

AMENDED AND RESTATED

BY-LAWS

OF THE

ERIE COUNTY WATER AUTHORITY

A Public Benefit Corporation Created by Chapter 845 of the Laws of New York, 1949

PREAMBLE

The New York State Legislature by Chapter 845 of the Laws of 1949, Paragraph 1053, Subdivision 4 made a legislative declaration that “It is hereby determined and declared that the authority and the carrying out of its powers, purposes and duties are in all respects for the benefit of the people of the County of Erie and the State of New York, for the improvement of their health, welfare and prosperity and that the said purposes are public purposes and that the authority is and will be performing an essential governmental function in the exercise of the powers conferred upon it by this title.”

ARTICLE I
The Authority

1. **NAME OF AUTHORITY:** The name of the Authority is the Erie County Water Authority (the “Authority”).
2. **PURPOSES:** The Authority is a public benefit corporation, created by and having the powers and functions set forth in the Erie County Water Authority Act, Public Authorities Law § 1050 *et seq.*
3. **FISCAL YEAR:** The fiscal year of the Authority shall coincide with the calendar year. The Authority’s fiscal year may be changed by resolution adopted at a regular or special meeting of the Authority.

ARTICLE II Definitions

1. The “Authority” means the Erie County Water Authority, a body corporate and politic constituting a public benefit corporation of the State of New York, whose formation and powers are set forth in Public Authorities Law §§ 1050-1073.
2. The “Board” means the Authority’s Board of Commissioners.
3. “Committees” include the Audit Committee, the Ethics Committee, the Finance Committee, the Governance Committee and such other committee(s) as created and appointed by the Board.
4. “Enabling Statute” means Erie County Water Authority Act, codified as Public Authorities Law § 1050 *et seq.*
5. “Meeting” means the official convening of the Board or its committees for the purpose of conducting public business.
6. “Members” mean the duly appointed Commissioners.
7. “Special Meeting” means a meeting called pursuant to Article III, § 3 of the Authority’s By-Laws.

ARTICLE III Meetings

1. **ANNUAL MEETING:** The annual meeting of the Members of the Authority for the election of officers and the transaction of such other business as may properly come before it, shall be held at the principal offices of the Authority, 295 Main Street, Room 350, Buffalo, New York, or at such other place, and at such time and on such date of the first regularly scheduled board meeting after the 27th day of April of each year as directed by the Chair of the Authority.
2. **REGULAR MEETINGS:** Regular meetings of the Authority shall be held at any Authority facility at least once in each calendar month at a date, time and place directed by the Chair of the Authority.
3. **SPECIAL MEETINGS:** Special meetings may be held at any time or place within the County of Erie on twenty-four (24) hours’ notice to each Member, or upon shorter notice by written waiver signed by each Member. Such notice may be oral, by facsimile, electronically mailed, personally delivered or written. Special meetings shall be called by the Chair, or, in his or her absence by the Vice-Chair. Special Meetings also may be called by any two Members.
4. **REGULAR AND SPECIAL:** Regular and special meetings shall be open for the

consideration of any matter which may be properly brought to the attention of the Authority.

5. **WAIVER**. Notice of a meeting need not be given to any Member who submits a signed waiver whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him or her.
6. **QUORUM**. Two Members shall constitute a quorum at any meeting duly called and held. No action shall be taken except pursuant to the favorable vote of at least two Members. A majority of the Members present may adjourn any meeting to another time and place.
7. **ORDER OF BUSINESS** shall be as follows:
 1. Roll call
 2. Reading of minutes of preceding meeting
 3. Approval of minutes
 4. Reports of Secretary, Executive Staff and Members of the Authority,
 5. Communications and bills
 6. Public Expression
 7. Unfinished business
 8. New business
 9. Adjournment.

