

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

OPERATIONS COMMITTEE MEETING
AGENDA ITEM SUMMARY

February 4, 2009

ACTION REQUIRED

AGENDA ITEM NO. X.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

2009 Proposed Bylaw Amendments

DISCUSSION

At its December 18, 2008 regular meeting, the Board of Directors, without agreeing on each specific proposal, voted to forward to the Bylaws Committee 1) a newly drafted Article XIX to the Bylaws creating a "Campaign Conduct and Finance Commission" 2) a packet of redlined Bylaws titled Clean-up Bylaw Language and 3) a request that the Bylaws Committee consider and recommend a resolution to the ambiguity in Article III, Members Meetings and Elections, Section 9(f) Elections and Election Committee, regarding who pays the expense of an election recount. In all, the Committee considered changes to more than 15 various Sections of the current Bylaws.

The Bylaws Committee met on four evenings and over the course of more than 14 hours (not including time on their own drafting, reviewing and editing documents) accomplished the following:

The Committee first met and reviewed all the Bylaws submitted for their consideration. They requested research from staff and attorney Louann Cutler for a number of the proposals to better understand the purpose and ramifications of certain changes. After receiving this input, on January 6, 2009 the Committee voted to notify the Board, through Board Liaison Elizabeth Vazquez, that while there is consensus that an effort should be made to promote civil, fair, open and transparent elections at minimum cost to candidates and the Association, the time, resources, and lack of expertise available within the prescribed schedule leading to the Association's 2009 Annual Meeting do not permit the Committee to adequately consider the proposal on creating a Campaign Conduct

and Finance Commission. The Committee suggested that the Board of Directors establish an *ad hoc* committee to deal exclusively with this issue and provide a comprehensive proposal for inclusion in next year's bylaws review process. The Bylaws Committee suggested that the *ad hoc* committee should include at least some individuals with expertise in election policies and procedures, and be provided the opportunity to obtain assistance from professional experts in election processes to assist with any technical issues. Director Vazquez delivered this message to the Board at its January 7, 2009 Special Board Meeting.

Next, the Committee went through the remaining Bylaws submitted for its consideration and first determined whether to accept, modify or reject the changes and if accepted or modified, determine if they truly were clean-up language or a change to current Association practice. Those proposed edits that constituted a change to current practice were treated as separate proposals and not part of the clean-up language.

This year, Chugach received no proposed Bylaw changes from the membership. However, the Committee drafted two additional proposals for the Board's consideration to include on the 2009 ballot.

Attached for the Operations Committee's consideration are the following:

1. Clean-up / housekeeping amendments the Bylaws Committee recommends be proposed to the membership including the Bylaw Committee's Comment for the Election Brochure (Attachment A)
2. Two sets of amendments the Bylaws Committee recommends be proposed to the membership including the Bylaws Committee's Comments for the Election Brochure (Attachment B)
3. Bylaw changes forwarded to the Bylaws Committee that they believe should not be presented to the membership including summaries of the Committee's reasons for rejecting each proposal. (Attachment C).

MOTION

1. Clean-up / Housekeeping amendments

Move that the Operations Committee approve the attached Bylaw amendments labeled "Attachment A, Proposed Clean-up", for referral to the Board of Directors for placement on the ballot for the 2009 annual membership meeting.

2. Individual Amendments.

A. Number of Members on the Election Committee

Move that the Operations Committee approve the proposed Bylaw amendment to ARTICLE III, MEMBERS, MEETINGS AND ELECTIONS, SECTION 9. Elections and Election Committee, including the Bylaws Committee's proposed comment for the election brochure as attached and included in Exhibit B, for referral to the Board of Directors for placement on the ballot for the 2009 annual membership meeting.

