

BY-LAWS
OF
CHAUTAUQUA LAKE AND WATERSHED
MANAGEMENT ALLIANCE, INC.

ARTICLE 1.
MEMBERS

Section 1.1. Members. Chautauqua Lake and Watershed Management Alliance, Inc. (the "Corporation") shall have no members until such time that the Board of Directors determines that the Corporation shall have members (the "Transition Date"). The Transition Date shall be determined by the Board of Directors.

Section 1.2. Member Qualifications. After the Transition Date, the Corporation shall have members. Members shall fall within one or more of the following categories:

- (a) County, town or village located in the Chautauqua Lake Watershed (the "Watershed");
- (b) Soil and Water Conservation District;
- (c) Northern Chautauqua Lake Sewer District;
- (d) South and Center Chautauqua Lake Sewer District;
- (e) Chautauqua County Visitor's Bureau;
- (f) Non-profits located in the Watershed with a Chautauqua Lake and/or Watershed related mission or purpose;
- (g) Chautauqua Institution;
- (h) County Chamber of Commerce; or
- (i) Additional entities with a relationship to the Chautauqua Lake or Watershed designated by the Members from time to time.

Membership requirements, in addition to those set forth in this Article 1, shall be set by the Board of Directors.

Section 1.3. Meetings.

(a) Annual Meeting. The annual meeting of the Members (the "Annual Meeting of the Members") for the transaction of such business as may come before the Members, including the delivery of an annual report, shall be held each year at the place (which may be either within

or outside the State of New York), time and date, in the month of May, as may be fixed by the Board or Directors.

(b) *Special Meetings.* Special Meetings shall be held whenever called by resolution of the Board or by a written demand to the Secretary of ten percent of the Members eligible to vote. The Secretary upon receiving the written demand or resolution shall promptly give notice of such meeting as provided below, or if the Secretary fails to do so within five (5) business days thereafter, any member signing such demand may give such notice.

(c) *Notice of Meetings.* Written notice of the place, date and hour of any meeting (other than the Annual Meeting of the Members) shall be given to each member entitled to vote at such meeting by mailing the notice by first class mail, postage prepaid, personal delivery, fax or email not less than ten (10) nor more than fifty (50) days before the date of the meeting. Notice of special meetings shall indicate the purpose for which they are called and the person or persons calling the meeting.

(d) *Quorum, Adjournments of Meetings.* At all meetings of the Members, more than fifty percent (50%) of the Members eligible to vote, present in person or by proxy, shall constitute a quorum for the transaction of business. In the absence of a quorum, the Members present in person shall adjourn the meeting from that time until a quorum is present.

(e) *Voting.* At any meeting of the Members, each Member present, in person or by proxy, shall be entitled to one vote. Upon demand of any member, any vote for Directors or upon any question before the meeting shall be by ballot. The record eligibility of voting rights shall be set thirty (30) days before the date of the meeting

(f) *Proxy.* Every member entitled to vote at a meeting of Members or to express consent or dissent without a meeting may authorize another voting Member or Members to act for such member by proxy. Every proxy must be in writing and signed by the Member or the Member's duly authorized officer, director, employee or agent, or by email and set forth information from which it can be reasonably determined that the proxy was authorized by that member. No proxy shall be valid after the expiration of eleven months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the member executing it, except as otherwise provided by law. For the purposes of conducting meetings, all proxies shall be delivered to the Secretary or, upon the absence of the Secretary, the presiding Member appointed to act as secretary of the meeting.

(g) *Action by the Members.* Except as otherwise provided by statute or by these Bylaws, any corporate action authorized by a majority of the votes cast at a meeting of Members shall be the act of the Members. Action may be taken without a meeting on written consent, setting forth the action to be taken, signed by all of the Members. Such consent may be written or electronic. If the consent is written, it must be signed by the Member. If the consent is electronic it must be able to be reasonably determined to have been sent by the Member. Actions taken the Members in accordance with this Article 1, Section 1.3(g) is distinct from actions taken by the Board of Directors in accordance with Article 2, Section 2.11(b).

ARTICLE 2.
BOARD OF DIRECTORS

Section 2.1. General Powers. The affairs of the Corporation shall be managed by or under the direction of its Board of Directors. Without limitation on the authority of the Board of Directors, ordinarily the Board's role will be limited to high-level matters and day-to-day administration will be handled by the Corporation's staff.

