PART I
BOARD POLICIES AND PROCEDURES

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Equal Opportunity Employer

Part 1-1 Board Organization

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Part 1-1 Board Organization

1-1.01 The Board of Directors

1-1.01.1 Mission of the Board and the CWC

As stated in the Articles of Incorporation, the CWC's mission statement is:

1. The exclusively charitable or public purpose of relieving and reducing adult unemployment, promoting and providing for additional and maximum adult employment, bettering and maintaining adult job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, aiding that part of the Watershed of the City of New York located West of the Hudson River (the "West of Hudson Watershed") by attracting new commerce and industry to such area and by encouraging the development of commerce and industry in such area, and lessening the burdens of government and acting in the public interest, and all other lawful functions all in a manner which seeks to protect water quality in the West of Hudson Watershed;
2. To administer those Watershed Protection and Partnership Programs ("Watershed Protection and Partnership Programs"), which are necessary to maintain and enhance water quality in the West of Hudson Watershed and the economic and social character of the Watershed communities, and that benefit the West of Hudson Watershed, as more fully described in Article V of the New York City Watershed Memorandum of Agreement (January, 1997) (the "Watershed Agreement");
3. To make decisions on funding and implementation of Watershed Partnership and Protection Programs consistent with the terms and provisions of the Watershed Agreement; and
4. To undertake any other activities consistent with the promotion and protection of the economic development of, and the protection of water quality in, the communities located in the West of Hudson Watershed.

1-1.01.2 Composition of the Board

The Board of Directors shall be composed of the following members: three (3) appointed Directors ("Appointed Directors"), two (2) of whom shall be appointed by the Governor of the State of New York and one (1) who shall be appointed by the Mayor of the City of New York, and twelve (12) Regional Directors elected by the town supervisors from each of the regions specified below.

The regions to be represented and the number of Directors to be elected from that region ("Regional Directors") are as follows: six (6) Directors from Region A/Delaware County; two (2) Directors from Region B/Greene County; one (1) Director from Region C/Schoharie County; one (1) Director from Region D/Sullivan County; and two (2) Directors from Region E/Ulster County.

Collectively, the Appointed Directors and the Regional Directors shall be known as the Board of Directors. The appointment, election and terms of office of the Board of Directors shall be as set forth in Article VII of the By-laws.

Part 1-1 Board Organization

1-1.01.3 Duties of the Directors

It shall be the duty of the Directors to:

1. Perform any and all duties imposed on them collectively or individually by law, by the Certificate of Incorporation or by the By-laws, including, if appropriate, amendments of the By-laws;
2. Appoint and remove, employ and discharge, and, except as otherwise provided in the By-laws, prescribe the duties and fix the compensation, if any, of all Officers, agents and employees of the CWC;
3. Supervise all Officers, agents and employees of the CWC to assure that their duties are performed properly;
4. Meet at such times and places as required by the By-laws; and
5. Register their addresses with the Secretary of the CWC. Notices of meetings mailed or delivered by facsimile to the Directors at such addresses shall be valid notice thereof.

1-1.01.4 Compensation of Directors

The Board of Directors shall establish the compensation, if any, that shall be paid to the Directors. Directors shall be allowed and paid their actual and necessary expenses incurred in attending meetings of the Board of Directors. Directors may not be compensated for rendering services to the CWC in any capacity other than Director unless such other compensation is reasonable and is allowable under the provisions of the By-laws. Directors who are also employees of the Federal government, State or City of New York shall not be compensated under the provisions of this Section.

The President of the Board of Directors shall receive an annual salary of $15,540 and shall be classified as an Officer in reference to the IRS code 3121. The Board of Directors shall act upon the joint Policy and Finance committee's recommendation regarding the compensation of the President at the next regularly scheduled meeting following the annual election or sooner if a change in office occurs. Each Board member, except for the President and representatives of New York City and New York State, shall be entitled (effective January 1, 2008) to be compensated at a rate of $125 for each regularly and specially scheduled Board or committee meeting attended, of which they are an official member of, Partnership Council meeting or other meetings called or authorized by the President or the Executive Director.

A rate of $125 per meeting shall be paid for work or time put in outside the Board or committee structure or for assignments or travels, including official duties of Officers, as assigned by the CWC President. Director's compensation shall be reported on a monthly basis in the standard monthly financial reports.

The Board of Directors will all be classified as Directors in reference to the IRS code 3121, and issued an IRS form 1099 for non-employee compensation received during the calendar year.

Out of pocket expenses, including mileage, shall be reimbursed when traveling or conducting business as a representative of the Board.

The President shall approve all travel and expense reimbursements of the Board of Directors. The Board of Directors shall follow the same reimbursement policy as employees.

Part 1-1 Board Organization

1-1.01.*5* Restrictions Regarding Interested Directors

Neither the CWC nor any of its Directors, Officers, members, partners or employees shall have any private interest nor shall they acquire any private interest, directly or indirectly, in any contracts or subcontracts that would or may conflict in any manner or degree with the performance of their duties to the CWC as provided herein or as otherwise provided by law.