B. Director Attendance Requirements and Methods

Move that the Operations Committee approve the proposed Bylaw amendments to ARTICLE V, MEETINGS OF DIRECTORS, SECTION 4 Director Attendance and SECTION 7, Attendance at Board Meetings Via Electronic Communications, including the Bylaws Committee's proposed comment for the election brochure as attached and included in Exhibit B, for referral to the Board of Directors for placement on the ballot for the 2009 annual membership meeting.

3. Proposals Rejected by the Bylaws Committee

Move that the Operations Committee concur with the Bylaws Committee recommendation that the attached Bylaw amendments labeled "Attachment C, Rejected Proposals" be referred to the Board of Directors with a recommendation that they not be included on the ballot for the 2009 annual membership meeting.

PROPOSED BYLAW AMENDMENTS THAT ARE "CLEAN UP"

ARTICLE III MEMBERS, MEETINGS AND ELECTIONS

SECTION 9. Elections and Election Committee.

...

(f) A recount of votes cast for a director's seat may only be requested by a candidate in that election. A request for a recount must be made in writing and received by the Election Committee within 10 days of the close of balloting. The recount will be done in the same manner as and by the same entity that performed the original vote count. If the recount indicates that the candidate requesting the recount has lost the election by more than 1 percent of the total votes cast, then the cost of the recount shall be borne by the candidate. If the recount indicates that the candidate requesting the recount has either won a seat or lost by a margin of 1 percent or less of the total votes cast, then the cost of the recount shall be borne by the Association.

A group of 10 or more members who voted in that election may request a recount of the ballots for a bylaws change or ballot question. A request for a recount must be made in writing and received by the Election Committee within 10 days of the close of balloting. The same provision for payment of the costs as provided above shall prevail, with the voters who requested the recount paying for the recount if the margin is greater than 1 percent of the total votes cast, and the Association bearing the expense if the margin is 1 percent or less of the total votes cast.

ARTICLE III MEMBERS, MEETINGS AND ELECTIONS

SECTION 2. Special Meetings. Special meetings of the members may be called by resolution of the board of directors, or upon a written request signed by a majority of the any four directors to the chairman of the board, or by a written request made to the chairman of the board and signed by not less than ten percent (10%) of the members. The resolution or request shall specify the purpose of the meeting. All signatures for a request of a special meeting by members shall be collected within the single ninety (90) calendar day period immediately preceding the date on which signed requests are first presented to the Association, and the board of directors shall establish such policies as may be necessary and convenient to ensure compliance with this provision. It shall thereupon be the duty of the secretary of the board to cause notice of such meeting to be given as hereinafter provided. Special meetings of the members may be held at any place within the Municipality of Anchorage specified in the notice of the special meeting. Only such business shall be conducted at a special meeting of members as shall have been specified in the notice of the special meeting.

SECTION 8. Order of Business.

...

(b) ~~Any Proposed amendments~~ to the bylaws upon which voting is being conducted by ballot may be discussed at the ~~annual~~ meeting, but may not be altered, amended or tabled. The only vote permitted is whether to approve or disapprove the amendment to the bylaws as set forth in the official ballot, shall not be treated as being before the annual meeting for action, other than passage or defeat of the proposed amendments. They may not be further amended or tabled by action of the annual meeting.

SECTION 9. Elections and Election Committee.

...

(g) In the event of a tie for an election of a director, a bylaws change or a ballot question, a recount of the ballots shall be done. The Association shall bear the cost of recounts in the event of a tie. If the recount confirms the existence of a tie in the election of directors, then a run-off election shall be conducted by mail and by such other means as may be established by the Association within 60 days of the date the results of the recount are certified. The form and content of the ballots shall comply with this Article III, Section 9(b). The run-off election shall be conducted by the Election Committee. The provisions of this Article III, Section 9(d), (e) and (f) shall apply. If the recount confirms the existence of a tie with respect to a bylaws change or ballot question, such change or question shall have failed.

**ARTICLE IV
DIRECTORS**

SECTION 3. Qualifications. (a) A person shall be eligible to serve as a director, who:

...

