

**BYLAWS
MOHAWK VALLEY WATER AUTHORITY**

The Upper Mohawk Valley Regional Water Board, d/b/a Mohawk Valley Water Authority (“MVWA”) is a body corporate and politic constituting a corporate municipal instrumentality of the State of New York, the governing body of which is called the “Board”.

ARTICLE I

OFFICES

1.1 Principal Office. The Principal office of the MVWA shall be One Kennedy Plaza, Utica, New York 13502.

1.2 Other Offices. MVWA may also have offices at such other places as the Board may from time to time determine or the business of MVWA may require.

1.3 Books and Records. Except as otherwise determined by the Board, or as the business of the MVWA may require, books and records of the MVWA shall be kept at its principal office.

ARTICLE II

BOARD

2.1 Number, Term, Appointment Vacancies. The number and terms of Board members and their appointment and process for filing vacancies is governed by Title 10 of Article 5 of the Public Authorities Law, as amended (“MVWA’s enabling act”).

2.2 Powers and Duties. The powers and duties of the Board are governed by MVWA’s enabling act and the Public Authorities Accountability Act of 2005. Board members shall (a) execute direct oversight of the authority’s chief executive and other senior management in the effective and ethical management of the authority; (b) understand, review and monitor the implementation of fundamental financial and management controls and operational decisions of the authority; (c) establish policies regarding the payment of salary, compensation and reimbursements to, and establish rules for the time and attendance of, the chief executive and senior management; (d) adopt a code of ethics applicable to each officer, director and employee that, at a minimum, includes the standards established in section seventy-four of the public officers law; (e) establish written policies and procedures on personnel including policies protecting employees from retaliation for disclosing information concerning acts of wrongdoing, misconduct, malfeasance, or other inappropriate behavior by an employee or board member of the authority, investments, travel, the acquisition of real property and the disposition of real and personal property and the procurement of goods and services; (f) adopt a defense and indemnification policy and disclose such plan to any

and all prospective board members; and (g) establish policies as required for the effective and efficient operation of the Board.

ARTICLE III

BOARD MEETINGS

3.1 Place of Meetings. Meetings of the Board shall be held at the principal office of the MVWA or at such other place as the Board may from time to time designate.

3.2 Annual Meeting. The annual meeting of the Board shall be held in April of each year, unless otherwise determined by it and at such time and place as the Board may from time to time designate.

3.3 Regular Meetings. Regular meetings of the Board shall be held in accordance with a schedule adopted annually by the Board for that purpose and may be changed from time to time within that year by the Chairman in consultation with the Board.

3.4 Special Meetings. Special meetings of the Board may be called by the Chairman or Vice Chairman or upon the request of any three members. The Secretary shall give notice of the time, place and purpose or purposes of each special meeting by mail at least three days before the meeting or in person, by telephone, facsimile or e-mail at least two days before the meeting to each member. The notice required to be given under this section may be waived by the member to whom such notice is required to be given.

3.5 Quorum. Seven (7) members of the Board 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 seven (7) members. A majority of the members present, whether or not a quorum is present, may adjourn any meeting to another time and place.

3.6 Procedural Rules Governing Meetings. Roberts Rules of Order Newly Revised as made applicable to Small Boards under Section 48 thereof are adopted as a guide for the conduct of Board meetings and deliberations when not in conflict with MVWA's enabling act, these bylaws or special rules of procedure adopted by the Board.

3.7 Meeting Agenda. The particular agenda for each meeting will be set by the chairman at the beginning of the meeting.

3.8 Minutes of Meetings. The Secretary shall prepare written minutes of the proceedings of each meeting. The minutes shall be prepared for the purpose of recording what was done at the meeting not what was said except for concise summaries of the Executive Director's and Treasurer's reports and presentations by staff and consultants and committee reports or to qualify the vote or a member. Proceedings of the Board shall also be documented by audio and video recordings which shall be available to the public. Public comments are not part of the official proceedings of the Board.

