



Summary of By-Law Revisions - 2026

July 2026

Materials for Understanding Board Approved Recommendations for
Modernizing By-Laws

Why Update?

- WA State Laws governing non-profits were revised extensively in 2021 and our bylaws have not adapted to the change (Our last by law review was in ~2014 with some amendments since). We can either default to or adapt to the new provisions.
- Many of our by-law areas are out-of-date with both technology and practice and need to modernize.
- We need to remove obstacles to more efficiently delivering water services to lower costs

The Board's Objective

Improve Association Ability to Act in Member Interest Efficiently While Maintaining Good Governance

What Association Members Need to Know

- Member approval is required for adoption of the revised by-laws
- The proposed changes have been carefully considered by the board and reviewed by the Association Attorney
- The fundamental rights of members has not changed nor the commitment of the Association to provide water services.
- This document is a summary of the changes the board proposes for the by-laws of the Association
- The full document is available to members on the website as well as a final version with annotations for context.
- We encourage members to read the full text of the document

Challenge Questions The Board Considered For the By-Law Review Process

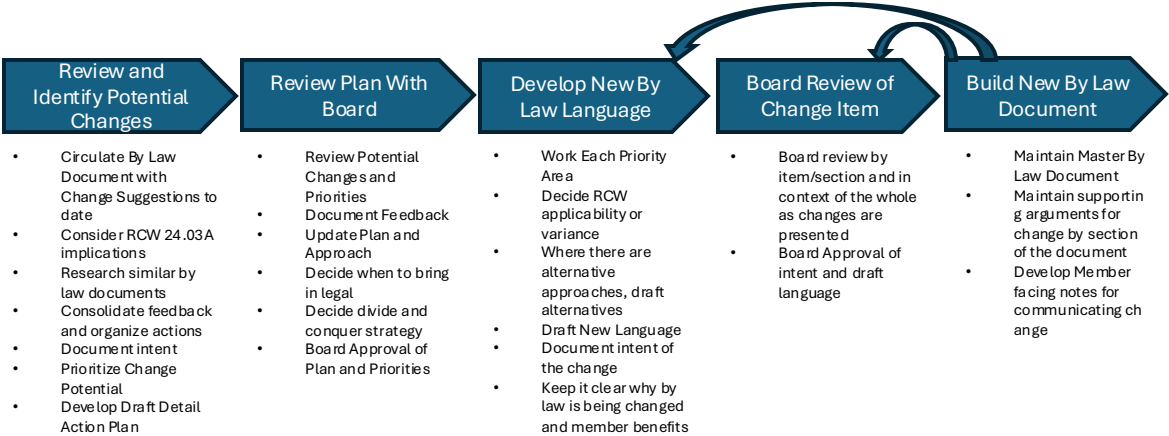
- What can be simplified without changing intent?
- Where is modernization needed?
 - What is out of date with the RCW 24.03A?
 - What is obsolete given technology changes?
- What are unnecessary obstacles to progress?
- What causes costs without providing positive benefit? What are obstacles to efficient operations?
- What changes are on the horizon that might warrant positioning of the by-laws to address it?
- What might protect the Association against threats/risks to its integrity in operation?

