most recent record date for which the list has been compiled or as of the date specified by the member subsequent to the date of demand. The demand shall state the purpose for which the list is requested. The membership list shall be made available on or before the latter of ten (10) business days after the demand is received or after the date specified therein as of which the list is to be compiled.

- (3) To inspect at any reasonable time the books, records, or minutes of proceedings of the members or of the Board or committees of the Board, upon written demand of the Corporation by the member, for a purpose reasonably related to such persons' interests as a member.

c. **Right to Copy and Make Extracts.** Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection includes the right to copy and make extracts.

**Section 4. Annual Report.** Annually, the Corporation shall notify any and all members of each member's right to receive the Corporation's annual financial report. Not later than one hundred and twenty (120) days after the close of the Corporation's fiscal year, the Board shall cause an annual report to be furnished to all Directors of the Corporation and to any member who requests it in writing, which report shall contain the following information in appropriate detail:

- (a) The assets and liabilities of the Corporation as of the end of the fiscal year;
- (b) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the fiscal year;
- (c) The expenses or disbursements of the Corporation, for both general and restricted purposes, during the fiscal year;
- (d) Any information required by Section 5 of this Article; and
- (e) A statement of the place where the names and addresses of the current members are located.

The annual report shall be accompanied by any report thereon of independent accountants, or, if there is no such report, the certificate of an authorized Officer of the Corporation that such statement were prepared without audit from the books and records of the Corporation.

**Section 5. Annual Statement of Specific Transactions to Members.** Within one hundred and twenty (120) days after the close of its fiscal year, the Corporation shall furnish to all Directors and any and all members a statement which briefly describes the amount and circumstances of any indemnification or covered transaction.

For purposes of this section, a “covered transaction” means: any transaction in which the Corporation, or its parent or its subsidiary, was a party, and in which either of the following had a direct or indirect material financial interest: (1) Any Director or Officer of the Corporation, or its parent or subsidiary (a mere common Directorship shall not be considered a material financial interest); or (2) Any holder of more than ten percent (10%) of the voting power of the Corporation, its parent or its subsidiary.

Transactions approved by the members of the Corporation under subdivision (a) of Section 7233 of the Nonprofit Mutual Benefit Corporation Law are not covered transactions.

The statement required by this section shall describe:

- (1) Any covered transaction during the previous fiscal year involving more than fifty thousand dollars (\$50,000), or which was one of a number of transactions with the same person had a direct or indirect material financial interest, and which transactions in the aggregate involved more than fifty thousand dollars (\$50,000).
- (2) The names of the interested persons involved in such transactions, stating such person’s relationship to the Corporation, the nature of such person’s interest in the transaction and, where practicable, the amount of such interest; provided, that in the case of a transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated.

If this Corporation has any members and provides all members with an annual report according to the provisions of Section 4 of this Article, then such annual report shall include the information required by this Section.

**Section 6. Fiscal Year of the Corporation.** The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year.

## ARTICLE VIII

### AMENDMENT OF BYLAWS

**Section 1. Amendment.** Amendment to the Bylaws may be proposed by the Executive Committee, by any member or by the Board of Directors. Except as provided by the Nonprofit Mutual Benefit Corporation Law and as set forth in Article XII of these Bylaws, these Bylaws may be amended upon the affirmative vote of two-thirds of the Directors then in office unless the action would:

- (a) Materially and adversely affect the rights of members as to voting, dissolution, redemption, or transfer;
- (b) Increase or decrease the number of members authorized in total or for any class;
- (c) Effect an exchange, reclassification or cancellation of all or part of the membership;
- (d) Authorize a new class of membership; or
- (e) Change the number of Directors.

## ARTICLE IX

### AMENDMENT OF ARTICLES

**Section 1. Amendment of Articles After Admission of Members.** After members, if any, have been admitted to the Corporation, amendment of the Articles of Incorporation may be adopted by the approval of the Board of Directors and by the approval of the members of this Corporation, as provided in Article 8, Section 1 of these Bylaws. The approval of the members may be before or after the approval by the Board of Directors.

## ARTICLE X

### COMMITTEES

**Section 1. Executive Committee.** The Board of Directors may, by a majority vote of Directors, designate two (2) or more of its members (who may also be serving as Officers of this Corporation) to constitute an Executive Committee and delegate to such Committee any of the powers and authority of the Board in the management of the business and affairs of the Corporation, except with respect to:

- (a) The approval of any action, which, under law or the provisions of these Bylaws, requires the approval of the members or of a majority of all of the members.
- (b) The filling of vacancies on the Board or on any committee, which has the authority of the Board.
- (c) The fixing of compensation of the Directors for serving on the Board or on any committee.
- (d) The amendment or repeal of Bylaws or the adoption of new Bylaws.
- (e) The amendment or repeal or any resolution of the Board which by its express terms is not so amendable or repealable.
- (f) The appointment of committees of the Board or the members thereof.
- (g) The approval of any transaction to which this Corporation is a party and in which one or more of the Directors has a material financial interest.