ARTICLE IV

OFFICERS

4.1 Officers. The statutory officers of the MVWA are Chairman, Vice Chairman and Treasurer who are chosen from among the members of the Board and a Secretary who need not be a member of the Board. The non statutory officers of the MVWA are its Executive Director and Comptroller and such other officers as may be deemed necessary by the Board to transact the business and exercise the powers of the MVWA each of whom shall be employees of the MVWA.

4.2 Election of Statutory Officers. Statutory officers of the MVWA shall be elected by vote of the members of the Board at the annual meeting of the Board and shall serve without compensation at the pleasure of the Board.

4.3 Appointment of Non Statutory Officers. The Executive Director, Comptroller and other officers shall be appointed by the Board. The Board shall fix and determine their qualifications, duties and compensation subject to the provisions of the Civil Service Law.

4.4 Powers and Duties.

(a) Chairman. The Chairman shall preside at all meetings of the Board and shall on behalf of the Board oversee the Authority's Executive Director and other senior management in the management of Authority. The Chairman may delegate to the Vice Chairman and, or other officer or officers such of the Chairman's powers and functions in the general supervision of the business of the MVWA.

(b) Vice Chairman. The Vice Chairman shall possess such powers and shall perform such duties as may be assigned to him from time to time by the Board. The Vice Chairman shall be Acting Chairman in the absence or incapacity of the Chairman and shall assume the powers and perform all duties of the Chairman if the Chairman is unable to perform such duties for any reason. The Vice Chairman, when acting in the capacity of Acting Chairman under this section, may delegate the powers of duties of Chairman to another member and the Executive Director during the period of disability or incapacity of the Chairman.

(c) Treasurer. The Treasurer is a voting member of the Board and also Chair of the Board Budget & Finance Committee. The Treasurer is expected to generally understand financial accounting for governmental entities and to be prepared to provide sufficient explanation and interpretation of financial issues as necessary for Board understanding and actions. The Treasurer will manage with the Budget and Finance Committee the Board's review of and actions related to the Board's financial policies and responsibilities. Also, working with the Executive Director, the Comptroller and the Budget and Finance committee, the Treasurer will present budget, fiscal and rate setting recommendations to the full Board for approval.

Working with the Executive Director and the Comptroller, the Treasurer will ensure that appropriate and periodic financial reports are made available to the Board and to the public on a timely basis. Working with the Comptroller, the Treasurer will assure that all fiscal timetables,

reporting and policies required of the MVWA under NYS legislation and regulations are accomplished accurately and on-time. The Treasurer will generally monitor Comptroller actions and responsibilities, and working with the Board, assure the financial responsibilities of the organization are conducted according to the laws, regulations and rules of the MVWA and in an ethical and transparent manner.

The Treasurer shall execute a bond conditioned upon the faithful performance of the duties of the office, the amount and sufficiency of which shall be approved by the Board and the premium therefore shall be paid by the MVWA.

(d) Secretary. The Secretary shall report to the Chairman and Board and attend all meetings of the Board and record all votes and shall keep a record of the proceedings of the Board in a minute book to be kept for that purpose. The Secretary shall cause notice to be given of all meetings of the Board and shall be custodian of the records of the actions of the Board and shall keep in safe custody the seal of the MVWA and shall have the authority to affix such seal to all documents and papers authorized to be executed by the Board or officers of the Authority requiring such seal to be affixed. The Secretary shall attest to the signatures of the officers of the MVWA and shall have the authority to cause copies to be made of all minutes, resolutions, records and documents of the MVWA and to deliver certificates under seal to the effect that such copies are true and accurate and that all persons dealing with the MVWA may rely on same.

(e) Executive Director. The Executive Director shall be the Chief Executive Officer of the MVWA and subject to such supervision as the Chairman or the Board may from time to time exercise, shall have such duties and powers as hereinafter described and as customarily pertain to such office. Except as may be prescribed by the Chairman or the Board he shall have general supervision over the property, business and affairs of the MVWA and over its several officers, employees and agents other than the Chairman, the Vice Chairman and Treasurer. The Executive Director may sign, execute and deliver in the name of the MVWA powers of attorney, contracts, agreements, leases, notes, checks, drafts, bonds, obligation and such documents other than those required by these By-laws, law or resolution to be executed by the Chairman and/or the Secretary. The Executive Director may delegate to such officers he appoints such of the powers and functions in the general supervision and control of the business of the Authority as he deems appropriate.