Section 2.2. Number and Qualifications. The number of directors constituting the entire Board of Directors shall be eighteen (18). Twelve (12) out of the eighteen (18) Directors shall be governmental representatives, three (3) from the county level (one being the County Executive, one being the Chair of the Legislature, and the other being a representative of the Legislature whose district borders Chautauqua Lake) and nine (9) from the municipal level – one from each of the Towns and Villages bordering Chautauqua Lake (restricted to elected town or village board members). Such Directors must be elected officials of the governmental entity; elected officials may not appoint a designee to serve on their behalf. The remaining six (6) Directors shall be from the Chautauqua Lake Association (two Directors), Chautauqua Lake Partnership (two Directors), and Chautauqua Watershed Conservancy (two Directors). These and any other non-governmental Directors must be Members, or employees or directors of Members.

Section 2.3. Appointment. The representative of the Legislature whose district has frontage on Chautauqua Lake shall be appointed by the Legislature Chair. All other director appointments shall be made by official action by the governing body of the member organization to which the seat is assigned per Section 2.2.

Section 2.4. Term. All director terms shall end each year on January 31. Each director shall be appointed for a term of one (1) year, which will start on February 1 and end on January 31. Once appointed to serve, the Director term assigned by the Alliance supersedes all others. For governmental representatives, once an elected official starts the term as an Alliance Director, he or she shall complete the Alliance Board term regardless of when their respective County, Town or Village elected term ends. For all other representatives, once he or she starts the term as an Alliance Director, he or she shall complete the Alliance Board term regardless of stepping down or timing out of participation with the associated Member organization. The only exception would be the County Executive as this is an ex-officio Board position per Section 2.2. Whoever is acting or sitting County Executive shall fill this assigned Board position. Therefore, in the case of the County Executive, the Alliance Director role would end when the elected county term ends.

Section 2.5. Resignation. A director may resign at any time by written notice delivered to the Chair or Secretary of the Corporation. A resignation is effective when the notice is delivered unless the notice specifies a date later than the date of delivery. The resignation of a director need not be accepted in order to be effective.

Section 2.6. Removal of Directors. A director may be removed by the affirmative vote of two-thirds (2/3) of the directors then in office at a regular meeting of the Board of Directors or at a special meeting of the Board of Directors held at least five (5) days after written notice of the proposed removal is given to all directors.

Section 2.7. Vacancies. Any vacancy occurring in the Board of Directors by reason of resignation shall be filled by official action by the governing body of the member organization by whom the resigning director was originally appointed. Any directorship to be filled by reason of an increase in the number of directors may be filled by the Board of Directors. A director appointed to fill a vacancy shall be appointed for the unexpired term of his or her predecessor in office or, if the director is appointed because of an increase in the number of directors, the term of such director shall expire on January 31.

Section 2.8. Meetings of the Board.

(a) An annual meeting of the Board of Directors shall be held each year at such time as may be determined by the Board or the Chair. Special meetings of the Board may be held at any time whenever called by the Chair or by any two (2) directors then in office. Regular meetings of the Board may be held at such places and at such times and dates as shall be determined by the Board.

(b) All meetings of the Board of Directors may be held at such places within or without the State of New York as may be determined by the Board or as stated in the notice of meeting.

Section 2.9. Notice of Meetings of the Board. If the Board determines a fixed time and place for annual or regular meetings, no additional notice for such meetings shall be required. Notice for all other meetings shall be given by an officer of the Corporation at least five (5) days before the meeting to each director using one of the following methods: telephone, messenger, facsimile, electronic mail, or express delivery service. Notice shall be deemed to be given by electronic mail at the time of transmission; and by express delivery service or messenger at the time of delivery by the express delivery service or messenger.

Section 2.10. Waiver of Notice of Meeting. Notice of any meeting of the directors may be waived in a writing signed by the person or persons entitled to such notice either before or after the time of the meeting, or by electronic means. Attendance of a director at any meeting shall constitute an automatic waiver of notice of such meeting, except where a director attends a meeting for the purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

Section 2.11. Quorum of Directors; Action at a Meeting.

(a) Fifty percent (50%) of the directors then in office shall constitute a quorum for the transaction of business, provided that if less than fifty percent (50%) are present, a majority of the directors then present may adjourn the meeting to another time without further notice. Withdrawal of directors from any meeting shall not cause failure of a duly constituted quorum at that meeting.

(b) Each director shall have one (1) vote on any matter or resolution considered by the Board. Unless a greater number is required by law or these By-Laws, all decisions made and actions taken by the Board must have the approval of a majority of the directors present at a meeting at which a quorum is present. No director may act by proxy on any matter.