An employee, Officer or Director of the CWC, upon learning that any project proposed for funding from the Catskill Fund for the Future, as defined in Article IX of the By-laws, will directly benefit himself/herself or a member of his/her family, or will directly benefit any firm in which he/she or any of the foregoing persons holds a financial interest, shall disclose his/her association to the Board of Directors of the CWC and refrain from participating in any consideration, review or approval of the project at issue. As used in this Section the term "family" shall refer to an individual's parents, grandparents, siblings, spouse, children or grandchildren, or the spouse of any of the foregoing.

1-1.01.6 Vacancies

Vacancies on the Board of Directors shall exist, (1) on the death, resignation or removal of any Director, or (2) whenever the number of authorized Directors is increased. The Board of Directors may declare vacant the office of a Director who has been declared of unsound mind by a final order of court, or convicted of a felony, or been found by a final order or judgment of any court to have breached any duty under Section 717 of the New York Not-For-Profit Corporation law.

Any Director may resign effective upon giving written notice to the President or the Secretary of the CWC, unless the notice specifies a later time for the effectiveness of such resignation. No Director may resign if the CWC would then be left without a duly elected Director or Directors in charge of its affairs, except upon notice to the Attorney General of the State of New York.

Vacancies on the Board shall be filled in accordance with the nomination and election process set forth in Article VII of the By-laws.

A Director elected or appointed to fill a vacancy shall hold office until the next annual meeting at which the election of Directors is in the regular order of business, and until his/her successor is elected or appointed and qualified. The foregoing shall not apply to a vacancy in a Director seat chosen by the Governor of the State of New York or the Mayor of the City of New York. Such vacancies shall be filled at the discretion of the Governor and Mayor.

1-1.01.7 Alternates

Any Appointed Director, other than the Appointed Director described at Section 1(b) of Article VII of the By-laws, may, to the extent permitted by law, appoint one or more alternate Directors to act in his/her place by filing a written instrument of appointment with the Secretary of the CWC. In the absence of any Appointed Director from a meeting of the Board of Directors, his/her alternate may upon written notice to the Secretary of the CWC, attend such meeting and exercise the same rights, powers and privileges as such Appointed Director. Any such written instrument of appointment shall remain in effect until the earlier of, (1) the date such instrument is revoked in writing by the Appointed Director who executed such instrument, or (2) the date such Appointed Director ceases to be a Director of the Corporation.

Part 1-1 Board Organization

1-1.02 Officers

1-1.02.1 Number of Officers

The Officers of the CWC shall be a President, a Vice President, a Secretary, and a Treasurer. The CWC may also have, as determined by the Board of Directors, one or more Vice Presidents, and one or more Assistant Secretaries, Assistant Treasurers or other Officers. Any number of offices may be held by the same person except that the Secretary may not serve concurrently as the President.

1-1.02.2 Qualification, Election, Term of Office

Only members of the Board of Directors may serve as an Officer of the CWC. Officers shall be elected by the Board of Directors, at the annual meeting of Directors, and shall hold office for one year and until their respective successors shall be elected and qualified.

1-1.02.3 Subordinate Officers

The Board of Directors may appoint such other Officers or agents as it may deem desirable, and such Officers shall serve such terms, have such authority and perform such duties as may be prescribed by the Board of Directors.

1-1.02.4 Removal and Resignation

Any Officer may be removed, either with or without cause, by the Board of Directors, at any time. Any Officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the CWC. Any such resignation shall take effect at the date of the receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

1-1.02.5 Vacancies of Officers

Any vacancy caused by the death, resignation, removal, disqualification or otherwise, of any Officer shall be filled by vote of the Board of Directors as provided in Section 11 of Article III of the By-laws. In the event of a vacancy in any office other than that of President, such vacancy may be filled temporarily by appointment by the President until such time as the Board shall fill the vacancy. Vacancies occurring in offices appointed at the discretion of the Board may or may not be filled, as the Board shall determine.

1-1.02.6 Duties of the President

The President shall, subject to the control of the Board of Directors, supervise and control the affairs of the CWC and the activities of the Officers. He or she shall perform all duties incident to his/her office and such other duties as may be required by law, by the Certificate of Incorporation, by the By-laws, or that may be prescribed by the Board of Directors.

The President's duties shall include but not be limited to the following:

1. Preside over all Board meetings of the CWC;
2. Be the official spokesperson of the CWC;
3. Represent the CWC;

4. Call special meetings of the CWC;
5. With the approval of the CWC Directors, create committees;
6. Appoint committee Members at the next regularly scheduled Board meeting after the Annual Board meeting;
7. Perform all acts and duties required of an executive officer and any other duties assigned to the President by the CWC Directors;
8. Execute, in the name of the CWC, such deeds, mortgages, bonds, contracts, checks or other instruments that may be authorized by the Board of Directors; and,
9. President shall be an ex-officio voting member of all committees, unless otherwise prohibited by the Public Authorities Law.

1-1.02.7 Duties of the Vice President

In the absence or disability of the President, the Vice President shall perform all the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions on the President. The Vice President shall have other powers and perform such other duties as may be prescribed by the Board of Directors.