1) Has been a member and bona fide resident in the area served by the Association for 12 continuous months before appointment to the board, or the notice of the election;

...

7) Maintains i) his or her membership and, ii) bona fide residency in the area served by the Association, ~~and iii) a minimum of 12 continuous months of bona fide residency in the area served by the Association~~ throughout his or her term of office; and

8) Has not exceeded, or would not exceed if elected to the applicable term, the limit on board service specified in Article IV, Section 2.

...

(c) Upon establishment of the fact that a director is holding office in violation of any of the foregoing provisions ~~including or violated~~ the disclosure provisions of Article III, Section 9(b), subsection (2), the board of directors shall remove such director from office unless the basis for disqualification is remedied within thirty (30) days of notice of disqualification by the board of directors.

(d) Directors are ineligible for employment by the Association for a period of two (2) years after their term has expired.

(e) "Bona fide resident" is hereby defined to mean: 1) a person whose primary residence is in the area served by the Association, and who actually lives at this primary residence with the intention to remain there permanently or indefinitely and 2) a non-natural entity who chooses as their authorized representative a person who is a "bona fide resident" as defined in 1).

"Primary residence" shall mean the residence that is the chief or main residence of the person and where the person actually lives for the most substantial portion of the year. "Intention" shall mean the unequivocal intention of the person as evidenced by that person's acts and words and by the circumstances.

~~The failure of a director to meet the qualifications for service~~
~~Nothing contained in this section shall not affect in any manner~~
~~whatsoever~~ the validity of any action taken at any meeting of the board of directors.

SECTION 4. Nominations. No person may be elected a director by the members unless nominated pursuant to this Article IV, Section 4.

(a) Nominating Committee. The board of directors shall appoint a committee on nominations by December 31st of each year, as provided for in Article XV of these bylaws. The committee shall consist of not less than five nor more than seven members, who shall be selected from different sections of the service area of the Association as to insure equitable representation. No member of the board of directors may serve on such committee. The committee shall seek qualified candidates, as well as screen potential nominees. Public notice for nominations shall be given ninety days prior to the meeting. The committee, keeping in mind the principle of geographical representation, shall approve, prepare and post at the principal office of the Association, at least seventy days before the meeting, a list of nominations for directors, which may include a greater number of candidates than are to be elected.

(b) Petition. Any fifty or more members, acting together, may make other nominations by petition not less than sixty days prior to the election, and the secretary of the board shall post such nominations at the same place where the list of nominations made by the committee is posted.

[As sent from the Board to the Bylaws Committee:]

SECTION 9. Compensation. (a) ~~Directors shall not receive any salary for their services as directors, except that, b~~By resolution of the board of directors, directors may receive a fixed fee and expenses of attendance, if any, ~~may be allowed~~ for each day of attendance at each meeting of the board of directors, or a meeting of a committee thereof, or when a director is otherwise representing the Association in an official capacity and for each day of necessary travel ~~in connection with any such~~~~to and from a meeting of the Board or other meeting while officially representing the Association.~~ No attendance other than regular or special board or committee meetings shall be reimbursed unless authorized ~~in advance~~ by ~~the a~~ majority vote of the board. A director may not be compensated for more than two regular board meetings per month, and an additional 12 special board meetings per year. The total compensated meetings shall not exceed 70 meetings per year for a director, and 85 meetings per year for the chairman of the board. The Association may not provide health insurance for directors or their families (other than for a family member employed by the Association who is not living in the same household as the director and who is not financially interdependent upon the director), or insurance for risks except those incurred in their capacity as directors.

(b) Directors' expense reimbursement requests shall be reviewed and approved by the majority vote of the board.

(c) [Except for the meeting fees authorized by Article IV, Section 9(a) of these bylaws,] ~~D~~irectors may not receive salaries for their services as directors, and, except in emergencies, shall not receive salaries for their services in any other capacity without the approval of the members.