Section 2.12. Written Consent in Lieu of Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors or a committee thereof may be taken without a meeting if all members of the Board or committee consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee. A director's written consent may be obtained or submitted by electronic communication, such as electronic mail, .pdf, or facsimile.

Section 2.13. Meetings by Conference Telephone or Videoconference. Any one or more members of the Board or a committee thereof may participate in a meeting of such Board or committee by means of conference telephone, videoconference or similar communications equipment so long as all persons participating in the meeting can hear each other at the same time and each person can participate in all matters before the Board or committee, including, without limitation, the ability to propose, object to, and vote upon a specific action to be taken to or by the Board or committee. Participation in a meeting by such means shall constitute presence in person at the meeting.

ARTICLE 3. **COMMITTEES**

Section 3.1. Committees. The committees of the Board of Directors shall consist of such committees as the Board of Directors may establish by Board resolution. All committees shall be solely advisory in nature, except as otherwise required by law. The designation of any such committee and the delegation thereto of authority shall not alone relieve any director of his or her duty under law to the Corporation. The Board may constitute committees of the corporation for special projects, tasks or circumstances, which committees may include non-Board members, and shall have the scope as designated by the Board resolution establishing such committee. Each committee of the Board shall, and each committee of the corporation may, have charters setting forth their respective rights and responsibilities as approved by the Board. Such charters shall be reviewed annually by the committees and any recommended changes thereto shall be approved by the Board. To the extent of any conflict between the By-Laws and any committee charters, the provisions of these By-Laws shall control.

Section 3.2. Committee Powers. Each committee, to the extent provided in these By-Laws or in a Board resolution, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation; but no such committee shall have the power or authority in reference to amending the Certificate of Incorporation, amending or repealing these By-Laws or adopting new by-laws, adopting an agreement of merger or consolidation, approving the sale, lease, or exchange of all or substantially all of the Corporation's property and assets, approving a dissolution of the Corporation or a revocation of dissolution, filling vacancies in the Board or in any committee, fixing the compensation of Directors for serving on the Board or any committee, submitting to the Members any action requiring Members' approval under the law or these By-Laws, or amending or repealing any resolution of the Board which by its terms shall not be so amendable or repealable.

Section 3.3. Committee Rules. A majority of the members of a committee shall constitute a quorum, and the act of a majority of the committee members present and voting at a meeting at which a quorum is present shall be the act of the committee provided that if any

committee includes persons that are not Directors, action by a majority of Directors present shall be required for approval of any item before the committee. Minutes of the proceedings of any committee shall be kept and shall be submitted to the Board of Directors at its next meeting. Subject to the other provisions of these By-Laws, each committee may make, alter, and repeal rules for the conduct of its business.

ARTICLE 4. **OFFICERS, AGENTS AND EMPLOYEES**

Section 4.1. Enumeration. The officers of the Corporation shall be a Chair, one or more Vice Chairs, a Secretary, a Treasurer and such other officers or assistant officers as may be elected or appointed by the Board of Directors or the Chair from time to time, as provided below. Without limitation on the authority of the Board of Directors, ordinarily the Board's role will be limited to high-level matters and day-to-day administration will be handled by the Corporation's staff.

Section 4.2. Election and Term of Office. Unless otherwise provided by these By-Laws, the officers of the Corporation shall be elected annually by the Board of Directors. Each elected officer shall hold office until January 31 and until a successor is elected and qualified, or until such officer's earlier resignation or removal. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Election or appointment of an officer shall not in itself create any contract rights. Any officer may serve up to three (3) consecutive one (1) year terms after which he or she must not serve in such position for a period of at least one (1) year after which he or she shall be eligible for re-election.

Section 4.3. Resignation. Any officer may resign at any time by giving written notice to the Chair or Secretary of the Corporation. A resignation is effective when the notice is delivered unless the notice specifies a date later than the date of delivery. The resignation of an officer need not be accepted in order to be effective.

Section 4.4. Removal. The Board of Directors may remove any officer, either with or without cause, whenever in its judgment the best interests of the Corporation would be served thereby. The removal of an officer shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4.5. Vacancies. A vacancy in any office, however caused, may be filled by the Board of Directors for the unexpired portion of the term.

Section 4.6. Chair. The Chair shall preside at all meetings of the Board of Directors. Subject to the directions of the Board of Directors, the Chair shall in general supervise the executive management and oversee the Board business and affairs of the Corporation and shall perform all duties as may be assigned from time to time by the Board of Directors. No employee of the Corporation shall serve as Chair or in any other position with commensurate responsibilities.