ARTICLE IV **Members of the Water Authority**

1. **TERM OF OFFICE**. The term of office for Members of the Authority shall be that fixed by Public Authorities Law § 1053(1) to carry out the duties and powers set forth in the Authority's Enabling Statute.
2. **MEMBERS OF THE AUTHORITY:**
 - a. **Power and General Duties**. The Members shall oversee the management and affairs of the Authority. The Members shall establish, monitor and update from time to time such policies as they deem necessary or desirable and appropriate to promote honest and ethical conduct by the Authority's officers, employees, and to maintain and enhance the public's confidence in the Authority. To that end, the Members shall periodically review and update the Authority's code of ethics and policies regarding conflicts of interest; policies regarding the procurement or disposition of real and personal property, or interest therein, by the Authority; and policies

regarding the purchase of goods and services, including service contracts. All of such policies shall be consistent with the Authority's Enabling Statute, other applicable state law or these By-Laws.

- b. **Fiduciary Duty.** The Members shall perform their duties in good faith and with that degree of diligence, care, and skill, which an ordinarily prudent person in like position would use under similar circumstances, and will employ his/her independent judgment as to matters relating to the best interest of the Authority, its mission and the public.
- c. **Acknowledgement.** Each Member shall execute an acknowledgement, in the form prescribed by the New York State Authorities Budget Office.
- d. **Oath of Office.** Within thirty (30) days after beginning their appointments, each Member shall take an oath of office as required by Section 10 of the New York Public Officers Law.

ARTICLE V **Officers**

1. **OFFICERS:** The officers of the Authority shall be a Chair, Vice-Chair, and Treasurer who shall be Members, and a Secretary who need not be a Member of the Authority. The Chair shall be elected annually by the Members at their annual meeting in accordance with § 1053(1) of the Public Officers Law. The Vice-Chair and Treasurer of the Authority shall be elected annually by the Members at their annual meeting or, in the case of a vacancy, at any regular meeting of the Members. The Secretary and any other officer shall serve at the pleasure of the Authority, subject to the rights of such persons under the Civil Service Law.
2. **CHAIR.** The Chair shall preside at all meetings of the Authority. The Chair shall determine and set the agenda for all meetings, and shall sign and execute all contracts in the name of the Authority and all notes, bonds or other evidences of indebtedness, when so authorized by resolution of the Authority.
3. **VICE-CHAIR.** The Vice-Chair shall, in the absence or incapacity of the Chair, perform the duties of that officer.
4. **SECRETARY.** The Secretary shall keep the minutes of the meetings of the Authority; shall cause to be served notices of all meetings regular or special; shall affix the seal of the Authority to all papers or documents as may require it; shall attend to such correspondence as may be assigned or directed to the Secretary; shall perform all the duties incident to the office of Secretary and such other duties as the Authority may designate. The Secretary shall be an ad hoc member of any standing or special

committee.

5. **TREASURER.** The Treasurer shall have the care and custody of all funds and securities of the Authority and shall verify the deposit of same in the name of the Erie County Water Authority in such bank or banks as the Members of the Authority may designate. The monies in such accounts shall be paid out on check of the Treasurer, on requisition of the Authority, or of such other person or persons as the Authority may authorize to make such requisitions. The Treasurer shall at all reasonable hours exhibit the books and accounts to any Member of the Authority upon application at the office of the Authority during business hours. The Treasurer or any Assistant Treasurers, as may be duly appointed by the Board, shall sign or attest all bonds signed by the Chair”.

The Comptroller of the State of New York or the Comptroller of the County of Erie or their legally authorized representative may from time to time examine the accounts and records of the Authority relating to its financial standing. The Treasurer shall sign all notes, bonds or other evidences of indebtedness signed by the Chair. The Treasurer shall execute a bond conditioned upon the faithful performance of the duties of the office of Treasurer, the amount and sufficiency of which shall be approved by the Authority, which bond shall be filed in the Erie County Clerk’s Office.