[The Committee voted to amend this Section as follows:]

SECTION 9. Compensation. (a) Directors shall not receive any salary for their services as directors, except that, by resolution of the board of directors, a fixed fee and expenses of attendance, if any, may be allowed for each day of attendance at each meeting of the board of directors, or a meeting of a committee thereof, or when a director is otherwise representing the Association in an official capacity and for each day of necessary travel in connection with any such~~to and from a meeting of the Board or other meeting while officially~~

~~representing the Association~~. No attendance other than regular or special board or committee meetings shall be reimbursed unless authorized ~~in advance~~ by ~~the~~ a majority vote of the board. A director may not be compensated for more than two regular board meetings per month, and an additional 12 special board meetings per year. The total compensated meetings shall not exceed 70 meetings per year for a director, and 85 meetings per year for the chairman of the board. The Association may not provide health insurance for directors or their families, or insurance for risks except those incurred in their capacity as directors.

(b) Directors' expense reimbursement requests shall be reviewed and approved by the majority vote of the board. Directors may not receive salaries for their services as directors, and, except in emergencies, shall not receive salaries for their services in any other capacity without the approval of the members.

Reasons for the Committee's action: The Committee stated some of the changes seem unnecessary, do not add any clarification and would only raise questions by the members if placed on the ballot. Other changes, however, were considered useful clarifications and were adopted as indicated.

[As sent from the Board to the Bylaws Committee:]

**ARTICLE XV
STANDING AND AD HOC MEMBER COMMITTEES**

SECTION 1. General. This ~~section Article XV~~ shall apply to standing and ad hoc member committees which may from time to time be appointed by the board. Standing member committees include: the Election Committee, as provided for in Article III, Section 9; the Nominating Committee, as provided for in Article IV, Section 4; the Bylaws Committee, as provided for in Article XIII, Section 2; and the Member Advisory Council, as provided for in Article XIV.

...

SECTION 4. Membership. In order to be fairly representative of the Association's diverse membership, it is preferable that ~~standing and ad hoc~~ member committees be comprised of members who reflect that diversity. Toward that end, the selection process shall include consideration of the member's occupation, education, experience, geographical area in which service is provided by the Association, and type of service provided by the Association. A person is eligible to serve on such committees provided that such person is not:

[The Committee voted to amend this Section as follows:]

ARTICLE XV
STANDING AND AD HOC MEMBER COMMITTEES

SECTION 1. General. This ~~section~~Article XV shall apply to ~~standing and ad hoc member~~ committees which may from time to time be appointed by the board. Standing member committees include: the Election Committee, as provided for in Article III, Section 9; the Nominating Committee, as provided for in Article IV, Section 4; the Bylaws Committee, as provided for in Article XIII, Section 2; and the Member Advisory Council, as provided for in Article XIV.

...

SECTION 4. Membership. In order to be fairly representative of the Association's diverse membership, it is preferable that ~~standing and ad hoc member~~ committees be comprised of members who reflect that diversity. Toward that end, the selection process shall include consideration of the member's occupation, education, experience, geographical area in which service is provided by the Association, and type of service provided by the Association. A person is eligible to serve on such committees provided that such person is not:

...

PROPOSED ELECTION BROCHURE COMMENT:

Over time, the Board of Directors has come to the conclusion that the bylaws needed a comprehensive review by the Bylaws Committee. Accordingly, the Bylaws Committee has begun to undertake this process and proposes for this election cycle the following amendments.

These proposed amendments either:

- (1) better conform the bylaws to actual practice and/or the state law governing the Association,*
- (2) clarify existing bylaw language, or*
- (3) streamline the way the Association does business so that it can more effectively represent the membership.*

For example, the proposed change to Article III, Section 2 mirrors the language in state law which provides that a special meeting may be called by a "majority" of the Board of Directors.

