

BY-LAWS AND RULES OF ORDER
HAMILTON COUNTY WATER & WASTEWATER TREATMENT AUTHORITY

The Board of Directors of the Hamilton County Water & Wastewater Treatment Authority (WWTA), Hamilton County, Tennessee, met this 4th day, month of January, 2018, in regular session. The roll of the Board was called, and a quorum was present. The following by-laws and rules of order were approved at that meeting, and made effective hereafter.

RULES OF ORDER

Rule 1. Unless otherwise provided herein, *Roberts Rules of Order* shall be observed and shall govern the proceedings of meetings of the Board of Directors.

QUORUM

Rule 2. A minimum of three County-Appointed Board Members shall be in attendance at a Board meeting to constitute a quorum and may transact any business subject to action by the Board. A majority of the quorum shall be sufficient for matters other than those involving the expenditure of funds, the appointment of personnel or the creation of financial obligations by contract or otherwise; in any such event, a majority of the full Board is required to approve an item. A majority of the membership of any committee shall constitute a quorum and may transact any business subject to action by that committee. Revised 12/15/2016

DISTRICT ADDRESS

Rule 3. The official business address of the District is:

1250 Market Street, Suite 3050
Development Resource Center
Chattanooga, Tennessee 37402

The address may be changed from time to time by the Board.

GOVERNING LAW

Rule 4. The WWTA and the Board shall be governed by the laws of the State of Tennessee, specifically including the County Water and Wastewater Treatment Law [“the Law”], as set forth in the Tennessee Code Annotated, Title 68, Chapter 221, Sections 601, and those which follow, as same may be amended from time to time. All duties and powers of the WWTA and the Board shall derive from the Law, or as elsewhere may be provided.

BOARD MEMBERSHIP

Rule 5. The Board of Directors shall be composed of such members as provided in the Law. Requirements for membership shall be as stated in the Law. Recommendations for membership include:

- a. residency in the service area of the WWTA;
- b. active interest in improving the water and wastewater treatment system of the service area of the WWTA;
- c. regular attendance at meetings of the Board, as may be defined by the Board, from time to time.

BOARD OFFICERS

Rule 6. The Board shall have officers, including a Chair, and a Vice-Chair. The Board shall also have a Treasurer, Secretary, and Assistant Secretary. The term and duties of each position shall be as set forth herein, or as may be otherwise required by the Law or as may be amended by the Board, from time to time. Revised 06/18/2014

DUTIES OF CHAIR

Rule 7. The duties of the Chair shall be as follows:

- a. The Chair shall convene the Board at such time and place as approved by the Board, or as otherwise provided;
- b. The Chair shall preside over all meetings of the Board, preserve order and maintain decorum at meetings;
- c. The Chair shall speak to points of order in preference to other members, and decide questions of order, subject to appeal to the Board of any member;

- d. The Chair shall have general direction of the Board Meeting Room in accordance with the authority granted under these Rules;
- e. The Chair shall appoint all standing and special committees, unless expressly directed otherwise by the Board, and shall be an *ex-officio* member of all committees;
- f. The Chair shall serve as liaison to government agencies.

DUTIES OF VICE-CHAIR

Rule 8. The duties of the Vice-Chair shall be to act in the absence of the Chair, exercising the powers and fulfilling the duties otherwise attending the Chair.

DUTIES OF TREASURER

Rule 9. The Treasurer shall have general charge and custody of all financial assets and records of the WWTA. The Treasurer shall also:

- a. provide a report on the WWTA's financial affairs at each meeting in accordance with such guidelines as may be required by the Law and the State Comptroller of the Treasury.
- b. review all documents, which may create financial obligations for the WWTA and provide recommendations to the Board prior to action thereon.
- c. prepare a proposed budget, in accordance with requirements established by the Comptroller, for consideration by the Board before the end of each fiscal year, which fiscal year is herein declared to be July 1st through June 30th.
- d. cooperate with the WWTA's Auditor in the preparation of the annual audit.

DUTIES OF THE SECRETARY

Rule 10. The Secretary shall be the custodian of all records of the Board, except those as may be entrusted to the Treasurer. The Secretary shall also have the following duties:

- a. to attend all meetings and review all minutes thereof, which shall be submitted to the Board for review and approval.
- b. to certify all documents representing official action of the Board or obligating the WWTA to the performance of services or the payment of funds.

DUTIES OF THE ASSISTANT-SECRETARY

Rule 11. The Assistant-Secretary shall be the custodian of all records of the Board, except those as may be entrusted to the Treasurer in the absence of the Secretary. The Assistant-Secretary may delegate and has the same duties as the Secretary in Rule 10.