1-1.02.8 Duties of the Secretary

The Secretary shall:

1. Certify and keep at the principal office of the CWC the original or a copy of the By-laws, as amended to date;
2. Keep at the principal office of the CWC or at such other place as the Board may determine, a book of minutes of all meetings of the members, all meetings of the Directors, all meetings of committees of Directors, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present at the meeting, and the proceedings thereof. Insure distribution of all committee meeting minutes to all Directors by the CWC staff;
3. Ensure that all notices are duly given in accordance with the provisions of the By-laws or as required by law;
4. Be custodian of the membership ledger of the CWC, the corporate records of the CWC and of the corporate seal of the CWC, if one is designated by the Board of Directors, and ensure that the seal is affixed to all duly executed documents, the execution of which on behalf of the CWC under its seal is authorized or required by law, the By-laws or by the Board of Directors;
5. Exhibit at all reasonable times to any Director of the CWC, or to his/her agent or attorney, on request therefore, the By-laws and the minutes of the proceedings of the members or of the Directors of the CWC; and
6. In general, perform all duties incident to the office of the Secretary and such other duties as may be required by law, by the Certificate of Incorporation, or by the By-laws, or that may be assigned to him/her from time to time by the Board of Directors.

1-1.02.9 Duties of the Treasurer

The Treasurer shall:

1. Supervise the charge and custody of all funds and securities of the CWC, and the deposit of all such funds in the name of the CWC in such banks, trust companies, or other depositories as shall be selected by the Board of Directors;
2. Keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the CWC, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of account shall be open to inspection by any Director at all reasonable times;
3. Deposit or cause to be deposited all money and other valuables in the name and to the credit of the CWC with such depositories as may be designated by the Board of Directors;
4. Disburse or cause to be disbursed the funds of the CWC as may be ordered by the Board of Directors;
5. Render to the President and Directors, whenever they request it, an account of all transactions of the CWC; and
6. Serve as chairperson of the Finance/Fiscal Audit Committee; and
7. Have other powers and perform such other duties as may be prescribed by the Board.

1-1.02.10 Compensation of Officers

The salaries of the Officers, if any, shall be fixed from time to time by resolution adopted by the Board. In all cases, any salaries received by Officers of the CWC shall be reasonable and given in return for services actually rendered the CWC that relate to the performance of the charitable or public purposes of the CWC.

1-1.03 Executive Director

1-1.03.1 Powers and Duties

The Executive Director shall be the Chief Executive_Officer and Chief Operating Officer of the CWC and serves at the pleasure of the Board. The Executive Director, under the direction of the President of the CWC, shall have general charge of implementing the applicable parts of West of the Hudson sections of the New York City Watershed Agreement and other programs as approved by the CWC. Duties of the Executive Director include but are not limited to:

1. Subcontracting with appropriate agencies and institutions for the development and implementation of the agreement and other programs;
2. Developing and executing a fiscally sound budget as approved by the Board, for the annual operations of the CWC;
3. Providing direct guidance and supervision for all CWC employees including staff assigned to the CWC through contractual or reimbursable agreements;
4. If specifically delegated by the Board, the duty to employ and discharge employees of the CWC. (See Part 2 – Personnel Policies & Procedures);

5. Developing contracts, intergovernmental agreements and Memorandums of Understanding with cooperating agencies, participating institutions, units of government, landowners and contractors for the execution of the Watershed Agreement;
6. Providing and/or securing staff assistance for the CWC functions, including but not limited to taking minutes at individual committee and Board meetings;
7. Preparing monthly and annual technical reports and updates for the CWC Board of Directors and New York City pursuant to the agreement;
8. Researching and facilitating supplemental funding for CWC programs;
9. Having general charge of the day-to-day operations of the CWC;
10. Approving disbursements made by the CWC authorized Officers;
11. Prescribing content and appearance of all internal forms including but not limited to receipts, vouchers, bills, or claims to be filed with all administrative agencies, departments, offices, or officials;
12. Maintaining records and accounts in such a manner that the true and correct financial condition with respect to Program(s) funds received, and of expenditures or disbursements incurred by the CWC, may be ascertained with reasonable notice. The Executive Director shall also render monthly and annual statements in the form and in the manner prescribed by the CWC Board of Directors, and carefully preserve all books, documents, correspondence, and records of whatever kind pertaining to the CWC which may come into his/her possession;
13. Having such other powers and performing such other duties as may now or hereafter be conferred or imposed upon him/her by the Board of Directors; and
14. Being an ex-officio non-voting member of all committees.

1-1.04 Conflicts of Interest and Related Party Transactions

1-1.04.1 Conflicts of Interest Prohibited

No member of the CWC Board, Officer, employee or consultant of the CWC shall have any interest, financial or otherwise, directly or indirectly, or engage in any transaction or professional activity which is in conflict with the proper discharge of his/her duties.
Additionally, no member of the CWC Board, Officer, employee or consultant of the CWC shall represent private interests before any entity of the CWC of which he is a member, by which he is employed or to which he renders consulting services, collectively, with the restrictions contained in Section 1-1.04.1(1) above, a “Conflict of Interest”).