Consistent with last year's election recount practice, revisions to Article III, Section 9 clarify when the Association shall pay for a recount. The Association shall pay for the recount if the candidate lost the election by a margin of 1 percent or less of the total votes cast.

The proposed revisions to Article IV, Section 9 delete the requirement for advance Board authorization of meeting expenses and allow for expenses to be reimbursed, with Board approval, when a Board member is attending a meeting or is otherwise representing the Association in an official capacity. The Board desires flexibility to attend meetings or other activities that may not have been scheduled in time to get advance approval in order to effectively represent Association members.

INDIVIDUAL PROPOSALS ADOPTED BY THE BYLAWS COMMITTEE

ARTICLE III MEMBERS, MEETINGS AND ELECTIONS

SECTION 9. Elections and Election Committee. (a) The board of directors shall appoint an election committee by December 31st of each year, as provided for in Article XV of these bylaws. The committee shall consist of not less than five nor more than thirteen members. One member shall be of the master election judge, who shall chair the committee. The other members shall, and not more than twelve be election judges. This committee shall have the responsibility for conducting all voting by secret ballot during the calendar year. The election committee shall devise such procedures, and adopt such rules and regulations, subject to the approval of the board of directors, as may be reasonably necessary or convenient to the discharge of the election committee's responsibilities. These responsibilities shall include, but are not limited to (1) the registration of members at the annual or special meeting, and (2) the obligation of insuring the fairness, impartiality, confidentiality, and integrity of the voting process. The master election judge and election judges shall be selected from the Association membership, with consideration for geographical representation. In case of a vacancy, the board of directors shall appoint an Association member to complete the unexpired term of the committee member.

[This amendment is proposed by the Bylaws Committee]

PROPOSED ELECTION BROCHURE COMMENT:

The proposed change would conform to other provisions of the bylaws regarding Member Committees which specify a minimum number of committee members.

[As sent from the Board to the Bylaws Committee:]

**ARTICLE V
MEETINGS OF DIRECTORS**

SECTION 7. Telephonic Board Meetings. For the purpose of the holding of any regular or special meeting, the Board of Directors (or any board committee) can validly conduct such meeting by communicating with each other by means of conference telephones or similar communications equipment as allowed by law. Telephonic attendance by directors shall be permitted without limitation if the director is unable to attend in person due to Association business provided the absence ~~was-is~~ approved ~~in-advance~~ by the board as provided under Article V, Section 4. Telephonic attendance for reasons other than Association business shall be limited to 25% of the meetings by any one director for the 6-month period beginning each May 1 and the 6-month period beginning each November 1. For attendance evaluation, but no other purpose, a director is deemed absent from each meeting where the telephonic attendance limit was exceeded.

~~The amendments to this Bylaw will take effect May 1, 1997.~~

[The Bylaws Committee voted to modify this proposal by repealing both Sections 4 and 7 and replacing them in their entirety]

[For reference, Section 4 currently reads as follows:]

SECTION 4. Director Attendance. If a director is absent from three consecutive regular board meetings or four regular board meetings, whether consecutive or not, or from 25% of all meetings, including regular and special meetings, board workshops, and committee meetings, in either of the two six month periods described below, the director shall be deemed to have resigned from the board of directors, and the vacancy thereby resulting will be filled as provided in Article IV, Section 8, of these bylaws. For purposes of compliance with this bylaw, attendance will be evaluated for two separate six month periods beginning May 1st and November 1st of each year. A director who is absent on Association business, including reasonable travel time to and from such business, shall not be counted absent, provided such travel and absence was approved in advance by the board. For purposes of this Section, an absence shall not be counted if it is excused by a vote of a majority of the members of the board not requesting the excuse at the next regular or special board meeting. However, no more than two absences per director may be excused by the board in either 6-month period.

