



# **BYLAWS**

## **OF THE RIO METRO REGIONAL TRANSIT DISTRICT**

**November 17, 2023**

---

### **INTRODUCTION**

The Rio Metro Regional Transit District was created by contract pursuant to the Regional Transit District Act, N.M. Statutes Chapter 73, Article 25 [Sections 73-25-1 through 73-25-18 NMSA 1978]. The RTD is authorized to exercise the functions conferred by the provisions of the Act that include the establishment of a regional transit system that is compatible with established state and local transportation plans that transports or conveys passengers within a region by means of a high-occupancy vehicle, including an automobile, truck, bus, van or railcar;

The purpose of a regional transit district is to:

- A. Serve the public by providing for the creation of regional networks of safe and efficient public transit services;
- B. Allow multi-jurisdictional public transit systems to reduce the congestion of single-occupant motor vehicle traffic by providing transportation options for residents;
- C. Decrease automobile accidents by reducing traffic congestion on freeways and streets;
- D. Reduce noise and air pollution produced by motor vehicles;
- E. Prolong and extend the life of New Mexico's existing roadways by easing the traffic burden;
- F. Provide residents with a choice of transportation alternatives so that seniors, youth, low-income and mobility-impaired residents and others unable to drive or afford motor vehicles continue to have full access to the goods, services, jobs and activities of the community;

G. Improve the New Mexico economy by increasing workforce and citizen access to education and higher paying jobs; and

H. Prolong and extend petroleum resources.

## **ARTICLE I DEFINITIONS**

“Act” means the Regional Transit District Act;

“Ad Hoc Committee” means a committee of the District established to advise and assist the Board and the Chief Executive Officer of the District in the performance of their respective duties. This committee shall dissolve at such time as the committee has completed its work or by a resolution approved by the Board;

“Agenda” means a list and/or summary of proposed action items for review, recommendation, and final decision, if applicable, by the Board;

"Associate Member" shall mean a non-voting member of any governmental unit or other entity which is not otherwise eligible for participation as a Member. Including a public agency, quasi-public agency, political subdivision of the state, or other organizations determined appropriate for non-voting membership in the District by the Board.

“Board” means the board of Directors of the District;

“Board Chair” means the Director or Alternate Director confirmed by majority vote of the Board Membership to serve as chairperson of the Board;

“Board Membership” means all Directors of the Board;

“Chief Executive Officer” is the individual responsible to the Board for the day-to-day operations of the District and other responsibilities as assigned to him/her by the Board;

“Committee” means a permanent committee of the District established to advise and assist the Board and the Chief Executive Officer of the District in the performance of their respective duties;

“Committee Chair” means the individual appointed by the Board Chair as chairperson of any Committee;

“Consent Agenda” means a portion of the printed Agenda listing action items that are believed to be routine and non-controversial actions of government not subject to question, such as approval of minutes, commendations and declarations, standard agreements and procurements and grants contracts;

“Construct” or “Construction” means the planning, designing, engineering, acquisition, installation, building, remodeling or rehabilitation needed for the operations of a regional transit system;

“Department” is an administrative and budgetary unit of the District;

“Director” means any person appointed as a Director pursuant to Article VII Section 1(C) of the Rio Metro Regional Transit District Bylaws;

“District” means the Rio Metro Regional Transit District which is a political subdivision of the state of New Mexico created pursuant to the Act;

“Emergency” refers to unforeseen circumstances that, if not addressed immediately by the Board, will likely result in injury or damage to persons or property or substantial financial loss to the District;

"Member" shall mean a Director, as defined in this section, which is a party to the Mid-Region Transit District Governmental Unit Contract

“Ordinance” means a rule established by the Board, in the form of a permanent rule of action, law or regulation;

“Resolution” means a course of action determined or decided on by the Board;

“Subcommittee” means any group selected by the Board Chair or majority of Board members to assist the Board; or a Committee Chair or majority of committee members to assist the Committee. Subcommittees shall be assigned specific tasks and responsibilities and, in addition to Board members, may include representatives of other public agencies and citizens; and

“Teleconference” means attendance at a meeting by two-way communication that allows an absent Director to be heard by other Directors attending the meeting and the public.