Section 4.7. Vice Chairs. In the absence of the Chair or in the event of the Chair's inability or refusal to act, the Vice Chair (or, if there is more than one Vice Chair, the Vice Chair

who is senior in tenure) shall perform the duties of the Chair. When so acting, such Vice Chair shall have all the powers of and be subject to all the restrictions upon the Chair. The Board of Directors may also designate by resolution certain Vice Chairs as being in charge of designated operations of the Corporation and may add an appropriate description to their titles and further specify such Vice Chairs' duties and powers. Any Vice Chair shall perform such duties as the Chair or the Board of Directors may assign from time to time.

Section 4.8. Secretary. The Secretary, or his or her designee, shall:

- (a) keep the minutes of meetings of the Board of Directors and committees of the Board in one or more books provided for that purpose;
- (b) see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law;
- (c) be custodian of the corporate records and of the seal of the Corporation;
- (d) keep a register of the post office and electronic address of each Corporation director and officer, which shall be furnished to the Secretary by such director or officer; and
- (e) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Chair or the Board of Directors.

Section 4.9. Treasurer. The Treasurer, or his or her designee, shall:

- (a) supervise staff to ensure the proper management of all funds and securities of the Corporation;
- (b) receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with these By-Laws;
- (c) disburse the funds of the Corporation as ordered by the Board of Directors or as otherwise required in the conduct of the business of the Corporation and render to the Board of Directors, upon request, an account of all transactions as Treasurer and on the financial condition of the Corporation; and
- (d) in general perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the Chair or the Board of Directors.

ARTICLE 5.

CONTRACTS, COMPENSATION AND FINANCIAL TRANSACTIONS

Section 5.1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents 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.

Section 5.2. Compensation and Expenses. No director or officer shall receive compensation for service rendered to the Corporation as such; provided that the Board of Directors shall have the right to authorize the payment of just and reasonable compensation to any person, whether or not such person be a director, officer or otherwise, for employment by the Corporation or other services actually rendered in the accomplishment of the objects and purposes of the Corporation. Such compensation shall be approved in accordance with the policies and procedures of the Corporation, including, where applicable, the Conflict of Interest Policy of the Corporation. The reasonable expenses of all persons engaged in the service of the Corporation may be paid upon the authorization of the Board of Directors.

Section 5.3. Loans. No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in the name of the Corporation unless authorized by a resolution of the Board of Directors or by action of a duly empowered committee of the Board. Such authority to make loans may be general or confined to specified instances. No loan shall be made by the Corporation to a director or officer of the Corporation.

Section 5.4. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness, issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination, such instruments may be signed by the Treasurer or the Chair.

Section 5.5. Policies and Procedures. The foregoing provisions are subject to policies and procedures that the Board may adopt from time to time including, but not limited to, those regarding contract execution and expenditure authority.

ARTICLE 6. **BOOKS AND RECORDS**

The Corporation shall keep at its office correct and complete books and records of account, the activities and transactions of the Corporation, minutes of the proceedings of the Board of Directors and any committee of the Board, and a current list of the directors and officers of the Corporation and their residence addresses. Any of the books, minutes, and records of the Corporation may be in written form or in any other form capable of being converted into written form within a reasonable time. Books and records shall be retained in accordance with the Business Records Retention Policy of the Corporation.

ARTICLE 7. **FISCAL YEAR**

The fiscal year of the Corporation shall be the calendar year.

ARTICLE 8. **INDEMNIFICATION AND INSURANCE**

Each person who at any time is or shall have been a director, officer, employee or agent of the Corporation or is or shall have been serving at the request of the Corporation as a director,

officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation in accordance with and to the full extent permitted by the Not-for-Profit Corporation Law of the State of New York as in effect at the time of adoption of these By-Laws or as amended from time to time, and by any subsequent applicable New York corporation law. The foregoing right of indemnification shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under any by-law, agreement, vote of disinterested directors, or otherwise. If authorized by the Board of Directors, the Corporation may purchase and maintain insurance on behalf of any person to the full extent permitted by the Not-for-Profit Corporation Law of the State of New York as in effect at the time of the adoption of these By-Laws or as amended from time to time, and by any subsequent applicable New York corporation law.

ARTICLE 9.
AMENDMENT

These By-Laws may be altered, amended or repealed by the affirmative vote of two-thirds (2/3) of the directors then in office. Such action may be taken at a regular or special meeting for which written notice of the purpose shall be given.