1-1.04.2 Disclosure of Interest in Board Actions Required

To the extent that he/she knows thereof, a member of the CWC Board and any Officer or Key Employee (as such term is defined below) of the CWC, whether paid or unpaid, must disclose any Conflict of Interest to the CWC Finance/Audit Committee Chair. All non-Key Employees of CWC must disclose any Conflict of Interest regarding a pending action of the Board to the CWC Executive Director. Such disclosure shall include the nature and extent of any direct or

indirect financial or other private interest he/she has in such action. For the purposes of this Conflict of Interest Policy, the term "Key Employee" means any employee of CWC who is in a position to exercise substantial influence over the affairs of CWC.

1-1.04.3 Prohibition in Participation of Vote or Discussion

Following disclosure as required in Section 1-1.04.2 above, the disclosing member of CWC Board, Officer or employee shall not be present at or participate in Committee/Board deliberation or vote on the matter giving rise to the Conflict of Interest, nor shall such person attempt to improperly influence the deliberation of or vote on the matter giving rise to the Conflict of Interest. The existence and resolution of all disclosed Conflicts of Interest, including any recusal by a member of the CWC Board from participation and vote as a result of a Conflict of Interest, shall be documented in the records of CWC, including in the minutes of any CWC Board or Committee meeting at which the Conflict of Interest was addressed.

1-1.04.4 Related Party Transactions

1. CWC shall not enter into any Related Party Transaction (as such term is defined below) unless the transaction is determined by the Board to be fair, reasonable, and in CWC's best interest at the time of the determination.
2. For the purposes of this Conflict of Interest Policy, the term "Related Party Transaction" means any transaction, agreement or any other arrangement in which CWC or any of its Affiliates is a participant and any of the following (each a "Related Party") have a financial interest:
    a. Any officer, director, Key Employee or Affiliate of CWC; or
    b. Any "Relative" of an officer, director, Key Employee or Affiliate of CWC. For the purposes of this section, the term "Relative" means spouse, ancestors, brothers or sisters (whole or half), children (natural or adopted), grandchildren, great-grandchildren, or spouse or domestic partner (as defined in Public Health Law §2994-A) of a brother, sister, children, grandchildren, or great-grandchildren; or
    c. Any entity in which any person described in Section 1-1.04.4(2)(a) or (b) above has a 35% or greater ownership or beneficial interest, or a direct or indirect ownership interest in excess of 5% for partnerships or professional corporations.
3. For purposes of this Conflict of Interest Policy, the term "Affiliate" means any entity controlled by, in control of, or under common control with CWC.
4. Any director, officer, or Key Employee who has an interest in a Related Party Transaction shall disclose in good faith to the Board the material facts concerning such interest.
5. No director, officer, or Key Employee who has an interest in a Related Party Transaction may participate in Board deliberations or voting on such transaction. CWC Board may request that such individual present information regarding the Related Party Transaction prior to the commencement of deliberations or voting related to such transaction. The minutes of the Board shall contain a description of any Related Party Transaction disclosed and all relevant procedures and votes in connection therewith.
6. For Related Party Transactions in which the Related Party has a substantial financial interest, the CWC Board must:

a. Consider alternative transactions, to the extent available, prior to entering into the Related Party Transactions; and
b. Vote on whether to approve the Related Party Transaction, which such approval must be by not less than a majority of the Board members present at the applicable meeting; and
c. If the Related Party Transaction is approved, at the time of approval, document in writing the basis for the Board's approval, including its consideration of alternative transactions.

1-1.04.5 Disclosure of Confidential Information Prohibited

No member of the CWC Board, Officer, employee or consultant of the CWC, whether paid or unpaid, shall disclose confidential information acquired by him/her in the course of his/her official duties, nor use such information to advance his/her financial or other private interest.

1-1.04.6 Annual Disclosure Statement by Board Members and Potential Board Members

1. Commencing July 1, 2014 and at each CWC Annual Meeting thereafter, each CWC Board member shall complete, sign, and submit to CWC Board Secretary a written statement (the "Annual Statement", Appendix A) identifying, to the best of the Board member's knowledge, any entity of which such member is an officer, director, trustee, member, owner (either as a sole proprietor or a partner) or employee and with which CWC has a relationship, and any transaction in which CWC is a participant and in which the Board member might have a conflict of interest. For the purposes of this section and pursuant to CWC By-Laws Article V, section 2 (b), the foregoing does not include a director's publicly elected position in a CWC member town.
2. Every potential Board member of CWC shall be required to complete, and submit to the CWC Board Secretary, the Annual Statement prior to being elected or appointed to the Board.
3. The CWC Board Secretary shall provide copies of all completed Annual Statements to the chair of the CWC Finance/Audit Committee.

1-1.04.7 Standards of Conduct

1. No member of the CWC Board, Officer, employee or consultant of the CWC should accept other employment that will impair his/her independence of judgment in the exercise of his/her official duties.

2. No member of the CWC Board, Officer, employee or consultant of the CWC should accept employment or engage in business or professional activity which will require him/her to disclose confidential information gained by reason of official position or authority.

3. No member of the CWC Board, Officer, employee or consultant of the CWC should use or attempt to use his/her official position to secure unwarranted privileges or exemption for himself/herself or others.