By a majority vote of its members then in office, the Board of Directors may at any time revoke or modify any or all of the authority so delegated, increase or decrease but not below two (2) the number of the Executive Committee's members, and fill vacancies therein from the members of the Board. The Executive Committee shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the Board from time to time as the Board may require.



**Section 2. Other Committees.** The Corporation shall have such other standing committees as the Board of Directors may from time to time designate by resolution. Such standing committees may consist of any member of the Corporation who is in good standing, but every standing committee shall have at least one member who is also a Director of the Corporation. These additional committees shall act in an advisory capacity only to the Board and shall be clearly titled as “advisory” committees.

**Section 3. Meetings and Action of Committees.** The Board of Directors, in its discretion, may adopt rules and regulations pertaining to the noticing of, holding of, governance of, and conduct of meetings of committees, to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

## ARTICLE XI

### PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS

**Section 1. Prohibition Against Sharing Corporate Profits and Assets.** No member, Director, Officer, employee, or other person connected with this Corporation, or any private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the Corporation, provided, however, that this provision shall not prevent payment to any such person or reasonable compensation for services performed for the Corporation in effecting any of its purposes, provided that such compensation is otherwise permitted by these Bylaws and is fixed by resolution of the Board of Directors; and no such person or persons shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on dissolution of the Corporation. All members, if any, of the Corporation shall be deemed to have expressly consented and agreed that on such dissolution or winding up of the affairs of the Corporation, whether voluntarily or involuntarily, the assets of the Corporation, after all debts have been satisfied, shall be distributed as required by the Articles of Incorporation of this Corporation and not otherwise.

## ARTICLE XII

### MEMBERS

#### Section 1. Qualification And Rights Of Membership.

a. **Rights of Members.** Except as expressly provided in, or authorized by, these Bylaws or the Articles of Incorporation of this Corporation, all members in good standing shall have the same rights, privileges, restrictions and conditions.

b. **Good Standing.** Those members who have paid the required dues, fees and assessments in accordance with these Bylaws and who are not suspended shall be members in good standing.

c. **Voting Rights.** Regular Members in good standing shall have the right to vote on those matters for which the California Nonprofit Mutual Benefit Corporation Law expressly requires approval of the membership, including, but not limited to the following matters:

- (1) Election of the Board of Directors, and
- (2) Approval of any amendments to the Bylaws not within the power of the Board of Directors as set forth in Article 8 of these Bylaws.
- (3) Approval of any amendments to the Articles of Incorporation.

Voting on all other matters is expressly reserved for the Board of Directors. Other classes of members may attend meetings of the members, but may not vote. Each member of the Corporation shall have no more than one vote.

d. **Classes and Qualifications of Members.** The membership of the Corporation shall consist of Regular, Associate, Honorary and Student Members. No member shall hold more than one membership in the Corporation.

Regular Members. Any person employed or interested in a groundwater-related field, which may include: regulation, evaluation, development, remediation or investigation of groundwater, groundwater supplies, or groundwater resources; groundwater-related technology field; groundwater-related law or planning; or education related to earth science, engineering, environmental, natural sciences or physical sciences. A group of persons, each of whom satisfies this criteria for Regular Membership, collectively may join the Corporation as an organization, whether corporate, governmental or otherwise, however, only the individuals shall be entitled to voting privileges.

Associate Members. Any person, not eligible to be a Regular Member, interested in the groundwater resources of California and who supports the stated purposes and objectives of the Corporation. Associate members are not entitled to voting privileges.

Student Members. Student members will be currently registered full-time students in an accredited college, university, preparatory or trade school, with a membership application signed by a faculty member of that institution as verification of student status. Student members are not be entitled to voting privileges.

Honorary Members. Persons of acknowledged eminence who have made special contributions to the groundwater field or the Corporation may be elected to Honorary membership upon recommendation of the Membership Committee and an affirmative vote of the Board of Directors. Honorary Members are exempt from membership dues. Honorary members are not be entitled to voting privileges.

**Section 2. Admission of Members.** Applicants shall be admitted to membership on making application therefore in writing, upon payment of first annual dues as specified in the following sections of these Bylaws, and upon approval of the Board of Directors.

**Section 3. Fees, Dues and Assessments.**

- (a) The following fee shall be charged for making application for membership in the Corporation: None
- (b) The annual dues payable to the Corporation by members shall as determined from time to time by resolution of the Board of Directors.
- (c) Memberships shall be nonassessable.