(f) Comptroller. The Comptroller shall be in charge of the accounting operations, the preparation of fiscal accounts and monthly and annual reports to the Board, and the coordination of all external audits of the MVWA. The Comptroller shall have charge of internal audits and corporate compliance and may sign, execute and deliver in the name of the MVWA checks in payment of MVWA obligations and such other duties and powers assigned or delegated to him by the Executive Director or the Board.

On behalf of the Board of Directors, the Comptroller shall have the care and custody of all funds and securities of the Board and shall deposit the same forthwith in the name of the MVWA in such bank or banks in the State of New York as the Board shall designate. The monies in such accounts shall be paid out on appropriate requisition and check by such persons specifically authorized by the Board. All deposits of such monies shall be secured by obligations of the United States or the State of New York of a market value equal to or exceeding, at all times, to the amount

of deposit. The Treasurer shall direct the Comptroller to exhibit the MVWA financial books and accounts at all reasonable hours to any current member of the Board, upon notice of at least one work day.

The Comptroller shall execute a bond conditioned upon the faithful performance of the duties of the office, the amount and sufficiency of which shall be approved by the Board and the premium therefore shall be paid by the MVWA.

(g) Succession, Absence of the Executive Director. In the event of the absence of the Executive Director, the Comptroller shall temporarily perform the duties of the Executive Director. If the office of the Comptroller is vacant or the incumbent is absent, , then the Chairman shall perform the duties of the Executive Director until such time as the Board shall select a temporary or permanent successor to the Executive Director.

ARTICLE V

COMMITTEES

5.1 Audit Committee. The Audit Committee shall consist of three eligible Board members and have oversight of such activities of the MVWA as set forth in the Audit Committee Charter adopted by the Board and may exercise such powers as the Board shall from time to time determine.

5.2 Governance Committee. The Governance Committee shall consist of three eligible Board Members and have oversight of such activities of the MVWA as set forth in the Governance Committee Charter adopted by the Board and may exercise such powers as the Board shall from time to time determine.

5.3 Special Committees. The Chairman may appoint (or abolish) special committees which shall have and may exercise such powers as shall be authorized by the Board or by the Chairman.

5.4 Conduct of Meetings. The Chairman of the committee or, in the event that the office of committee Chairman is vacant or in the absence or disability of the committee Chairman, such other Member of the committee as is chosen by the committee shall preside at each meeting of the committee. If requested by the committee Chairman, the Secretary of the Board, except as otherwise provided by the Board, shall act as secretary at a meeting of the committee, and in the absence of the Secretary, a temporary Secretary may be appointed by the Chairman of the committee meeting.

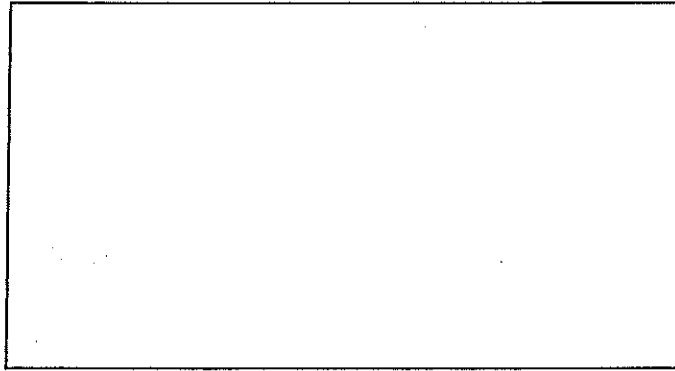
5.5 Minutes. If requested by the Board, a committee shall keep minutes of its meetings which shall be circulated to all Members of the Board.