[Replace Article V, Sections 4 and 7 to read as follows:]

**ARTICLE V
MEETINGS OF DIRECTORS**

SECTION 4. Director Attendance. (a) If a director is absent from three consecutive regular board meetings or four regular board meetings in any director year (May 1 to April 30 of the following year) whether consecutive or not, the director shall be deemed to have resigned from the board of directors. Any vacancy thereby resulting will be filled as provided in Article IV, Section 8, of these bylaws.

(b) If a director is absent from three consecutive board committee meetings or four board committee meetings in any director year whether consecutive or not, the director shall be deemed to have resigned from the board committee and may not be reappointed to that same board committee until the following director year.

(c) A director who is absent on Association business, including reasonable travel time to and from such business, shall not be counted absent for any board or board committee meetings, provided such travel and absence is approved by the board.

(d) For purposes of this Section 4, an absence shall not be counted if it is excused by a vote of a majority of the members of the board not requesting the excuse at the next regular or special board meeting. However, no more than four absences per director may be excused by the board in any director year.

...

SECTION 7. Attendance At Board Meetings Via Electronic Communications.

Directors can participate in meetings by means of teleconference or similar communications equipment. the absence is approved Attendance by directors shall be permitted without limitation if the director is unable to attend in person due to Association business provided by the board under Article V, Section 4.

(a) For any regular meeting, electronic attendance for reasons other than Association business shall be limited to three consecutive meetings or four meetings in any director year (May 1 to April 30 of the following year).

(b) For board committee meetings, and special board meetings, electronic attendance is permitted without limitation.

PROPOSED ELECTION BROCHURE COMMENT:

As part of the general cleanup of the bylaws, the Bylaws Committee found that Sections 4 and 7 concerning board attendance are unclear, subject to interpretation, and potentially could be used inappropriately to remove board members.

The committee chose to:

- 1) Clarify that to invoke automatic resignations from the board, only 4 unexcused absences from regular board meetings are necessary in one year (one interpretation permitted 4 unexcused absences every 6 months).*
- 2) Remove the requirement for advance approval of absences. The requirement is unnecessary because if an absence is justified, the board should be able to approve it before or after the absence.*
- 3) Substitute a specific number of meetings for the 25% attendance requirement because the percentage could not be calculated until the end of the term.*
- 4) Drop special meetings and workshops from the attendance requirement because the number and timing of those meetings are difficult to predict.*
- 5) Clarify that the lack of attendance at committee meetings would result in the board member's replacement on that committee rather than resignation from the board.*
- 6) Allow the Board to take advantage of new technologies by adding all forms of electronic communications as a way of attending meetings.*

REJECTED PROPOSALS

ARTICLE IV DIRECTORS

SECTION 3. Qualifications.

...

~~(b) An individual who is the authorized representative of a non-natural entity (corporation, association or partnership, for example) which itself is qualified under subsection (a) may become or remain a director if he is qualified under subsections (a)(1), (2), (3), (4), (5), (6) and (7). If the individual or the non-natural member fails to meet the prescribed qualifications, or if the non-natural member changes its authorized representative, the individual shall become subject to removal under subsection (c), and the director's position shall become vacant, without power of appointment by the non-natural member.~~

...

~~(ed) "Bona fide resident" is hereby defined to mean: 1) a person whose primary residence is in the area served by the Association, and who actually lives at this primary residence with the intention to remain there permanently or indefinitely and 2) a non-natural entity who chooses as their authorized representative a person who is a "bona fide resident" as defined in 1).~~

Reasoning: The Committee first voted to remove this from the proposals being forwarded as clean-up amendments because they could be considered a change to the bylaws. However, the Committee desires to revisit these sections next year. Although there is some concern that prohibiting non-natural entities from having an authorized representative on the Board might be inconsistent with the state statute governing the Association, it was also felt that the legislative history of this statute should be researched to determine its intent. Additionally, some Committee members thought it might be inappropriate for non-natural entities to be represented on the Board. Some Committee members wanted a better understanding of the history behind allowing non-natural entities to serve on the Board. Committee members thought that the term non-natural entity is confusing, and that at the very least, section 3(b) needs to eventually be revised, once consensus develops on the issues noted above.