Examples of Out of Date By Laws or Opportunities

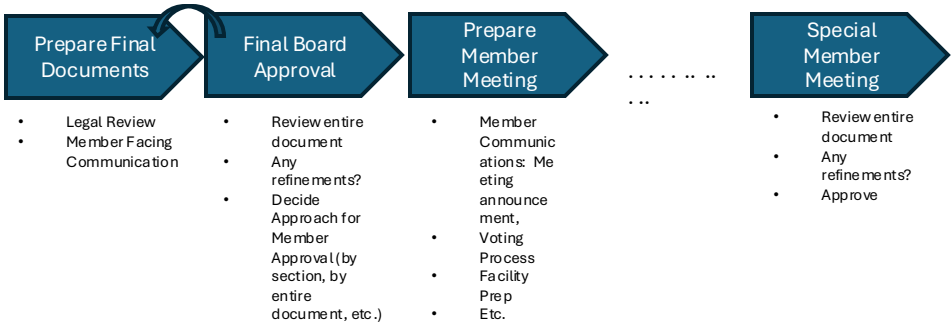
- Constraints on using modern digital technology and communication methods
 - Requires US Mail notifications (\$500 - \$1000 per mailing)
 - No remote attendance or voting by members
 - No electronic signatures
 - Relies solely on in person meetings and actions
 - Requires use of a physical corporate stamp, physical member certificates
 - Requires use of physical paper documents for member share records
- Confusing language used to describe straightforward matters and thus some provisions are not clear in interpretation or intent
- RCW 24.03A (circa 2021) modernized the WA State code regulating non-profits and provide for more modern approaches. Our bylaws are out-of-date.
- Constrains ability of the association to respond to emergencies

We are at the End of a Process Started In November 2025

1. Develop Governing By Law Changes



2. Finalization and Member Approval



The Board Recommends Approval of All By-Law Revisions

1. Housecleaning of Terms and Language
2. Four Key Enablers for Efficiency in Association Communications with Members and Their Participation
3. Trustee Matters (Article VIII)
4. Trustee Duties (Article IX)
5. Officer Duties (Article X)
6. Miscellaneous Member Matters
7. Other Digital Technology Related Items
8. Other Trustee Matters (Article VIII)

Member Voting Instructions

1. Advance materials to understand the change provisions have been posted on the Association website since Members were notified of the Special Member Meeting in July.
2. Your Ballot contains eight change items to vote **For** or **Against** the changes in the By-Laws document.
3. If you know your positions on each area, you may fill out your ballot and place in the drop box provided at any time during the meeting.
4. Trustees will go through each area to describe the changes and address any questions a Member will have regarding the area.
5. We will have to budget time in each area to ensure we can address all areas of changes proposed.
6. Votes will be tallied and summary decision posted in the next 48 hours on the Association website.

Change Proposal 1: Housecleaning of Terms and Language

Our 2014 by-laws contains amendments, verbose language, some requirements that are out of date with RCW 24.03A (Circa 2021) laws governing non-profit corporations, has very short lead times to members on some notifications, and other details that can be simplified and aligned with the 2026 environment.

- Adds past approved amendments (Previous to 2026), that were added since 2014, to the main document in the topical section where they should be contained with no changes.
- Streamlines text where excessively verbose (throughout the document) and other wording changes without materially changing **the meaning**
- Eliminates the need for a physical corporate seal and authorizes use of digital records (Article III, Article V, Article VI)
- Modifies various dates and leadtimes by providing longer notice periods.
- Standardized wording (bylaws vs. By-laws, corporation vs association, etc.)

Change Proposal 2: Five Key Enablers for Efficiency in Association Communications with Members and Their Participation (Voting)

Our 2014 by-laws constrains the Association from using more efficient methods of communication and prevents members from participating in meetings remotely.

- Allows association to notify members via more efficient electronic means. We are currently limited to US Mail for notices.
- Allows members to attend board and member meetings remotely (Article VII). Provides Member flexibility once technology is established.
- Allows members to vote remotely once board establishes a process (Article VII). Provides flexibility for Member participation when voting is required.
- Allows action without meeting via electronic ballot (Article VII). Provides flexibility for the Board to bring matters that require a Members vote, that would ordinarily be done in a meeting, to be able to conduct that vote via electronic ballot (remotely) without a meeting.
- Allows digital technology to support: signatures, member certificates, member records. Enables both speed in processing and creation of lower cost ways of working to counteract cost increases of delivering water. Modernizes.

Change Proposal 3: Trustee Matters (Article VIII)

Modifies text to align text and terms with realities the organization faces in finding and developing Trustees to govern the Association.