4. No member of the CWC Board, Officer, employee or consultant of the CWC should engage in any transaction as a representative of the CWC or a CWC entity with any business entity in which he/she has direct or indirect financial interest that might reasonably tend to conflict with the proper discharge of his/her official duties.

5. No member of the CWC Board, Officer, employee or consultant of the CWC should, by his/her conduct, give reasonable basis for the impression that another can improperly influence him/her or unduly enjoy his/her favor in the performance of official duties or that he/she is affected by kinship, rank, position or influence of any party or person.
6. No member of the CWC Board, Officer, employee or consultant of the CWC should invest or hold any investment directly or indirectly in any financial, business, commercial or private transaction which creates a conflict with his/her official duties.

1-1.04.8 Establishment of Board of Ethics - Membership, Powers and Duties

There is hereby established a Board of Ethics consisting of five (5) members to be appointed by the CWC President and who shall serve without compensation and at the pleasure of the CWC Board. The majority of such members shall be persons other than Officers or employees of the CWC or Officers or employees of any municipality wholly or partially located within the CWC, but said Board shall include at least one (1) member who is an elected or appointed Director of the CWC.

The Board of Ethics shall have the powers and duties prescribed by Article 18 of the General Municipal Law, and shall render advisory opinions to the Officers and employees of the CWC on a confidential basis with respect to Article 18 of the General Municipal Law and the Conflict of Interest Policy hereby adopted. In addition, the Board may make recommendations with respect to the drafting and adoption of amendments to said policy. The Board shall adopt such rules and regulations as it may prescribe and said rules and regulations shall be reviewed by the CWC Attorney to ensure compliance with the Certificate of Incorporation, the By-laws and all applicable laws, rules and regulations.

Part 1-2 Board Business Procedures

As a member of the Board, I will:

1. Listen to my fellow Board members;
2. Respect the opinion of my fellow Board members;
3. Respect and support the majority decisions of the Board;
4. Recognize that all authority is vested in the full Board only when it meets in legal session;
5. Keep well informed of the developments relevant to issues that may come before the Board;
6. Participate actively in Board meetings and actions;
7. Bring to the attention to the Board any issues that I believe will have an adverse effect on the CWC or those we serve;
8. Refer complaints in the proper level in the chain of command;
9. Recognize that my job is to ensure that the CWC is well managed, not to manage the CWC;
10. Represent all those whom the CWC serves and not a particular geographic area or interest group;
11. Consider myself a "trustee" of the CWC and do my best to ensure it is well maintained, financially secure, growing and always operating in the best interest of those we serve;
12. Always work to learn how to do my job better; and
13. Declare conflicts of interest between my personal life and my position on the Board, and abstain from voting when appropriate.

1-2.01 Open Meetings and Public Access

1-2.01.1 General Policy

It is essential to the CWC that its official business be performed in an open and public manner and that the citizens of this Watershed be fully aware of and able to observe the performance of CWC Directors and attend and listen to the deliberations and decisions that go into the making of Board policy and decisions.

1-2.01.2 Public Access to Meetings

Except for executive sessions every meeting of the Board or its committees shall be open to the general public.

The CWC will make reasonable efforts to ensure that meetings are held in facilities that permit barrier-free physical access to the physically handicapped.

1-2.01.3 Public Access to Minutes of Meetings

Minutes will be taken at all open meetings of the Board and committees, which shall consist of a record or summary of all motions, proposals, resolutions and any other matter formally voted upon and the vote thereon.

Minutes will also be taken at executive sessions of any action that is taken by formal vote which shall consist of a record or summary of the final determination of such action, and the date and vote thereon; provided, however, that such summary need not include any matter which is not required to be made public by the freedom of information law.

1-2.01.4 Public Notice

Regular meetings of the Board shall be held upon one week's notice by first class mail to the Board and notice to the news media. Such notice shall also be posted at least seventy-two (72) hours prior to said meeting at the office of the Corporation.

Public notice of the time and place of every committee meeting shall be given, to the extent practicable, to the news media and shall be conspicuously posted in one or more designated public locations at a reasonable time prior thereto.

The public notice provided for by this section should not be construed to require publication as a legal notice.

1-2.02 Board Meetings

1-2.02.1 Board Member Notice

Regular meetings of the Board shall be held upon one week's notice to Board members by first class mail, including a proposed agenda for said meeting. Such notice shall also be posted at least seventy-two (72) hours prior to said meeting at the office of the CWC.

Special meetings of the Board shall be held upon four (4) days notice by first-class mail or forty-eight (48) hours notice delivered personally or by fax. If sent by mail or fax, the notice shall be deemed to be delivered upon its deposit in the mail or upon confirmation that the fax has been completed.

Notices shall be addressed to each Director at his/her address as shown on the books of the CWC.

Minutes for each committee shall be distributed to all Board Members once a month in the Board book. Minutes shall be prepared and available fourteen (14) days after the meeting. Minutes which have not been approved by the Committee, shall conspicuously state "pending approval by Committee".

Notice shall be given of any adjourned regular or special meeting to Directors absent from the original meeting if the adjourned meeting is held more than twenty-four (24) hours from the time of the original meeting.