ARTICLE VI

SEAL

6.1 The seal of the MVWA shall be circular in form and shall be surrounded by the words "Mohawk Valley Water Authority" and "1994" as shown by the following impression of such

seal:



ARTICLE VII

FISCAL MANAGEMENT

7.1 Fiscal Year. The Board shall have the power to fix, and may from time to time change by resolution, the fiscal year of the MVWA. Unless otherwise fixed by the Board, the fiscal year shall commence on April 1st.

7.2 Strategic Plan. The Board shall annually review a strategic plan developed by the Executive Director which shall become the basis for the development of MVWA operational plans, the annual budget and the capital expenditure plan.

7.3 Annual Budgets. The Board shall annually adopt a two-year operational and maintenance budget and a two-year capital budget for the MVWA's operations and facilities. .

7.4 Capital Expenditure Plan. The Board shall adopt an annual capital expenditure plan which shall summarize all present and proposed capital projects.

7.5 Expenditure Authorization Procedures. The Board shall adopt expenditure authorization procedures which shall govern the annual budget, capital expenditure plan, contract executions and all approval authorizations.

7.6 Disbursement of Funds. The Board, except as otherwise provided in these By-laws, may authorize any officer or other employee to execute any requisition, voucher, draft or check for the disbursement or transfer of funds of the MVWA.

ARTICLE VIII

EXECUTION OF INSTRUMENTS

8.1 Execution of Instruments. The Board , except as otherwise provided in these By-laws, may authorize any officer, employee or agent pursuant to the expenditure authorization procedures or otherwise, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the MVWA, and such power to execute and deliver may be general or specific; unless so authorized, no officer, employee or agent shall have any power or authority to bind the MVWA by any contract or engagement or to render it liable pecuniarily for any purpose or in any

amount.

ARTICLE IX

INDEMNIFICATION

9.1 Defense and Indemnification of Officers and Employees. MVWA shall defend, indemnify and save harmless its members, officers and employees to the full extent authorized or permitted by Section 18 of the Public Officers Law. Said Section 18 of the Public Officers Law is incorporated by reference herein as if fully set forth. MVWA makes the agreements required by Section 2(b) of said Section 18 of the Public Officers Law and is authorized to provide insurance as permitted by Section 8 of said Section 18.

9.2 Non exclusivity. The benefits accorded to members, officers, and employees under this Article and Section 18 of the Public Officers Law shall supplement, and be available in addition to, defense or indemnification protection conferred by other statutes or otherwise.

ARTICLE X

REPORTS

10.1 Annual Report. The Annual Report required by section 2800 of the Public Authorities Law shall be approved by the Board and certified in writing by the Executive Director and Comptroller within ninety (90) days after the end of MVWA's fiscal year.

10.2 Budget Report. The Budget Report required by section 2801 of the Public Authorities Law shall be adopted by the Board at least sixty (60) days before the start of the MVWA's fiscal year.

10.3 Audit Reports. The Independent Audit Report and Management Letter required by section 2802 of the Public Authorities Law shall be reviewed by the Board within thirty (30) days of its receipt from MVWA's independent auditors.

10.4 Property Report. The Comptroller shall prepare for review and adoption by the Board a property report meeting the requirements of section 20 of the Public Authorities Accountability Act of 2005 containing a list of all real and personal property of the MVWA and a description of the property disposed of during the prior fiscal year .

ARTICLE XI

RECORDS

11.1 The Board shall assign the duties of a Records Management Officer to an employee whose duties shall include ensuring that the Board complies with applicable state laws and regulations regarding records retention.

ARTICLE XII

AMENDMENTS

12.1 By-Laws of the Board may be adopted, amended or repealed at any meeting of the Board by vote of seven (7) members, provided that at the first meeting of the Board at which an amendment to or repealing of the By-Laws is proposed, any Member may unilaterally require that discussion and voting on the proposed amendment or repeal of the By-Laws be postponed until the next regular meeting of the Board.

Adopted by the Board on September 21, 2009