## **ARTICLE II COMMITTEES**

### **Section 1: Generally**

The Board Chair may appoint Directors to committees. Any Director is welcome to attend any committee meeting, however, the actual Directors assigned to that committee will determine a quorum. Only committee members can vote. The primary responsibility for developing a committee agenda lies with the Chair of the committee. However, by a majority vote of committee members in attendance, an item can be added to a future committee agenda.

**Section 2: Duties**

Board committees shall review issues and make recommendations to the Board regarding any matter within the Board's power or authority.

**Section 3: Standing Committees**

The Board may establish or eliminate standing committees by a majority vote of the Board Membership. The Board Chair shall appoint the Committee Chair and the members of the committee.

**Section 4: Ad Hoc Committees**

The Board Chair may establish ad hoc committees as s/he deems appropriate or such committees may be established by resolution approved by the Board. The Board Chair shall designate the Chair of any ad hoc committee. All ad hoc committees shall dissolve either at such time as the committee has completed its work or by a resolution approved by the Board.

**ARTICLE III  
MEETINGS AND NOTIFICATION**

**Section 1: Generally**

All meetings of the Board and all committee meetings shall be open to the public, except for those agenda items for which board or committee members desire to go into a closed session and are allowed to do so under the provisions of the Open Meetings Act, NMSA § 10-15-1(H).

**Section 2: Regular Meetings**

An annual schedule of regular monthly Board meetings for the upcoming fiscal year shall be adopted by the Board annually at their June meeting. The schedule shall include dates, times and locations. If subsequent changes to the schedule are required, notice of the changes will be sent at least 14 days prior to the scheduled meeting.

**Section 3: Committee Meetings**

The Board shall establish the schedule for committee meetings.

**Section 4: Ad Hoc Committee Meetings**

The Ad Hoc Committee chair shall establish the Ad Hoc Committee schedule.

**Section 5: Special Meetings**

Special meetings may be called when action or attention requires immediate discussion. Special meetings of the Board shall be called by the Board Chair or whenever a request is made to the Board Chair by seven or more Directors.

**Section 6: Emergency Meetings**

The Board Chair may call emergency meetings or whenever a request is made to the Board Chair by ten or more Directors.

**Section 7: Board Attendance**

**A. Generally**

Each Director is expected to serve faithfully by attending all meetings. If a Director is absent from six meetings of the Board, including regular, special and committee meetings duly called and noticed, without being excused by the Board Chair or the committee chair, the Board Chair may notify the governing unit that appointed the Director of such absenteeism and request that the current director be removed and that the governmental unit appoint a new director who can regularly attend the meetings.

**B. Attendance by Teleconference**

With the consent of the Board Chair, a Director may attend a meeting via teleconference or other similar communications equipment when it is otherwise difficult or impossible for the Director to attend the meeting in person. A Director attending a meeting by teleconference or other similar communications equipment shall verbally signify his or her vote for each motion being considered during the meeting until such time as the Director verbally indicates his or her desire to withdraw from the meeting. Such withdrawal shall be recorded in the meeting minutes as part of the official record.

**Section 7: Board Compensation**

Directors may receive compensation in the amounts provided in the New Mexico “Per Diem and Mileage Act” [Sections 10-8-1 to 10-8-8 NMSA 1978], for regular, special and emergency board meetings, as well as committee meetings in furtherance of a purpose of the Board or a committee created by the Board. Additionally, Directors may receive reimbursement for reasonable expenses occurred in serving in such capacities pursuant to such procedures as may be established by the Board.

**Section 8: Adjournment**

The Board may adjourn any regular, special or emergency meeting by an affirmative vote of the majority of the Directors in attendance.

**Section 9: Notice to the Board**

**A. Generally**

Notice of regular board meetings, special board meetings and committee meetings shall be made in writing and delivered, faxed, or sent by first class mail to each Director and/or committee member at the last known address as shown by the records. Upon request of a Director or the committee member, notice may be given by electronic means. Notice of an emergency board meeting shall be made in writing and delivered, faxed or sent by e-mail to each Director at the last known address as shown by the records. Each notice shall contain the date, time, and place of the meeting, and an agenda for the meeting.