**Section 4. Membership Record.** The Corporation shall keep a membership record containing the name and address of each member. Termination of the membership of any member shall be recorded in the book, together with the date of termination of such membership. Such record book shall be kept at the Corporation's principal office and shall be available for inspection by any Director or member of the Corporation during regular business hours.

The record of names and addresses of the members of this Corporation shall constitute the membership list of this Corporation and shall not be used, in whole or part, by any person for any purpose not reasonably related to a member's interest as a member.

**Section 5. Nonliability of Members.** A member of this Corporation is not, as such, personally liable for the debts, liabilities, or obligations of the Corporation.

**Section 6. Nontransferability of Memberships.** No member may transfer a membership or any right arising therefrom. All rights of membership cease upon the member's death.

**Section 7. Termination of Membership.**

**a. Grounds for Termination.** The membership of a member shall terminate upon the occurrence of any of the following events:

- (1) Upon his or her notice of such termination delivered to the President or Secretary of the Corporation personally, electronically or by mail, such membership to terminate upon the date of delivery of the notice or date of deposit in the mail.
- (2) Upon a determination by the Board of Directors that the member has engaged in conduct materially and seriously prejudicial to the interests or purposes of the Corporation.
- (3) If this Corporation has provided for the payment of dues by members, upon a failure to renew his or her membership by paying dues on or before their due date, such termination to be effective thirty (30) days after a written notification of delinquency is given personally or mailed to such member by the Secretary of the Corporation. A member may avoid such termination by paying the amount of delinquent dues within a thirty (30)-day period following the member's receipt of the written notification of delinquency.

**b. Procedure for Expulsion.** Following the determination that a member should be terminated, as provided by this section, the following procedure shall be implemented:

- (1) A notice shall be sent by first-class or registered mail to the last address of the member as shown on the Corporation's records, setting forth the expulsion and the reasons therefore. Such notice shall be sent at least fifteen (15) days before the proposed effective date of the expulsion.
- (2) The member being expelled shall be given an opportunity to be heard, either orally or in writing, at a hearing to be held not less than five (5) days before the effective date of the proposed expulsion. The hearing will be held by the Board of Directors in accordance with the quorum and voting rules set forth in these Bylaws applicable to the meetings of the Board. The notice to the member of his or her proposed expulsion shall state the date, time, and place of the hearing on his or her proposed expulsion.
- (3) Following the hearing, the Board of Directors shall decide whether or not the member should in fact be expelled, suspended, or sanctioned in some other way. The decision of the Board shall be final.
- (4) If this Corporation has provided for the payment of dues by members, any person expelled from the Corporation shall receive a refund of dues already paid. The refund shall be pro-rated to return

only the unaccrued balance remaining for the period of the dues payment.

c. **Rights on Termination.** All rights of a member in the Corporation shall cease on termination of membership as herein provided.

**Section 8. Meeting of Members.**

a. **Place of Meetings.** Meetings of members shall be held at the principal office of the Corporation or at such other place or places within or without the State of California as may be designated from time to time by the Board of Directors.

b. **Annual Meetings.** There shall be an annual meeting of the members upon such date, time and place as the Board shall determine. Members shall receive notice of the annual meeting not less than ten (10) nor more than ninety (90) days before the date of the annual meeting. Notice shall be given in the manner specified in these Bylaws, and the notice shall state the purposes of the meeting.

c. **Special Meetings of Members.**

Special meetings of the members shall be called by the Board of Directors, the Chair of the Board, or the President of the Corporation. In addition, special meetings of the members for any lawful purpose may be called by ten percent (10%) or more of the members.

d. **Notice of Meetings.**

- (1) Time of Meeting. Whenever members are required or permitted to take action at a meeting, a written notice of the meeting shall be given by the Secretary or other designated persons of the Corporation not less than ten (10) nor more than ninety (90) days before the date of the meeting to each member in good standing who is entitled to vote.
- (2) Method of Notice. Whenever under the provisions of these Bylaws notice is required to be given to members, such notice shall be given in writing by first-class mail or overnight delivery service with postage prepaid to such person at his or her address as it appears on the records of the Corporation. Such notice shall be deemed to have been given when deposited in the mail or the delivery service. Notice may also be given by facsimile, electronic mail, or hand delivery, and will be deemed given when received.
- (3) Contents of Notice. Notice of a membership meeting shall state the place, date, and time of the meeting and (1) in the case of a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or (2) in the case of regular meeting, those matters which the Board, at the time notice

is given, intends to present for action by the members. Subject to any provision to the contrary contained in these Bylaws, however, any proper matter may be presented at a regular meeting for such action. The notice of any meeting of members at which Directors are to be elected shall include the names of all those who are nominees at the time notice is given to members.