1-2.02.2 Order of Business

The order of business at each <u>regular meeting</u> of the Board shall be as follows:

1. Roll call of Directors.
2. Reading of the minutes of the preceding meeting. (In the absence of any objection or corrections, the minutes shall stand approved without formal motion.)
3. Presentation of communications.
4. Public discussion in accordance with Rule 2.02.3 (2).
5. Presentation of resolutions.

6. Recognition of Board members.
7. Announcements from the Chair.
8. Meeting adjournment.

The order of business at a special meeting of the Board shall be as follows:

1. Roll call.
2. Reading of Notice of Meeting.
3. Presentation of Motions, Resolutions, or business for which the meeting was called.
4. Announcements from the Chair.
5. Meeting Adjournment.

The order of business at a public hearing of the Board shall be as follows:

1. Roll call of Directors.
2. Reading of the Notice of Public Hearing.
3. Reading of local proposals or other matters for which hearing is required.
4. Public Discussion.
5. Adjournment of Public Hearing.

1-2.02.3 Conduct of Board Meeting - Public Discussion

1. The members of the Board thereof, shall conduct the business of the Board at regular and special meetings. Staff of the CWC may be requested to provide information that is relevant to any subject under discussion before the Board (except as may be required by law.)

2. A member of the public shall be permitted to speak at any regular meeting of the Board on any issue on the meeting agenda for not more than two (2) minutes during a thirty (30) minute period at which communications are presented to the Board in the order of business of each meeting. The Secretary may read any communication received by the Board, other than statements filed by speakers. After the presentation of communications, if any, an open floor period shall commence. Any speaker may file with the Secretary a written statement, but such statement will not constitute a part of the Annual Proceedings of the Board, nor shall the Secretary read such statement. The President may reduce the time of any speaker or the length of the period of public discussion under this rule.

1-2.02.4 Debate and Voting

1. **Presiding Officer:** The President shall preside over all meetings of the Board at which the President is present, preserve order and decorum, and confine discussion to the matter at issue. In the absence of the President, the Vice-President shall preside at the meeting with all the powers and authority of the President. The President shall decide all questions of order or rules. The President may participate in debate and vote on any question before the Board.

2. **Appeals:** On an appeal of the President's decision on a question of order, the President may first present a reason for a decision after which any Director may speak once thereon before the President puts the question, "Shall the President's ruling be sustained?" The question will be decided without excluding the President's vote. The President shall not have a vote on an appeal.

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3. **Debate - Recognition**: Each Director by raising a hand shall be recognized by the President prior to speaking. When two or more Directors desire recognition by raising their hands simultaneously, the President shall determine the order of speaking.

4. **Debate - Right To Speak:** No Directors may speak more than once on any question until all Directors desiring to speak shall have spoken.

5. **Debate - Limits - Out of Order:** Directors shall limit their discussion to the matter before the Board and shall speak for a responsible time. If the President shall decide that a Director has introduced an irrelevant matter or is otherwise not acting in conformity to the decorum required by these rules, the President may interrupt the Director and require the Director to conclude his/her discussion or call such Director out of order. A Director out of order shall immediately cease debate unless the President shall permit an explanation.

6. **Debate - Private Discussion:** While a Director is addressing the President, no other Director shall entertain any private discourse, walk about the room or pass between a speaker and the President.

7. **Method of Action:** Except as otherwise expressly provided by law, the power of the Board shall be exercised thorough a resolution or motion duly adopted by the Board.

8. **Voting - Method of Voting:** All votes of the Board shall be by aye or nay unless otherwise required by law. Upon the request of a Director or if required by law, the Secretary will take a role call vote. When a role call vote is not required or requested, the Secretary shall record in the minutes next to each Director's name an "aye" vote unless a Director shall specifically vote "nay".

9. **Voting - Required Vote:** Unless excused by the President or unless directly interested in the question, once discussion is started, each member shall vote thereon. An abstention shall be deemed to be a nay vote, but shall be duly recorded as an abstention.

10. **Voting - Adoption – Ten (10) Votes:** Every resolution of the Board of the CWC shall require ten (10) affirmative votes for passage.

11. **Committee of Whole Creation:** The Board may, by a majority vote or by order of the President, resolve itself into a Committee of the Whole for the purpose of informal discussion by the Directors on a specific question to be started in the motion or order therefore.

12. **Committee of the Whole - President:** In the Committee of the Whole, the President shall serve as presiding Officer thereof.

13. **Committee of the Whole - Rules:** These rules shall govern the Committee of the Whole so far as they may be applicable, except that the limitation of the number of times of speaking shall not apply and the "ayes" and "nays" shall not be taken. A motion to rise and report progress shall always be in order and shall be decided without debate.

14. **Resolutions - Filing:** Unless unanimous consent of the Directors present is given to its presentation, no resolution shall be in order unless filed, in writing, with the CWC office ten (10) business days, exclusive of Saturday, Sunday and legal holidays, preceding the meeting at which it is to be offered. This rule shall not apply to the organization meeting, any special meeting, meetings held in the month of December, or in the month of January in the year

which the Board organizes. This rule shall also not apply to Board action to address defaults of grants and CFF loans.