**B. Notice of Regular Board and Committee Meeting**

Notice of a regular Board and committee meetings shall be made at least three (3) days prior to the day of the scheduled meeting.

**C. Notice of Special Board and Committee Meetings**

Notice of a special Board and committee meetings shall be made at least two (2) days prior to the day of the scheduled meeting.

**D. Notice of an Emergency Board Meeting**

Notice of an emergency Board meeting shall be made at least twenty-four (24) hours prior to the meeting, unless threat of personal injury, property damage or substantial financial loss to the District requires less notice.

**E. Waiver of Notice**

A Director or committee member may waive the right to notice of a meeting(s) by expressing his or her consent to the holding of the meeting(s) and having such consent recorded in the minutes of the meeting.

**Section 10: Official Notice to the Public**

**A. Generally**

The Board shall give at least a three (3) day notice for a regular Board meeting, at least two (2) day notice of a special Board meeting and at least a twenty-four (24)-hour notice of an emergency Board meeting, unless threat of personal injury, property damage or substantial financial loss to the District requires less notice.

**B. Posting of Public Notice for Board Meetings**

At a minimum, public notice shall:

1. Include an agenda containing a list of specific items of business to be discussed or transacted at the meeting or information on how the public may obtain a copy of the agenda; and
2. Be sent to those broadcast stations licensed by the federal communications commission and newspapers of general circulation that have made a written request for notice of public meetings; and
4. Be provided on the District's bulletin board that shall be located in its administrative offices in a place readily accessible to the public; and
5. Be furnished to the County Clerk of each member governmental unit to be posted on a bulletin board located at a place convenient to the public; and
6. Be provided on the District's Web site.

**C. Posting of Public Notice for Board Committee Meetings**

At a minimum, public notice shall be given at least twenty-four (24) hours before the committee meeting and:

1. Be provided on the District's bulletin board that shall be located in its administrative offices in a place readily accessible to the public; and
2. Be provided on the District's Web site.

## **ARTICLE IV CONDUCT OF BUSINESS**

### **Section 1: Quorum**

A majority of the Board Membership shall constitute a quorum for the purposes of conducting Board business, unless a greater number is required by state legislation or by the Mid-Region Transit District Governmental Unit Contract. A majority of the members of a committee shall constitute a quorum for the purposes of conducting committee business.

### **Section 2: Actions of the Board**

#### **A. Generally**

All actions of the Board shall be by written resolution or ordinance.

#### **B. Approval of Final Action Items**

Unless required by the Act, the Mid-Region Transit District Governmental Unit Contract, or the Rio Metro Regional Transit District Bylaws, an affirmative vote by a majority of the Directors in attendance is required for passage of a final action item except in the following instances when only an elected official can vote:

1. Ratification of acquisition of land by negotiated sale; and
2. Issuance of Bonds

#### **C. Amending of Bylaws**

The Board acting by resolution may amend the Bylaws by a two-thirds affirmative vote of the Board Membership provided that notice of the proposed amendment(s) shall have been delivered or mailed to each Director not less than seven (7) calendar days prior to the meeting at which the amendments are to be considered.

### **Section 3: Voting**

#### **A. Votes Recorded**

Actions taken by the Board shall be taken by motion adopted by voice vote or show of hands, as determined by the Board Chair. However, any Director may demand a roll call on any vote. If a meeting is exclusively conducted via teleconference or similar communication device votes shall be a roll call vote.

**B. Presumption of Assent**

There shall be no presumption of assent. Whenever an action is taken at a meeting of the Board, it shall be necessary for a Director to be present in the room (unless there is an approved attendance by teleconference or other similar communications device) and voting in order for the minutes to reflect the Director as having voted.

**C. Abstention**

No Director in attendance may abstain from voting on any matter proposed for action unless he or she believes that a vote on the matter may present a conflict of interest personal to the abstaining Director. Such an abstention shall be indicated by the Director prior to or at the conclusion of a voice vote or at the time of the Director's roll call vote.