TERM AND ELECTION OF OFFICERS

Rule 12. Officers shall serve a term of one (1) year, commencing January 1st and ending December 31st of the calendar year. Officers shall continue to hold office and serve until a replacement is duly elected, unless the officer's term on the Board has expired. The Chair and the Vice-Chair shall be County Appointees.

OFFICER VACANCIES

Rule 13. Vacancy in the positions of Chair, Vice-Chair, Treasurer or Secretary shall be filled by Board election at the next regular meeting. The person chosen shall serve the unexpired portion of the term.

ORDER OF BUSINESS

Rule 14. After appropriate opening ceremonies, the Chair shall call for the following:

- a. Call to Order
- b. Roll Call
- c. Proposed Agenda
- d. Recognition of Visitors
- e. Review of Previous Meeting Minutes
- f. Consent Calendar
- g. Old Business, including, but not limited to:
 - (1) Treasurer Report
 - (2) Committee Report (s)
 - (3) Consultant(s) Report(s)
- h. New Business
- i. Discussion Items

- j. Other Business
- k. Delegations
- l. Next Meeting Date
- m. Adjournment

VOTING

Rule 15. Every member of the Board shall be seated in order to cast a vote; provided, however, that upon motion passed, the Board may elect to waive the requirement that the Board may proceed in a meeting to conduct business with members being out of their chair. There shall be no proxy voting; provided, however, that upon motion passed, the Board may elect to waive for a particular meeting the requirement to be present to vote. In all voting, the presiding officer (Chair) shall vote last. Any member of the Board may request and receive of the presiding officer a roll call vote. All votes requiring the expenditure or obligation of public funds in excess of Five Hundred Dollars (\$500.00) shall be by roll call vote.

PERSONNEL RULES

Rule 16. All personnel matters shall be made in accordance with and subject to the “Hamilton County Personnel Rules” and/or the “Hamilton County Human Resource Policies” and may be amended from time to time and policies adopted in accordance therewith. The Appointing Authority shall be the Executive Director. The position of the Executive Director is exempt from the Handbook under Section 203 (b) and serves as an at will employee who serves at the pleasure of the Hamilton County Water & Wastewater Treatment Authority Board of Commissioners.

PURCHASING

Rule 17. All purchases shall be made in accordance with the “Hamilton County Purchasing Rules,” as may be amended from time to time, and policies adopted in accordance therewith.

AUDITS

Rule 18. There shall be an annual audit of the financial affairs of the WWTA, conducted in accordance with applicable requirements of law.

BUDGET AND FISCAL PLAN

Rule 19. The Board shall adopt an annual budget on or before July 1st of each year and operate under an annual budget. The budget shall present a financial plan for the ensuing fiscal year. The budget and plan shall be in accordance with such guidelines as may be required by law, or adopted by the Board, from time to time.

SURETY BOND

Rule 20. Any Board member, employee or other person authorized by the Board to receive public funds or to make expenditures thereof, or who may have access to any public funds, must be given public surety bond in such form and amount as may be required by law, or prescribed by the State Comptroller of the Treasury. The premium of such bonds shall be paid by the WWTA.

INVESTMENTS

Rule 21. All idle funds of the WWTA shall be invested in accordance with the provisions of State Law, including, but not limited to *T.C.A. §5-8-301*, as amended from time to time.

FINANCIAL ASSET CONTROL

Rule 22. No single member of the Board shall have exclusive control or custody of the WWTA's financial assets. No less than two (2) signatures of authorized Board members shall be required for the disbursement, transfer, withdrawal or investment of any financial assets belonging to the WWTA; provided, however, the Board may delegate financial management to such other person(s), including an Executive Director, as it may deem, from time to time, so long as consistent with law. All financial activities shall be in conformance herewith, and applicable laws, as amended from time to time.

TRAVEL POLICY

Rule 23. No person may incur expenses or obligate the WWTA therefore without prior Board approval. Persons may be reimbursed the full amount of expenses for approved business travel so long as same are reasonable and necessary. Receipts for hotel or other lodging and airfare, if required, shall be obtained. Auto travel reimbursement shall be based on the then current rate allowed by the IRS. Other expenses shall be itemized. A report shall

be provided the Treasurer, who shall make a recommendation thereon to the Board. Travel reports of the Treasurer shall be submitted to the Chair for prior review and recommendation.

PAYMENT OF RECURRING CHARGES

Rule 23. The Treasurer is authorized to approve the payment of normal, recurring charges, and issue payment therefor, subject to additional approval by another authorized Board member. Reports shall be made at the next regular Board Meeting.

MEETINGS

Rule 24. The WWTA Board and Committees shall hold regular meetings at such times and locations as the Board or Committees may establish, from time to time. Special meetings may be called by the Chair of the Board, the Chair of the respective Committee, or a majority of the full Board or Committees, provided sufficient notice thereof is given to all members of the Board or Committees before the special meeting. All meetings shall be held in compliance with *T.C.A. § 8-44-101 et sequitur*.