15. **Resolutions - Form, Captions, Offerors, Numbering - Distribution:** Each resolution shall state subject matter thereof. Nothing contained in these rules shall prevent a Director from offering any resolution for consideration by the Board. Upon adoption, a resolution shall be consecutively numbered and shall state names of the Directors moving and seconding same. The Secretary shall provide certified copies of all adopted resolutions to the departments or agencies having an interest therein.

16. **Resolutions - Form - Effective Date:** Unless a different date is specified, all resolutions shall become effective upon their adoption.

17. **Resolutions - Agenda - Copies - Duties of the Secretary:** Every resolution filed with the CWC in accordance with Rule 14 shall be placed on the agenda of the next regular meeting. The CWC office shall prepare for each regular meeting copies of each resolution to be acted upon and distribute it to the Directors 7-10 days prior to the Board meeting and to the public prior to the time of the meeting. Resolutions to be placed on the agenda of a special meeting shall be prepared by the CWC office and distributed four (4) days prior to the meeting of which action is to be taken thereon, or two (2) days in advance if personally delivered or by e-mail or facsimile.

18. **Resolutions - Second Required:** Except with respect to nominations, no motion shall be started, debated or put unless it is seconded.

19. **Resolutions - Written Form:** Every motion shall be started by the President or read by the Secretary before debate and before the question is taken. Every motion shall be reduced to writing if the President or any other Director desires.

20. **Resolutions - Withdraw - Consent:** After a motion is started by the President, it shall be in possession of the Board, but may be withdrawn by the introducer with consent of the seconder, at any time before a vote or amendment, if no objection is made. If objection is made, then the same may be withdrawn with consent of a majority vote of the Board.

21. **Resolutions - Division:** If the question in debate contains several distinct propositions, any Director may have the same divided.

22. **Resolutions - Priority:** All questions relating to the priority of one question or subject matter over another, under the same order of business, shall be decided by the President without debate.

23. **Resolutions - Other Motions:** When a motion is under debate, no other motion shall be entertained except a motion:

    - For an adjournment of the meeting.
    - For a roll call of the Board.
    - For the previous question.
    - To postpone to a certain date.
    - To go into a committee of the Whole on the pending subject immediately.
    - To commit to a Standing or Special Committee.
    - To amend.

24. **Resolutions - Reconsideration:** A motion to reconsider any resolution or motion can only be entertained by the President when moved by a Director who originally voted with the majority thereon, when such motion to reconsider is to be voted upon at a meeting of the same or next day. A motion to reconsider requires a majority of vote of the Board.

25. **Resolutions - Motion to Adjourn:** Unless a vote is in progress, a motion for a meeting's adjournment shall be decided without debate and shall always be in order.

If a question arises as to Procedure, the latest edition of Roberts Rules of Parliamentary Procedure shall be referenced.

1-2.02.5 Place of Meetings

Annual, committee, regular or special meetings of the Board may be held at any place within the State of New York.

A meeting of the Board of Directors shall be held at least once a year immediately following the annual meeting of members, for the election of Officers and for the transaction of such other business as may properly come before the meeting. Such annual meetings shall be noticed in the same manner as special meetings.

Special meetings of the Board may be called by any two Directors and may be held at any place within the State of New York that has been designated in the notice of the meeting. Notice of a special meeting shall specify the purpose of such meeting. A quorum must be present to conduct a special meeting of the Board

If not specified in the notice of the meeting all meetings shall be held at the principal office of the CWC.

All meetings of the Board of Directors shall be conducted in accordance with the Open Meetings Policy outlined above.

1-2.02.6 Quorum for Meetings

A quorum shall consist of two-thirds of the Board of Directors. Except as otherwise provided in the By-laws, in the Certificate of Incorporation of the CWC, or by law, no business shall be considered by the Board at any meeting at which a quorum is not present. The only motion the President shall entertain at such meeting is a motion to adjourn.

A majority of the Directors present at such meeting may adjourn the meeting from time to time until the time fixed for the next regular meeting of the Board. At the adjourned meeting, any business may be transacted that might have been transacted at the original meeting.

When a meeting is adjourned for lack of quorum, it shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted at such a meeting, other than by announcement of the meeting at which the adjournment is taken, except as provided in Section 2.02.1 of this Manual.

The Directors present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of Directors from the meeting, provided that any action thereafter taken must be approved by at least a majority of the required quorum for such meeting or such greater percentage as may be required by law, the Certificate of Incorporation or the By-laws.

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1-2.02.7 Board Action

Every act or decision done or made by at least ten (10) Directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless the Certificate of Incorporation, the By-laws or provisions of the New York Not-For-Profit Corporation law require a greater percentage of votes for approval of a matter by the Board.

1-2.02.8 Board Communications

The President must be notified in advance of the intent or request of any Board or staff member to appear in an official CWC capacity before any local, State regional, national or international organization.

Papers, memos, press releases, letters to the editor or other correspondence that represent CWC policy, must be directed through and approved by the President and brought to the Executive Director's attention.