**Section 4: Order of Business**

The business of all meetings shall be transacted as far as practicable in the order of business as set forth in the agenda. At any meeting where a new Director is to be seated, the announcement of him/her joining the board shall be conducted prior to the determination of a quorum.

**Section 5: Agenda Subjects**

**A. Generally**

Subjects may be placed on the agenda by the Board Chair, the Chief Executive Officer, or upon written request of four (4) Directors. No action shall be taken by the Board on subject matters which were not stated on the final agenda that was posted in the District's administrative offices at least 24-hours before the scheduled Board meeting. The Board may recite specific factual information or existing policy in response to an inquiry made at a meeting about a subject which was not on the agenda. Any deliberation, discussion or decision with respect to the inquiry shall be limited to a proposal to place such subject on the agenda for a subsequent meeting of the Board for which notice shall be provided.

**B. Placing Items on the Consent Agenda**

Matters of a routine nature may be acted upon by the Board through the use of a Consent Agenda. Actions that are forwarded to the Board from a committee with a "do-pass" recommendation may be included on a Consent Agenda.

**C. Removal from the Consent Agenda**

Before the vote is taken on the Consent Agenda, Directors may indicate that it includes matters on which they may have a question, or which they would like to discuss. Any Director has a right to remove an item from the Consent Agenda, in which case that item will be transferred to the regular Agenda so that it may be considered and voted on separately.

## **Section 6: Records**

### **A. Generally**

All resolutions and ordinances passed by the Board shall be recorded in a book of approved resolutions and ordinances maintained by the District, as soon as practicable after their passage. Records shall also be made in all other proceedings of the Board, reports entered into the record, certificates, contracts, bonds given by officers, employees, and any other agents of the District, and all public acts. Records shall be public records and shall be open for public inspection.

### **B. Minutes**

At a minimum, Board and committee minutes shall include the date, time and place of the meeting, the names of Directors in attendance and those absent, the substance of the proposals considered and a record of any decisions and votes taken that show how each Director voted. Minutes shall be public records and shall be open for public inspection.

## **Section 7: Public Observation Comment**

There shall be allocated a period of time during any meeting in which the Board may entertain brief comments from the public. The scope, duration and timing of the public comment period shall be determined by the Board Chair.

## **Section 8: Code of Conduct**

### **A. Generally**

Public officers and employees shall only use the powers and resources of public office and employment to advance the public interest and shall not obtain personal benefits or pursue private interests using District resources. The minimum standard for all persons covered by this Code of Conduct is that they comply with the law. Directors are expected to comply with all safety and fair dealing laws, and to be ethical and responsible when dealing with the District's finances or property, and in dealing with District employees, contractors, partners, or riders.

This Code of Conduct shall be reviewed at least once every four years, pursuant to NMSA 1978, Section 10-16-11(D). This Code of Conduct shall be filed with the state ethics commission and is open to public inspection.

### **B. Applicability**

This Code of Conduct is applicable to all RMRTD Directors. The Regional Transit Act requires that the Board "promulgate and adhere to policies and procedures that govern its conduct..." NMSA § 73-25-5(C). The District is a "local government agency" within the meaning of NMSA 1978, Section 10-16-2(G) of the Governmental Conduct Act, and its Directors and employees fall within the definition of a "public officer or employee" pursuant to NMSA 1978, Section 10-16-2(I). The Governmental Conduct Act imposes mandatory minimum standards for the conduct of Directors and employees, and specifically authorizes the creation of this Code of Conduct under Section 10-16-11(C).

**C. Roles and Responsibilities**

Each Director is responsible for familiarizing themselves and complying with the Code of Conduct. Training on this Code of Conduct and applicable statutes will be provided to Directors on an ongoing basis. Training and responses to questions and concerns will be the responsibility of the Executive Director, the Human Resources Director and the District's legal counsel.