ARTICLE IV DIRECTORS

SECTION 5. Appointment of Consultants and Chief Executive Officer. The board of directors may engage the services of advisors, consultants and other professionals to advise it from time to time as well as appoint a Chief Executive Officer. The Chief Executive Officer may be but shall not be required to be a member of the Association. The Chief Executive Officer shall, together with such other staff, agents and employees as he may select, including such non-statutory

officers as he shall appoint, perform such duties and exercise such authority as the board of directors may from time to time vest in him.

Reasons: The Committee felt that the word "consultants" in this Section already encompasses the meaning of the proposed additions – "advisors" and "other professionals" and therefore was an unnecessary change.

ARTICLE VI OFFICERS

SECTION 1. Number. The officers of the Association shall be a chairman of the board, vice-chairman of the board, secretary of the board and treasurer of the board, and such other agents and employees, who may be given the customary title and authority of an officer, but shall not be deemed to be an "officer" for purposes of Alaska Statutes Section 10.25.200, ~~officers~~ as may be determined by the board of directors from time to time. The offices of secretary of the board and treasurer of the board may be held by the same person.

SECTION 4. Chairman of the Board. The chairman of the board shall:

(a) ~~Be the principal executive officer of the Association and,~~ unless otherwise determined by the members or the board of directors, ~~shall~~ preside at all meetings of the members and the board of directors;

(b) Unless the board has appointed a chief executive officer, be the principal executive officer of the Association and sign any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the board of directors to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the board of directors or these bylaws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed; and

(c) In general, perform all duties incident to the office of chairman of the board and such other duties as may be prescribed by the board of directors from time to time.

Reasons: The Committee stated the changes seem unnecessary, do not add any clarification and would only raise questions by the members if placed on the ballot.

**ARTICLE XV
STANDING AND AD HOC COMMITTEES**

SECTION 2. Compensation. Members of standing and ad hoc committees shall receive no compensation or gratuity for their participation in the affairs of the Association but may be reimbursed for reasonable expenses incurred in connection with meeting attendance.

Reasons: The Committee stated the changes seem unnecessary, do not add any clarification and would only raise questions by the members if placed on the ballot.

SECTION 4. Membership. In order to be fairly representative of the Association's diverse membership, it is preferable that standing and ad hoc committees be comprised of members who reflect that diversity. Toward that end, the selection process shall include consideration of the member's occupation, education, experience, geographical area in which service is provided by the Association, and type of service provided by the Association. A person is eligible to serve on such committees provided that such person is not:

(f) a person living in the same household with and-or financially interdependent upon any of the persons listed in (a) through (e), above.

Reason: The Committee suggested that this proposal needs additional review and noted that it is inconsistent with similar qualification standards for members of the Board (Art IV, Sec 3 (a)6)) which states "and." This proposal for Member Committees, which changes "and" to "or," would make the requirements for a member of a Member Committee stricter than for a member of the Board.

SECTION 56. Vacancy. In the case of a vacancy in a member committee, the board of directors shall appoint an Association member in accordance with the provisions of this Article to complete the unexpired term of a committee member.

Reasons: The Committee stated the changes seem unnecessary and do not add any clarification.

**ARTICLE XV
STANDING AND AD HOC COMMITTEES**

[adding a new section that would have read as follows:]

SECTION 6. Removal. The board of directors may remove any member of any member committee by the affirmative vote of not less than a majority of the board of directors.

*Reasons: As a new section, this potentially could raise questions by the members regarding intent. The Committee decided to table this until it meets at the end of 2009 and bring it back for additional work. One suggestion was to edit the individual Committee provisions of the Bylaws by editing them to read, for example, "The board of directors shall appoint an elections committee by December 31st of each year **to serve at the pleasure of the Board**, as provided for in Article XV of these bylaws."*