

**Briefing for PWSRCAC Board of Directors – September 2019**

**ACTION ITEM**

**Sponsor:** Board Governance Committee and  
Walt Wrede

**Project number and name or topic:** Proposed Amendments to Board  
Bylaws

1. **Description of agenda item:** The Board Governance Committee (BGC) is recommending amendments to Section 3.18 of the Board Bylaws entitled “Board Committees”.

2. **Why is this item important to PWSRCAC:** One of BGC’s projects over the past year is to bring more uniformity and standardization to the way committees are authorized and empowered. The proposed amendments pertain to Board member only committees. Currently, XCOM and BGC are authorized and their duties are described in the Bylaws. LAC and the Finance Committee are only authorized on one line as standing committees. The Finance Committee was established by resolution and BGC has a charter approved by the Board. The proposed amendments add full descriptions of duties and responsibilities for LAC and the Finance Committee and make some housekeeping changes for internal consistency.

3. **Previous actions taken by the Board on this item:** Throughout PWSRCAC’s existence, the Board has passed bylaws on many occasions to regulate operations.

<u>Meeting</u>	<u>Date</u>	<u>Action</u>
Board	9/2005	Finance Committee and LAC added as standing committees
Board	9/2010	BGC authorized in By-Laws

4. **Summary of policy, issues, support or opposition:** The proposed amendments to the Board By-Laws standardize how Board member only committees are established and empowered. The new paragraph describing LAC’s duties and responsibilities has been reviewed, revised and approved by LAC. The proposed new paragraph describing the Finance Committee’s duties and responsibilities has been reviewed, revised, and approved by the Finance Committee. All of the proposed amendments have been approved by the Board Governance Committee. There is no opposition to these amendments that staff is aware of.

5. **Committee Recommendation:** The Board Governance Committee recommends approval of the proposed Bylaw amendments as presented.

6. **Relationship to LRP and Budget:** None.

7. **Action Requested of the Board of Directors:** Approve the proposed amendments of sections 3.18.2 and 3.18.3 of the Board Bylaws as presented.

Note: Amendments to the Board Bylaws require the affirmative vote of two-thirds of the number of Directors fixed by the Bylaws.

Amendments to Board Bylaws Sections 3.18.2 and 3.18.3 4-8

8. **Alternatives:** None recommended. If the motion fails, the existing By-Laws remain in place. Referral back to BGC for additional work is another alternative.
9. **Attachments:** Proposed amendments to Board Bylaws Sections 3.18.2 and 3.18.3.

**Note:** Proposed new text in red. Proposed deleted text in ~~strikethrough~~.

**DRAFT AMENDMENTS  
TO  
BOARD BYLAWS SECTION 3.18.2 & 3.18.3**

3.18.2 Authority of **Standing** Committees

3.18.2.1 Executive Committee. The Executive Committee shall be composed of the officers of the corporation other than the Executive Director and a member at large and may include two additional members at large from the board of directors. Subject to limitations on authority imposed by the Board, the Executive Committee shall have and may exercise all of the authority of the Board, except that no such committee shall have the authority to (1) amend the Articles of Incorporation, (2) adopt a plan of merger or consolidation with another corporation, (3) authorize the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the corporation, (4) authorize the voluntary dissolution of the corporation or revoke proceedings therefore, (5) adopt a plan for the distribution of the assets of the corporation, (6) amend these Bylaws, or (7) approve or substantially modify the corporation's budget and/or contractual commitments.

3.18.2.2 Board Governance Committee. The Board Governance Committee is responsible for the organizational health and effectiveness of the Board. Its responsibilities include Board development, which includes training new Board members, as well as on-going development of Board position job descriptions. The Board Governance Committee also is responsible for annually reviewing the Council's Bylaws and practices and recommending any changes it deems appropriate related to Board structure or operations. By way of example, the Board Governance Committee should periodically review the manner in which meetings are conducted, the responsibilities of Board officers, and the use of both standing and ad hoc committees. The Board Governance Committee shall adopt and abide by a Charter approved by the Board. The Board Governance Committee shall assist the President of the Board and chairs of the Council's committees, recommending action in appropriate circumstances, in issues regarding individual Board members, including their participation or lack thereof with regard to Council's activities.

3.18.2.3 Finance Committee. The responsibility of the Finance Committee is to assist the Board in carrying out its fiduciary responsibility to oversee the financial affairs of the organization and the annual independent audit of the Council's finances. The duties of the Finance Committee may include review and / or recommendation to the Board regarding acceptance or amendment of interim financial reports and proposed budgets. The Finance Committee will meet with the independent auditor at least annually to review the scope of the annual audits and audit findings, review internal controls, annual financial statements, the IRS Form 990, and review and provide guidance on risk management, insurance policies, property management, procurement, contracting policies, insurance, fiscal ethics and compliance programs, and overall fiscal governance. The Finance Committee shall be appointed to one-year terms by the Board at the May Board meeting or at the time the budget is adopted. The Committee shall be comprised of the Treasurer, who shall chair the Committee and at least three members of the Board of Directors. (Resolution 03-03)

3.18.2.4 Legislative Affairs Committee. The responsibility of the Legislative Affairs Committee is to advise the Board on state and federal legislative matters directly related to the

PWSRCAC mission and its duties as set forth in the Oil Pollution Act of 1990 (OPA 90) and the contract with Alyeska Pipeline Service Company. The responsibilities of the Legislative Affairs Committee may include advising the Board on legislative priorities, relevant legislation and regulations, administrative actions, and department budgets. The Committee may produce informational materials on legislative priorities that educate and inform, make recommendation to the staff on administrative actions that advance legislative priorities, and participate in legislative visits to Juneau and Washington D.C. Committee members shall serve one-year terms and shall be appointed by the Board at the May Board meeting. The Committee shall be comprised of at least four Board members.

3.18.2.5 Other Standing Committees Other Than Board Member Only Committees. The following are standing committees:

Terminal Operations and Environmental Monitoring Committee  
 Oil Spill Prevention and Response Committee  
 Port Operations and Vessel Traffic System Committee  
 Scientific Advisory Committee  
~~Community Information and Education Committee~~  
~~Legislative Affairs Committee~~  
~~Finance Committee~~  
~~Board Governance Committee~~

Each standing committee named in this section **may adopt a charter or operating procedures which shall be approved by the Board, but at a minimum** shall adopt policies that:

- A. For committees not consisting only of members of the board, set the number of members required for a quorum, but in no event shall that number be less than three. For committees consisting only of members of the board, set the quorum as specified in Bylaw 3.18.3
- B. Allow members to go on inactive status for a period of up to six months with advance notice to the committee and the affirmative vote of a majority of committee members voting at any regularly called meeting.
- C. Remove members who have been absent for a minimum of three consecutive meetings without communicating the reasons for the absence and setting a time for their return.

Committees named in this section shall have and may exercise such authority as may be given to them by the Board. One or more directors shall be assigned to each standing committee named in this section, with the Legislative Affairs Committee, the Board Governance Committee, and the Finance Committee, which shall be composed entirely of members of the Board

3.18.3 Quorum and Manner of Acting. Three members (56) of the executive committee shall constitute a quorum for the transaction of business at any meeting of such committee. A majority of the number of Directors composing any committees established ~~and fixed by resolution of the Board~~ and consisting only of Directors shall constitute a quorum for the transaction of business at any meeting of such Committee. (40) If less than a quorum is present at a meeting, a majority of such Directors present may adjourn the meeting from time to time without further notice. The act of a majority of the members of a committee present at a meeting at which a quorum is present shall be the act of the committee.