**D. Guiding Principles**

The Guiding Principles for conduct are established in the District's Mission and Vision statements. The District's mission is "to provide safe, accessible, efficient, and innovative transportation services for the benefit of our diverse local communities and the regional economy." The District's vision is to be "a leader moving our region forward, connecting our diverse residents and communities, and supporting sustainable prosperity." To fulfill the District's mission and vision, it is imperative that Directors and District employees conduct themselves in a thoughtful, professional manner that inspires public trust and confidence within the community it strives to serve.

All District related actions by Directors shall aim to advance the District's mission and vision and shall not be performed for personal gain. In performing acts on behalf of the District, Directors and employees shall act in a "public trust" capacity pursuant to NMSA 1978, Section 10-16-3 (A) of the Governmental Conduct Act. This means that officers and employees shall use the powers and resources of the District only to advance the public interest and not to obtain personal benefits or pursue private interests.

**E. Compliance with Laws and Policies**

Nothing herein is intended or shall be deemed to alter minimum legal requirements of the Governmental Conduct Act, or any other state or federal laws imposing standards of conduct upon the District, its Directors, employees, officers or agents. Specific laws that govern the conduct of Directors and employees include, but are not limited to, the following:

- The Regional Transit District Act, NMSA 1978, §§ 73-25-1 to -18
- The Governmental Conduct Act, NMSA 1978, §§ 10-16-1 to -18
- The Human Rights Act, NMSA 1978, §§ 28-1-1 to -15.
- The Procurement Code, NMSA 1978, §§ 13-1-28 to -199
- The State Ethics Commission Act, 2019 N.M. Laws Ch. 86 (S.B. 668)
- The State Gift Act, NMSA 1978, §§ 10-16B-1 to -4.
- The Open Meetings Act, NMSA 1978, §§ 10-15-1 to -4
- The Inspection of Records Act, NMSA 1978, §§ 14-2-1 to -12

Directors are also expected to adhere to the applicable policies of their employing agencies or Governmental Units.

**F. District Property**

Directors should treat District property including vehicles, equipment, tools, money, buildings, data, documents and information, with care and protect it against improper use or damage. District property and tools shall only be used for the intended District business.

**G. Corruption**

All actions or transactions by Directors which are illegal and/or corrupt are strictly prohibited and will result in referring the matter to the appropriate law enforcement agency.

**H. Gifts and Favors**

Gifts and favors by and for public officers and employees are generally regulated by the State of New Mexico Gift Act (NMSA 1978, Section 10-16B-1 et seq.). Gifts of District property are generally forbidden by the "Anti-donation" provisions of the State of New Mexico Constitution (Article IX, Section 14).

**I. Conflicts of Interest**

A Director shall disqualify him/herself from voting on any issue in which the Director has a potential conflict of interest. A conflict of interest arises whenever the personal or professional interests of a Director are potentially at odds with the best interests of the organization, or where a Director would personally and directly benefit from a Board action. Directors and employees shall not:

1. Acquire a financial interest in a new or existing business venture or business property of any kind when he or she believes or has reason to believe that the new financial interest will be directly affected by his or her official act;
2. Use confidential information acquired by virtue of his or her office or employment for his or her, or another's private gain; or
3. Contract with the district without public notice and competitive bidding and full disclosure of his or her financial or other interest in the business that is party to the contract.

It is the policy of the District to avoid even the appearance of impropriety. Even if an action or transaction is legal, it may nevertheless create the appearance of impropriety where it appears to benefit or advance the personal interests of a Director. Such appearances of impropriety may erode public confidence or damage the reputation of Directors, the District, and its Governmental Units. Directors should be sensitive to such perceptions, and favor disclosure of potential or apparent conflicts whenever in doubt.

Board conflicts of interest shall be disclosed by the annual filing of a conflict of interest disclosure form, a copy of which is attached hereto as Exhibit A. Conflicts of interest which arise in the course of District business shall be disclosed at the time they are known and any related board action is proposed, and Directors who are conflicted shall abstain from any related vote or board action pursuant to Section 3 of this Article.

**J. Travel**

Travel paid for by the District shall be scheduled and conducted in a manner that

optimizes the benefits to the District.