6. **OTHER OFFICERS OR EMPLOYEES.** The Board may name and appoint, from time to time, an attorney and an engineer, whose positions shall be in the exempt class of the civil service. The Board may appoint additional officers or employees, as may be required to carry out the duties of the Authority, and to fix and determine their qualifications, duties and compensation subject to the provisions of the Civil Service Law of the State of New York. The Authority may also from time to time contract for expert professional services.
7. **MEMBERS OF THE AUTHORITY.** The Members of the Authority shall exercise control and management over the affairs of the Authority and may adopt such rules and regulations for the conduct of their meetings and the management of the Authority as they may deem proper, not inconsistent with law or these By-laws.
8. **LIMITATION ON POWER TO CONTRACT DEBTS.** No officer or employee shall have power to bind the Authority for the payment of any debt or obligation without first obtaining consent from the Authority. Such consent must be given either by the Board or by policies and procedures adopted by the Board for procurement and payment of goods and services.

ARTICLE VI
Committees

1. GOVERNANCE COMMITTEE.

- a. The Governance Committee is a standing committee.
- b. The responsibilities of the Governance Committee shall include:
 - i. developing and recommending to the Members a set of corporate governance principles applicable to the Authority, reviewing corporate governance trends and obligations, especially as they pertain to public authorities and reporting on same periodically, reviewing the Authority's corporate governance guidelines periodically, and recommending to the Members such changes to the Authority's corporate governance guidelines as the Governance Committee from time to time deems necessary or desirable and appropriate;
 - ii. reviewing annually with the Members the appropriate skills, characteristics and experiences required of Members in the context of the then current composition of the Authority and, as applicable, advising the County Legislature on the skills and experience required of potential Members; and
 - iii. examining ethical and conflict of interest issues, performing Member self-evaluations, and recommending to the Members, as necessary, revisions to these By-Laws.
- b. The membership of the Governance Committee shall include:
 - i. the three (3) Members of the Authority's Board of Commissioners;
 - ii. the Secretary to the Authority and the Attorney to the Authority who will serve as non-voting ad hoc members of the Committee;
 - iii. any other members who shall possess the necessary skills to understand the duties and functions of the Governance Committee and are authorized to serve pursuant to a duly authorized resolution of the Board;
 - iv. at least annually, the Chair of the Authority shall appoint the members and select the chair of the Governance Committee.
- c. The Governance Committee shall meet at such times as the Chair directs.

2. AUDIT COMMITTEE.

- a. The Audit Committee is a standing committee.
- b. The responsibilities of the Audit Committee shall include:
 - i. reviewing and approving the Authority's financial statements;
 - ii. overseeing the Authority's internal controls and compliance systems;
 - iii. appointing, compensating and overseeing outside auditors retained by the Authority. Unless otherwise approved by the Members, such outside auditors shall not provide non-audit services to the Authority;
 - iv. resolving disagreements with respect to, and overseeing compliance with, accounting policies and principles;
 - v. reviewing management reports on internal controls and attestation of such reports by the Authority's outside auditors; and
 - vi. investigating compliance with the Authority's policies and/or referring instances of non-compliance to the appropriate offices for investigation.
- c. The membership of the Audit Committee shall include:
 - v. the three (3) Members of the Authority's Board of Commissioners;
 - vi. the Secretary to the Authority, Executive Director, and the Attorney who will serve as non-voting ad hoc members of the Committee;
 - vii. any other persons who shall possess the necessary skills to understand the duties and functions of the Audit Committee and are authorized to serve pursuant to a duly authorized resolution of the Board;
 - viii. at least annually, the Chair of the Authority shall appoint the members and select the chair of the Audit Committee.
- d. The Audit Committee shall meet at such times as the Chair directs.

3. FINANCE COMMITTEE.

- a. The Finance Committee shall be a standing committee.
- b. The responsibilities of the Finance Committee shall include, without limitation:
 - i. reviewing proposals for the issuance of debt by the Authority;

- ii. preparing and submitting to the Authorities Budget Office (“ABO”) a statement of intent to guide the Authority’s issuance and overall amount of bonds, notes, or other debt obligations that the Authority may issue by a deadline fixed by the ABO; and
 - iii. issuing recommendations regarding the issuance of debt by the Authority.
- c. The membership of the Finance Committee shall include:
 - i. the three (3) Members of the Authority’s Board of Commissioners;
 - ii. the Secretary to the Authority, the Deputy Director/CFO, and the Comptroller, who will serve as non-voting ad hoc members of the Committee;
 - iii. any other members who shall possess the necessary skills to understand the duties and functions of the Finance Committee and are authorized to serve pursuant to a duly authorized resolution of the Board;
 - iv. at least annually, the Chair of the Authority shall appoint the members and select the chair of the Finance Committee.
- d. The Finance Committee shall meet at such times as the Chair directs.