- **Adds Summary Trustee qualifications (Article VIII)** - to promote high quality candidates that are motivated to improve the Association and act in the interest of the Members.
- **Clarifies trustee removal process** (same process, less verbose).
- **Eliminates the Alternate Trustee Role (8th Trustee) (Article VIII, Article X).** This position does not vote and has primarily been unfilled for most of the past 2 years.
- **Adds Formal Conflict of Interest Provision (Article VIII)** - to ensure decisions are objective and not influenced by any personal interest.

Change Proposal 4: Trustee Duties (Article IX)

Clarifies Trustee duties to seek assistance in mutual aid from other Associations and address Emergency situations. As we have seen with Covid-19 and major personnel disruption, we are sometimes faced with situations where speed is needed in decisions to address matters in the short term to ensure reliable delivery of safe water.

- Aligns Trustee duties with the long term interests of the members
- Affirms signature authority for trustees
- Authorizes Association to enter into formal mutual aid agreements.
- Adds emergency powers for the President and board to facilitate action in the event of a crisis.

Change Proposal 5: Trustee Duties (Article X)

Clarifies Trustee duties and responsibilities to govern the Association. Our 2014 version of the bylaws was uneven in description and include signature requirements that were difficult to interpret and follow, introducing inefficiencies. The modifications also clarify certain officer roles to ensure financial controls

- Clarifies trustee role descriptions and standardizes the text across roles (Article X).
- Aligns duties with specific roles and related responsibilities (Article X).

Change Proposal 6: Miscellaneous Member Matters (Articles V, VI, VII)

Adds more specificity to language regarding Member decision making, enables easier member participation and voting on important matters, and adds time to member notification requirements.

- Clarifies voting and quorum requirements and other matters related to Meetings of the Members (Article VII).
- Specifically calls out what members can vote on as required by RCW 24.03A
- Eliminates proxy voting (Allows remote voting instead). Proxy voting allows members to designate another member to vote on their behalf. By allowing members to attend meetings and vote remotely, this greatly extends the ability of members to participate without physically attending. People travel, work, and sometimes have limited mobility but can participate remotely.
- Modifies various dates and deadlines to provide more advance notice to members of events.
- Enables members to nominate board members in advance (Article VII). Provides members more visibility into Trustee candidates in advance of an election so that members can make better informed decisions.
- Reinforces purpose and organization of meetings using Roberts Rules and the base agenda for Association meetings.
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Change Proposal 7: Other Digital Technology Related Items

Addresses opportunities to utilize digital technology not elsewhere classified. Digital technology can enable efficiencies in work processes, record keeping, and communications.

- Adds section on data privacy and technology (Article XIII). Defines new provisions concerning Member information security, Cybersecurity, and management of digital assets.
- Allows for the use of digital membership certificates (Article VI) - which enables use of more efficient methods for managing these important "documents".
- Allows for digital signatures on documents with members and wider use of digital record keeping and communications. Digital signatures on electronic documents enable the Association to conduct business faster and more efficiently than managing physical documents and signatures. Wider use of digital records promotes more efficient document management. Both contribute to lower costs.

Change Proposal 8: Other Trustee Matters (Article VIII)

The corporation has had difficulty recruiting Trustees in recent years and this provision gives the board a tool to compensate non-officer Trustees for their contribution to the membership community and encourage participation by Members if needed. Current by-laws already authorize the board to set compensation for Officers, not for non-officer Trustees. This provision extends the authorization to non-officer Trustees. **At this time, no Officer is receiving compensation and this change does not set any compensation for any Trustee.** Rather the provision changes the by-law provision to extend compensation to non-officer Trustees, in addition to Officers, if the board determines it is necessary and desirable to govern the Association. Many private non-profit water Associations in the region compensate their Trustees to ensure they attract talented board members and have continuity in governance.

- Enables compensation to Trustees in addition to Officers if board determines (Article VIII)