**K. Confidentiality**

All District business is public business and Directors and employees shall strive to optimize transparency in the performance of District work to the maximum extent practicable. Notwithstanding the District's commitment to open and transparent government, it remains essential that certain aspects of public employment and public service be performed in a manner that respects the confidential information and privacy of individuals and mitigates the risk to tax-payer assets caused by disclosure of confidential information. Confidential information includes all personal identification information that might be used for identity theft, all attorney-client privileged communications, all proprietary information of third-party vendors, all disciplinary personnel actions, all employee evaluations and such financial information as may be deemed confidential under New Mexico law.

It is the responsibility of all Directors and employees to maintain confidentiality of confidential information and the disclosure of such information to the public, the press, or the community at large is prohibited.

**L. Political Activity**

Directors and employees shall not solicit any contribution of funds, goods or services in aid of any political campaign while on District property. Board members and Employees shall also refrain from using any District property, information obtained through District employment or service and any other District resources in aid of any political campaign. Nothing herein shall prohibit the District, its Directors or employees from providing information regarding ballot issues involving the District.

**ARTICLE V  
BUDGET AND FINANCE**

**Section 1: Fiscal Year**

The fiscal year of the District shall commence on July 1 and end on June 30 of the following year.

**Section 2: Accounts**

The Board shall approve a complete system of accounts, shall designate authorized representatives to invest funds, withdraw money from authorized accounts, and complete other transactions as required, and shall approve and regularly review such policies governing financial matters as necessary.

**Section 3: Public Finances**

**A. Generally**

The District shall conform to rules and regulations issued by the Local Government Division (LGD) of the Department of Finance and Administration, state of New Mexico, on issues including, but not limited to:

1. Keeping all books, records and accounts in the form prescribed by the LGD; and
2. Making all reports as may be required by the LGD.

**B. Budget Process**

The Chief Executive Officer shall prepare annually a preliminary budget for the ensuing fiscal year including operation and maintenance expenses, debt service and any provisions for capital expenditures. Every preliminary budget shall also set forth a statement of the sources of funds and estimated revenues available to defray such expenditures. Every preliminary budget shall be based on a five (5) year financial plan. In the preparation of each preliminary budget, the classifications and divisions into which such budget shall be divided shall comply with the requirements of any relevant contract, generally accepted accounting principles, or as otherwise provided by the Act or other laws.

**C. Adoption of Annual Budget**

The Board shall adopt by an affirmative vote of the majority of the Directors in attendance an annual budget for the ensuing fiscal year by May 15. Copies of the annual budget shall be filed in the office of the District and with the designated state officials in compliance with the Act and other laws.

**D. Amendment of Annual Budget**

The Board may, by an affirmative vote of the majority of the Directors in attendance, adopt an amended annual budget when reasonable and necessary, subject to contractual conditions or requirements existing at the time the need for such an amendment arises. The Board must approve all increases or decreases to the net operating expense line, total capital budget line and total operating revenue line of the District's annual budget.

**Section 4: Appropriations**

**A. Generally**

The Chief Executive Officer shall approve all revisions to departmental budgets or between departmental budgets provided that the revisions do not result in any changes to the net operating expense line or total operating revenue line of the District's annual budget, and s/he shall report such changes to the Board at the next regularly scheduled Board meeting.

**B. No Contract to Exceed Appropriations**

Except as otherwise provided in these Bylaws, neither the Board nor any officer nor employee shall have authority to make any contract, or otherwise bind or obligate the District to any liability to pay any money for any of the purposes for which provision is made in the approved budget in excess of the amounts of such budget for any such fiscal year. Any contract in violation of the above may be ratified by the Board acting pursuant to its delegate authority.

**Section 5: Annual Audit**

The Board shall have an audit of the affairs of the District prepared following the end of each fiscal year by an independent certified public accountant or a firm of independent public accountants. The annual audit shall be conducted by persons who have no direct or indirect personal interest in the fiscal affairs of the District and are qualified and experienced in public accounting and the auditing of public bodies. The auditor shall provide a signed auditor's opinion as to the fair presentation of the financial position of the District, the results of the District's operations and changes in its financial position for the fiscal year ended. The Board shall cause such other audits to be made as it deems necessary. The annual audit shall be open to public inspection.