4. **ETHICS COMMITTEE.**

- a. The Ethics Committee shall be a standing committee.
- b. The responsibilities of the Ethics Committee shall include, without limitation:
 - i. to ensure that Board Members and employees shall perform their duties with transparency, without favor and refrain from engaging in outside matters of financial interest, including other employment, that could impair independence of judgment, or prevent the proper exercise of one’s judgment;
 - ii. to ensure the Board Members and employees not engage in any official transaction with an outside entity in which they have a direct or indirect financial interest that may reasonably conflict with the proper discharge of their official duties;
 - iii. to ensure that Board Members and employees conduct themselves at all times in a manner that avoids any appearance that they can be improperly or unduly influenced, that they could be affected by the position of or

relationship with any other party, or that they are acting in violation of their public trust; and

- iv. to ensure that Board Members and employees shall not directly or indirectly, make, advise, or assist any person to make any financial investment based upon information available through the Member's or employee's official position that could create any conflict between their public duties and interests and their private interests.
- c. The membership of the Ethics Committee shall include:
- i. the three (3) Members of the Authority's Board of Commissioners;
 - ii. the Chair of the Board Committee shall be the Authority's Ethics Officer;
 - iii. each Member of the Board shall appoint one (1) person independent of the Authority to serve as a non-voting ad hoc member of the Committee;
 - iv. any other members who shall possess the necessary skills to understand the duties and functions of the Ethics Committee and are authorized to serve pursuant to a duly authorized resolution of the Board;
 - v. at least annually, the Chair of the Authority shall appoint the members and select the chair of the Ethics Committee.
- c. Board of Ethics:
- i. The three (3) ad hoc members appointed to the Ethics Committee shall also comprise the Authority's Board of Ethics.
 - ii. The Authority's Board of Ethics shall interpret and make recommendations to the Board and Ethics Committee in regard to any question or purported violation of the Authority's Code of Ethics and any statutory enacted ethics standard affecting Members, officers and employees.
 - iii. The Board of Ethics may make a confidential recommendation to the Ethics Committee if disciplinary action is warranted as to the type of disciplinary action to be taken, including whether the officer or employee should be subject to a reprimand, suspension or termination of employment. With regard to ethic violations by an employees who holds a classified civil service position, any disciplinary action must be in accordance with the provisions set forth in Section 75 of the Civil Service Law or any applicable Collective Bargaining Agreement, if applicable.
- d. The Ethics Committee shall meet at such times as the Chair directs.

5. **OTHER COMMITTEES.** The Chair may, from time to time, appoint other committees for general or specific purposes, each consisting of at least two Members. The Chair shall be a Member of each such committee by virtue of his office. Such standing committees will be charged with duties and responsibilities described by the Chair and shall report to the Authority at its regular meetings.

ARTICLE VII **Amendments**

These By-Laws may be repealed or amended by the Authority's Board of Commissioners at any duly called annual meeting of the Authority, provided, however that any motion to repeal or amend these By-Laws is subject to a second Board approval by the next consecutive Board and shall not be adopted and made effective until the approval of a second consecutive Board at the next succeeding annual meeting.

ARTICLE V **Seal**

The seal of the Water Authority shall be circular in form and shall bear the name of the Erie County Water Authority, and Chapter 845, Laws of N. Y. 1949 N. Y.

As amended April 11, 1950, December 8, 1953, May 28, 1996, April 17, 1997, April 1, 2010 and April 11, 2013 and November __,2018.