(4) Notice of Meeting Called by Members. If a special meeting is called by members as authorized by these Bylaws, the request for the meeting shall be submitted in writing, specifying the general nature of the business proposed to be transacted and shall be delivered personally or sent by registered mail or by telegraph to the Chair of the Board, President, Vice President or Secretary of the Corporation. The Officer receiving the request shall promptly cause notice to be given to the members entitled to vote that a meeting will be held, stating the date of the meeting. The date for such meeting shall be fixed by the Board and shall not be less than thirty-five (35) nor more than ninety (90) days after the receipt of the request, persons calling the meeting may give the notice themselves.

(5) Waiver of Notice of Meetings. The transactions of any meeting of members, however called and noticed, and wherever held, shall be valid as though taken at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each of the persons entitled to vote, not present in person or by proxy, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Waiver of notices or consents need not specify either the business to be transacted or the purpose of any regular or special meeting of members, except that if action is taken or proposed to be taken for approval of any of the matters specified in subparagraph (f) of this section, the waiver of notice or consent shall state the general nature of the proposal.

**e. Quorum of Meetings.** A quorum shall consist of five percent (5%) or no less than thirty (30) voting members of the Corporation, whichever is greater, in order to conduct general business.

The members present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of members from the meeting provided that any action taken after the loss of a quorum must be approved by at least a majority of the members required to constitute a quorum.

In the absence of a quorum, any meeting of the members may be adjourned from time to time by the vote of a majority of the votes represented in person at the meeting, but not other business shall be transacted at such meeting.

When a meeting is adjourned for lack of a sufficient number of members at the meeting or otherwise, it shall not be necessary to give notice of the time and place of the adjourned meeting or of the business to be transacted at such meeting other than by announcement at the meeting at which adjournment is taken of the time and place of the adjourned meeting. However, if after the adjournment a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each member who, on the record date for notice of the meeting, is entitled to vote at the meeting. A meeting shall not be adjourned for more than forty-five (45) days.

**f. Majority Action as Membership Action.** Every act or decision done or made by a majority of voting members present at a duly held meeting at which a quorum is present is the act of the members, unless the law, the Articles of Incorporation of this Corporation, or these Bylaws require a greater number.

**Section 9. No Proxy Voting.** Members entitled to vote shall not be permitted to vote or act by proxy.

**Section 10. Conduct of Meetings.** Meetings of members shall be presided over by the Chair of the Board, or, if there is no Chair, by the President of the Corporation or, in his or her absence, by the Vice President of the Corporation or, by the Branch President or other Branch Officers in the case of a Branch meeting or, in the absence of all of these persons, by a Chair chosen by a majority of the voting members, present in person. The Secretary of the Corporation shall act as Secretary of all meeting of members, provided that, in his or her absence, the presiding Officer shall appoint another person to act as Secretary of the Meeting.

Meetings shall be governed by Robert's Rules of Order, as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with these Bylaws, with the Articles of Incorporation of this Corporation, or with any provision of law.

**Section 11. Action Without a Meeting.** Any action which may be taken at any regular or special meeting of members may be taken without a meeting. Voting members shall receive a written ballot not less than 10 days prior and no more than 30 days prior to the ballot return date. Ballots may be sent by electronic transmission by the Corporation and responses may be returned to the Corporation by electronic transmission. Each voting member shall have one (1) vote. Voting by proxy shall not be permitted. Ballots shall be mailed or delivered in the manner required for giving notice of meetings specified in this Article. Any such ballot submitted by a member may not be revoked after its receipt by the Corporation.

**a. Reasonable Nomination and Election Procedures.** This Corporation shall make available to members reasonable nomination and election procedures with respect to the election of Directors by members. Such procedures shall be reasonable given the nature, size and operations of the Corporation, and shall include:



- (1) A reasonable means of nominating persons for election as Directors.
- (2) A reasonable opportunity for a nominee to communicate to the members the nominee's qualifications and the reasons for the nominee's candidacy.
- (3) A reasonable opportunity for all nominees to solicit votes.
- (4) A reasonable opportunity for all members to choose among the nominees.
- (5) A reasonable opportunity for all members to nominate a candidate of their choice.

**CERTIFICATE OF SECRETARY**

I, the undersigned, certify that I am the acting Secretary of the Groundwater Resources Association of California and the above Bylaws consisting of 29 pages were adopted by the voting members of the Corporation, in accordance with Article VIII of these Bylaws on this 21<sup>st</sup> day of April, 2007.



William V. Pipes  
Secretary, GRAC