**Section 6: Procurement**

Pursuant to §73-25-5(G)7 of the Act, the Board shall prescribe in accordance with the state Procurement Code, methods for auditing and allowing or rejecting claims and demands for:

1. The awarding of contracts for the construction of improvements, works or structures;
2. The acquisition of equipment; and
3. The performance or furnishing of labor, materials or supplies as may be required for carrying out the purposes of the District.

**Section 7: Contracts and Services/Legal Advice**

**A. Contracts**

The Board may adopt rules governing the taking of bids and awarding of such contracts and providing for the waiver of such requirements in the event of emergency, or in the event conditions are not appropriate for the use of formal advertising, items are available only from a single source, or, after solicitation, competition is determined to be inadequate. The Board shall include:

1. Rules for Consulting and Professional Services; and
2. Rules for Real Property

**B. Legal Counsel**

The Board shall have the authority to retain attorneys as legal counsel to the District at its sole discretion under whatever arrangement it sees fit to negotiate. Such legal counsel may be called upon as needed by the District to provide whatever counsel it deems necessary in order to properly perform its duties.

**Section 8: Investments**

The Board may establish an investment policy to establish the parameters for investing District funds.

**Section 9: Depository**

The Board shall designate one or more banks to serve as the depository for District funds. All District funds shall be deposited in the depository bank or banks unless otherwise required by resolutions authorizing the issuance of the District's bonds or notes.

**ARTICLE VI  
OFFICIAL SEAL**

The seal shall be in such form as the Board shall approve by resolution, and such seal or a facsimile thereof may be impressed on, affixed to, or in any manner reproduced upon, instruments of any nature that seals are generally used by public and private corporations.

**ARTICLE VII  
MEMBERSHIP**

**Section 1: Establishment and Organization of the Board of Directors**

**A. Board Composition**

The Board shall be composed of at least one Director from each governmental unit that is a member of the District. The number of directors for each of these governmental units shall be determined based on population in the manner detailed below, except that a governmental unit shall not have a majority of membership on the Board, unless there are three or fewer governmental units in the District.

1. Population under – 50,000 – One Director
2. Population 50,001 – 100,000 – Two Directors
3. Population 100,001 – 150,000 – Three Directors
4. Population 150,001 – 300,000 – Four Directors
5. Population 300,001 – 450,000 – Five Directors
6. Population 450,001 – 600,000 – Six Directors
7. Population 600,001 – 750,000 – Seven Directors

The Board shall be reconstituted in the year following each official federal census.

**B. (reserved)**

**C. Manner of the Appointment of Directors and Alternate Directors, Their Term of Service and Qualifications and Procedure for Filling Vacancies**

1. Appointment. Each governmental unit that is a signatory to this Contract shall appoint, in a manner to be determined by each governmental unit, an elected official(s) of the governmental unit as a Director and may also

appoint a designee(s) who is an employee of the governmental unit to serve as an Alternate Director for the elected official(s).

2. Term of Service and Qualifications. The term of service for each Director and Alternate Director, if any, shall commence with the first meeting of the Board following his or her appointment, shall be for a minimum of one year, and shall continue until:
  - a. The date on which a successor is duly appointed; or
  - b. The date on which he or she ceases to be an elected official or employee of the appointing governmental unit; or
  - c. The date on which he or she is removed from the Board by the governmental entity.
3. Filling Vacancies and Resignations
  - a. Resignation. Any Director or Alternate Director may resign at any time, effective upon receipt by the Board Chair of a written notice of resignation. The resignation by the Board Chair is effective upon receipt by the Board Vice-Chair of a written notice of resignation. A resignation by the Board Vice-Chair when the Board Chair position is vacant is effective upon receipt by the Chief Executive Officer of a written notice of resignation.
  - b. Vacancies. Vacancies in the office of any Director or Alternate Director shall be filled pursuant to Section 1(C)(1) of this article.