CHANGE OR SUSPENSION OF THE RULES

Rule 25. The Rules of the Board may be altered or amended by a two-third (2/3) vote of the membership. No rule shall be suspended except by a vote of at least two-third (2/3) of the members present. The Chair may suspend or invoke the rules at anytime without objection of any member. If an objection is made, the matter shall be put to a vote and a simple majority of those present shall decide the issue.

COMMITTEES

Rule 26. The WWTA Board may establish standing or permanent committees or temporary committees to consider issues and make recommendations. Each permanent committee shall be appointed for a period of two (2) years by the Chair. Each such committee shall elect a Chair and consist of an odd number of members. The Board Chair shall serve as an ex-officio member of each committee and may attend and vote.

I. Standing committees shall be as follows:

1. Variance/Regulation Committee

The Scope of the Committee will be to consider variances from the then current Regulations requested by developers, by property owners or other users of the WWTA sewer system and to make a recommendation to the full Board to be considered at its next meeting. The Committee shall also consider all changes to Regulations and make its recommendations to the Board regarding such proposed changes and also review and make its recommendations to any proposed by-law change to the Board. It shall be the obligation of the Committee to make a recommendation to the Board. The Committee shall be responsible for determining when a variance request should be submitted to the Committee and any information and application which should be completed.

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The Variance/Regulation Committee shall schedule meetings in accordance with Rule 24. The Executive Director of the WWTA shall be the staff liaison to the Committee. The purpose and objective of the Committee is to consider requests by customers, developers, etc. that may be at variance with the WWTA regulations. The Committee should consider all the facts presented by the customer/developer and the staff in its deliberation. The Variance/Regulation Committee shall make a recommendation to the Board for consideration at the Board's next meeting.

2. Legal Committee

The duty of the Legal Committee shall be to be briefed on all pending or threatened litigation involving the WWTA and to be advised of any pending or threatened legislation which affects the WWTA. The Legal Committee may make recommendations to the Board.

The Legal Committee shall provide members of the committee as much advance notice as allowed by the legal issues being addressed. The Executive Director of the WWTA shall be the staff liaison to the Legal Committee. The Legal Committee shall meet in closed sessions with the WWTA's attorney to hear reports and consider the status of threatened or pending litigation. The Legal Committee may provide their thoughts or opinions relative to the litigation and ask questions of counsel. The Legal Committee may from time to time make recommendations to the Board relative to threatened or pending litigation.

3. Nomination Committee

The Nomination Committee shall propose a slate of officers each year for the WWTA.

The Nomination Committee shall meet prior to the December Board meeting to recommend officers for the upcoming year. The Nomination Committee shall schedule meetings in accordance with Rule 24. The Executive Director shall be the staff liaison to the Nomination Committee. The officers shall be as follows:

Chair
Vice-Chair
Treasurer
Secretary
Assistant Secretary

The Nomination Committee shall make its recommendation to the Board at the December meeting.

4. Finance Committee

The Committee shall be responsible for reviewing and overseeing (a) accounts receivable, (b) the budget (c) the independent Auditor, (d) bonds/debt and (e) rates. The Committee shall approve an annual budget on or before June 1st of each year in order to present to the full board a budget no later than June of each year. The budget shall present a financial plan for the ensuing fiscal year. The budget and plan shall be in accordance with such guidelines as may be required by law, or adopted by the Board, from time to time. The Committee shall also be responsible for making any recommendations in accounts receivable policy, rates and in changes in audit procedures. The Committee shall be responsible for staying current as to the audit procedures which are applicable to the WWTa.

The Committee shall meet no less than quarterly to review the budget, accounts receivables, rates and the Audit Report. The Finance Committee shall schedule meetings in accordance with Rule 24.

Unless otherwise voted by the WWTa Board the chair of the Finance Committee shall be the Treasurer of the Board.

The Executive Director shall be the staff liaison to the Committee. The Committee shall provide oversight of the annual budget, debt, rates, accounts receivables and audit of the WWTa. The Committee shall interview and recommend to the Board the independent Auditor. The Finance Committee's recommendation for auditor shall be presented no later than the regularly scheduled January Board meeting for the WWTa.

The Committee shall receive the Auditor's report and comments or recommendations at the conclusion of the audit. The Finance Committee shall recommend to the Board whether to accept the audit.

The Committee shall be responsible for reviewing and overseeing the financial status and to recommend rate and fee adjustments, as necessary, to assure the WWTA's continuing financial viability.

The Finance Committee shall make a recommendation to the Board for consideration of rate and fee adjustments.