1-2.02.9 Limitation On The Participation Of Certain Members

The three (3) Directors appointed by the Governor and the Mayor shall not participate in any discussion or vote on any issue regarding litigation involving the City or the State. The Director appointed by the Mayor shall not participate in any discussion or decision regarding use or allocation of the Tax Consulting Fund (as defined in the Memorandum of Agreement.)

1-2.02.10 Limitation on Role of Directors

Pursuant to Article 9, Title 2, section 2824 of the Public Authorities Law, no Director, including the Board President, shall serve as Chief Executive Officer, Executive Director, Chief Financial Officer, Comptroller, or hold any other equivalent position while also serving as a member of the Board of Directors.

1-2.02.11 Distribution of Board Minutes

Board meeting minutes shall be distributed to all Directors within 10 (ten) days prior to the next regularly scheduled Board meeting. Minutes shall be prepared and available fourteen (14) days after the meeting. Minutes which have not been approved by the Board, shall conspicuously state "pending approval by the Board".

1-2.03 Committees

The Board may, from time to time, establish committees to help carry out its responsibilities. To preserve Board holism, committees will be used sparingly, only when other methods have been deemed inadequate. Committees will be used so as to minimally interfere with the wholeness of the Board's job.

1. Board committees are to help the Board do its job, not to help the staff do its job. Committees will assist the Board by recommending policy alternatives and implications for Board deliberation. Board committees are not to be created by the Board to advise staff.
2. The CWC has seven standing or permanent committees set up to function year-round. As special circumstances arise, however, the Board may also appoint temporary or ad hoc committees to deal with them.

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3. The CWC shall establish all committees by resolution of the Board of Directors. The resolution establishing a committee shall include the committee's charge.
4. At the first committee meeting and annually at the first committee meeting following the CWC annual meeting, the committee shall elect a chairperson by majority vote of committee members present at the meeting. In the absence of a chairperson at a committee meeting, the balance of the committee members present will select, by a majority vote, a chairperson to chair that meeting.
5. The President and Executive Director shall be ex-officio members of all standing and ad hoc committees of the CWC. The President shall be a voting member of said committees while the Executive Director shall be a non-voting member.
6. All committees shall act in an advisory capacity to the Board only.
7. The Board will review all standing and ad hoc committees at the beginning of each year.
8. Pursuant to Article 9, Title 2, section 2824(4) of the Public Authorities Law, the Board of Directors has established a Finance-Fiscal Audit Committee to be comprised of independent members and shall operate in accordance with Public Authorities Law § 2824(4). It is the responsibility of the committee, in part, to recommend to the board the hiring of a certified independent accounting firm for the corporation, establish the compensation to be paid to the accounting firm, and provide direct oversight of the performance of the independent audit performed by the accounting firm hired for such purposes.
9. Pursuant to Article 9, Title 2, section 2824(7) of the Public Authorities Law, the Board of Directors has established a Governance Committee to be comprised of independent members. It is the responsibility of the committee to keep the board informed of current best governance practices, to review corporate governance trends, to update the corporation's governance principles, and to advise appointing authorities on the skills and experiences required of potential board members.

1-2.04 Monitoring Executive Performance

Monitoring will occur in one or a combination of three ways:

1. **Internal Reports**: Periodic reports from the Executive Director to the Board.
2. **External Judges**: Auditors, site inspectors, or other external assessors shall be retained to answer certain monitoring questions.
3. **Direct Inspection**: Directors on a rotating basis designed by the Board Secretary select at random a policy for on-site monitoring. The Executive Director will "walk through" implementation of the policy. Directors involved have only the authority to state whether, in their opinion, the policy is being implemented (not the authority to determine how it should be implemented nor to direct staff to do anything.)

Each policy of the Board in "ends" and "executives limitations" categories shall be classified by the Board according to the frequency and method of monitoring.

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Policy	***Method***	***Frequency***
Protection of assets	External judge (audit)	Annual
Financial condition	Internal report External judge (audit)	Monthly Annual
Compensation and benefits	Internal report	Annual
Budget	Direct inspection Internal report	Annual Quarterly
Indebtedness	Internal report External judge (audit)	When applicable Annual

Part 1-2 Board Business Procedures
Appendix A

Annual Statements of Members of the Board of Directors of the Catskill Watershed Corporation ("CWC")

The undersigned, a member (or nominee) of the Board of Directors of the CWC, affirms that:

a. I have received a copy of CWC's Conflict of Interest Policy (the "Policy");
b. I have read and understand the Policy;
c. I agree to comply with the Policy;
d. To the best of my knowledge, below is a list of every entity in which I am an officer, director, trustee, member, owner or employee and with which CWC has a relationship:

NONE ☐ _____
_____
_____
_____

e. To the best of my knowledge, below is list of any transaction in which CWC is a participant and in which I might have a conflicting interest:

NONE ☐ _____
_____
_____
_____
_____

_____	_____	_____
Signature	Print Name	Date

THIS FORM MUST BE SUBMITTED TO THE SECRETARY OF CWC, WHO MUST PROVIDE A COPY TO THE FINANCE/AUDIT COMMITTEE, OR, IN THE ABSENCE OF SUCH COMMITTEE, TO THE CHAIRMAN OF THE BOARD OF DIRECTORS.