#### **D. Alternate Director**

1. In the event a Director is absent from a Board meeting, the Alternate Director appointed by the governmental unit that appointed the Director shall act for the Director for all purposes, except in the following instances, when only an elected official may cast a vote:
  - a. Ratification of acquisition of land by negotiated sale; and
  - b. Issuance of bonds.
2. An Alternate Director shall be eligible to serve as Chair or Vice Chair of the Board under the following conditions:
  - a. The Director that has been appointed by the Governmental Unit notifies the Chief Executive Officer and the Board in writing that it is their intent to enable their Alternate Director to assume the full

duties and responsibilities of the Director for the remainder of the Director's term on the Board.

- b. The Alternate Director described above is duly elected by the Board to the position of Chair or Vice Chair.
- c. The Director that has provided the authority to their Alternate Director to assume their full duties and responsibilities shall have the ability to revoke such authority by providing written notice to the Chief Executive Officer and the Board that it is the intent of the Director to serve on the Board.
- d. At the time of such revocation, if the Alternate Director or Director has been duly elected to the position of Chair or Vice Chair of the Board the position of Chair or Vice Chair shall be deemed to be vacant and shall be filled pursuant to Section 1(E) of this Article.

**E. Officers of the Board, the Manner of their Appointment and their Duties**

1. Board Chair

- a. Powers, Authority and Duties. The Board Chair shall have the power to call and chair meetings of the Board and such other powers as may be prescribed from time to time by the Board. The Board Chair shall have such additional authority, powers and duties as are appropriate and customary for the office of the chair of the board of directors of entities such as the District, and as the Board may otherwise prescribe.
- b. Selection of Board Chair. The names of those nominated shall be voted upon by successive ballots until a nominee receives a majority vote of the Directors in attendance. At the conclusion of each ballot when no nominee has received a majority vote, the nominee receiving the lowest vote total shall be eliminated from successive ballots.

2. Board Vice-Chair

- a. Powers, Authority and Duties. The Vice-Chair shall be the Officer next in seniority after the Board Chair and, upon the death, absence or disability of the Board Chair shall have the authority, powers and duties of the Board Chair. The Board Vice-Chair shall have additional authority, powers and duties as are prescribed by the Board.

- b. Selection of Board Vice-Chair. The names of those nominated shall be voted upon by successive ballots until a nominee receives a majority vote of the Directors in attendance. At the conclusion of each ballot when no nominee has received a majority vote, the nominee receiving the lowest vote total shall be eliminated from successive ballots.
3. Removal of Board Chair and/or Board Vice-Chair. The Board Chair and Board Vice-Chair may be removed from office by an affirmative vote of a majority of the Board Membership. A motion made at a regular meeting shall initiate such action, but the vote shall not be called for until the next regular meeting or at a special meeting called for the purpose of considering such motion. The Chief Executive Officer shall cause to be delivered or shall mail a copy of the resolution to remove the Board Chair and/or Board Vice-Chair to the affected individual(s) at least seven calendar days prior to the meeting at which the motion is to be considered.
4. Vacancies. Vacancies in the office of Board Chair and/or Board Vice-Chair shall be filled pursuant to Section 1(E) of this Article.

**G. Delegation of Power**

Subject to the provisions of the Act, this Contract, and the Bylaws, the Board may delegate its powers by resolution to an officer or agent of the Board.

**Section 2: Associate Membership representation on the Board of Directors**

**A. Consideration for Associate Membership**

The Board of Directors may grant Associate Membership (non-voting membership) representation on the Board to governmental units or other entities which are not otherwise eligible for participation on the Board as a Member. Factors that shall be considered by the Board when considering eligibility as an Associate Member shall include but are not limited to financial contributions to District operations, provision of connecting or complementary services to the District, financial considerations or a significant number of citizens that are directly impacted by actions or services provided by the District.

**B. Application for Associate Membership**

An eligible governmental unit or other entity may apply for non-voting representation on the Board. The eligible entity shall make a written request or application to the Board for membership as an Associate Member. The Board will make a final determination regarding acceptance of requests for Associate Members. Any invitation for membership in the District as an Associate Member is subject to approval by a two thirds (2/3) majority vote of the Board.