5. Development Committee

The Development Committee shall consider all projects for the WWTA and shall make its recommendation to the Board on those projects. The projects to be considered shall be projects initiated by the WWTA, requested by municipal members of the WWTA, requested by developers whether or not developers are requesting a contribution from the WWTA and any other projects which come before the WWTA. The Development Committee shall be responsible for setting procedures for when projects should be presented to the Development Committee and the information and application to be completed.

The Development Committee shall schedule meetings in accordance with Rule 24. The Executive Director shall be the staff liaison to the Development Committee. The Development Committee shall consider staff recommendations for future development in the WWTA service area. Consideration will include but may not be limited to projects requested by developers, public school system, individuals, businesses wanting to grow, relocate or locate in the WWTA service area, or by municipalities. The Development Committee shall consider the economic aspects of each recommendation and the best financial arrangements for each project. The staff may from time to time make recommendations for the expansion of the system in service area of the WWTA.

6. Engineering Committee

The Engineering Committee shall consider the qualifications of all architects; engineering ("A/E") firms interested in securing work from the WWTA and shall make its recommendation to the Board. The Engineering Committee shall be responsible for setting procedures for determining the qualifications of those A/E firms, the information and application to be completed by those A/E firms.

The Engineering Committee may review A/E contracts and amendments to contracts prior to a Resolution being submitted to the Board.

The Engineering Committee shall schedule meetings in accordance with Rule 24. The WWTa Engineering Committee will consist of:

The Board's Engineering Representative
Board Member At Large
Executive Director
Chief Engineer

Note: The WWTa Board Chair and the Board Attorney may attend any Engineering Committee Meeting. The Board Chair may appoint another Board Member who is a Professional Engineer and/or a Board Member with an Engineering background or Board Member with an interest in a particular issue being heard by the Engineering Committee to sit on the Engineering Committee. Additionally, when a project is identified, the Engineering Committee may request input, during the selection process, from the representative Board Member from the Municipality in which a project site is located.

II. Ad-Hoc Committees

As provided in Rule 7(e) of the by-laws, the Chair shall appoint all special or ad-hoc committees. The Ad-Hoc Committees shall schedule meetings in accordance with Rule 24. The Executive Director or his designee shall be the staff liaison to all ad-hoc committees. The Chair may appoint committees on a temporary basis to consider issues and make recommendations to the Board. These temporary or ad-hoc committees should meet as often as necessary and for whatever period of time the Committee may need to properly consider the issue and prepare its recommendation. Each ad-hoc committee shall automatically dissolve upon acceptance of its report, dissolved by the Chair, or by recommendation of the Board.

III. Audio Recordings

Audio recordings of the WWTa Committee meetings will be deleted upon final Board approval of the written minutes.

CONSENT CALENDAR

Rule 27. Items approved by any committee listed under Rule 26 of the WWTa By-Laws may be designated at the discretion of the chair of such committee to be placed on the consent calendar at the next WWTa Board meeting. A Committee Chair shall only place items on the Consent Calendar voted unanimously at the Committee level to be recommended for passage by the full WWTa Board. At any time prior to the WWTa Board meeting any WWTa Board member may request that any item be removed from the Consent Calendar. Items on the Consent Calendar must be voted upon by the full WWTa Board without debate and without amendment. When the Consent Calendar is addressed by the WWTa Board it

must be passed by unanimous vote of those present. Any vote less than unanimous will result in the Consent Calendar not passing; thus, each item on the Consent Calendar will then need to be addressed one at a time during the WWTA Board meeting. Once a Consent Calendar is passed by a unanimous vote by the WWTA Board then the minutes of that WWTA Board meeting shall reflect that each such item on that particular Consent Calendar was voted upon by the full WWTA board with a unanimous vote. The intent of this rule is to permit routine and noncontroversial items to be voted on in gross, without debate and without amendment. Any WWTA Board member should request the removal of any item from the consent calendar that requires debate, amendment or will not receive a unanimous vote. Revised 06/18/2014

AMENDMENTS OF THE BY-LAWS

Rule 28. Proposed Amendments of the By-laws may be presented by the Variance/Regulations Committee at any regular Board Meeting. Amendments of the By-laws may be approved by a vote of the majority of the entire membership.

An amendment to the By-laws that has already been adopted goes into effect immediately upon its adoption unless the motion to adopt specifies a time for its going into effect, or the assembly has previously adopted a motion to that effect.

Amending a proposed amendment to the By-laws or Rules of Order may be accomplished by a majority vote, without notice.

The Board can amend its By-laws so as to affect the emoluments and duties of officers already elected, or even to do away with the office altogether. If it is desired that the amendment should not affect officers already elected, a motion to that effect should be adopted before voting on the amendment; or the motion to amend could have added to it the proviso that it should not affect officers already elected.