

The Mountaineers
Minutes of the Monthly Meeting of the Board of Trustees
May 3, 2007

Approved June 7, 2007

Board Members Present

Officers

President, Bill Deters
President-Elect, Eric Linxweiler
Vice-President of Publishing, Don Heck
Secretary, Don Schaechtel
Treasurer, Jordan Roderick
Vice-President – Rec. Properties, Scott Eby

At-Large Trustees

Dale Flynn
Ed Henderson
Lynn Hyde
Patti Polinsky
Mona West

Branch Trustees

Bellingham, Steven Glenn
Foothills, Gerry Haugen
Olympia, John Flanagan
Seattle, Steve Sears
Tacoma, Tom Shimko

Board Members Absent

Everett Branch Trustee, Rob Simonsen
Kitsap Branch Trustee, Jimmy James
At Large Trustee, Ken Hahn
At Large Trustee, Sabrina Oesterle
At Large Trustee, Eva Schönleitner

Others Present

Executive Director, Steve Costie
Controller, Brian Horstman
Publisher, Mountaineers Books, Helen Cherullo
Tom O’Keefe, Chair, Recreational Resources

Guests Present

Fran Troje, Frank Sincock, Wally Walton, Ron Eng, and Dave Shema

Call to Order and Approval of Agenda

The meeting was called to order by President Bill Deters at 7:05 pm. Don Schaechtel served as Secretary. A quorum was in attendance.

It was moved by Patti Polinsky and seconded to approve the agenda as modified by Bill Deters. The motion passed.

Minutes of the Last Meeting

It was moved by Dale Flynn and seconded to approve the minutes of the April 5, 2007 meeting. The motion passed.

Consent Agenda

The Board voted to ratify the Executive Committee's decision to authorize the Tacoma Branch to access \$12,500 in reserves to complete bathroom renovations at their clubhouse.

Officer Reports

President

Bill Deters gave a quick review of the strategic planning presentation that he and other Strategic Planning Committee members will be presenting to the Divisions and Branches.

Bill reported that he signed a letter from The Mountaineers in support of adding the polar bear to the Endangered Species List. This was a new position for the club, which has supported adding other species to the Endangered Species List, but not polar bears. This would normally have been a topic for discussion by the Board, so Bill explained that he made the decision based on the need to send the letter before the Board meeting, Board interest in climate change, and the fact that Braided River has a book coming out next year called *The Last Polar Bear*. He asked Board members to think about mechanisms for discussing issues such as this.

Bill presented Past President Ron Eng with a gold Mountaineers pin in recognition of his service to the club.

Executive Director

Steve Costie presented a report (attached).

President-Elect

Eric Linxweiler presented a report (attached).

Secretary

Don Schaechtel reported that:

- No bylaws petitions were received from the membership (per the bylaws any petition needed to be delivered to the Secretary by May 1).
- The 2007 financial report presented by Judy Jones is available to members for review at the headquarters office. It was not distributed with the minutes because it contains sensitive information about Books finances.

Treasurer

Jordan Roderick reported that:

- March numbers were good, bringing year-to-date results ahead of plan revenue, earnings, and cash flow.
- Membership continues to decline at a 6% annual rate.
- The building sale closed in March, generating \$4.5 million of revenue and just over \$4 million in earnings. The financial summary shows building financial results in a separate section so that they will not mask operating results.

Jordan added that the text portions of the 2007-8 budget are due to Brian Horstman by June 1. The March 2007 Financial Report is attached.

Vice-President, Publishing

Helen Cherullo reported that:

- March was a good month for Books.
- She met with the Books Governance Board last week to review six-month performance compared to the “Stake in the Ground.” All metrics were ahead of the stated goals. The next examination will be in six months and will consider the impact of the new “Skipstone” imprint.
- The second generation of hiking guidebooks will be launched at a June 13 event involving members, authors, and the public.

Vice-President, Recreational Properties

Scott Eby reported that lodges are planning for summer activities. The Players are preparing for “Robin Hood – The Legend Continues,” which opens Memorial Day.

He added that Jordan Roderick met with the Recreational Properties Division regarding the budget process and how it fits with the strategic plan. The Division is enthusiastic about the plan’s direction for properties.

New Business

Motion to appoint a Nominating Committee

It was moved by Ed Henderson and seconded to appoint the following people to the Nominating Committee:

- Ron Eng (Chair)
- Eva Schönleitner
- Dave LeBlanc

The motion passed.

Motion to appoint a Recruiting Committee

It was moved by Dale Flynn and seconded to appoint the an ad hoc Recruiting Committee, which is tasked with helping the Nominating Committee identify and recruit good candidates for both At Large Trustee positions and officer positions.

The motion passed.

It was moved by Ed Henderson and seconded to name Ron Eng , Eva Schönleitner, Dave LeBlanc, Don Schaechtel, and Jordan Roderick to the Recruiting Committee.

Note: The current bylaws specify a Nominating Committee of three, one of whom is a Board member. This is contrary to RCW 24.03, which requires at least two Board members for a Board-level committee (this will be addressed in the proposed bylaws revision). Until the bylaws are revised, the Recruiting Committee, which will include two Board members and all Nominating Committee members, will work in partnership to satisfy both the bylaws and RCW 24.03.

Committee Reports

Investment Advisory

Jordan Roderick presented a report (attached).

Bylaws

Don Schaechtel presented a draft of proposed bylaws revisions (attached) that included recommendations from non-profit attorney LaVerne Woods, additions by the Bylaws Committee, and annotations that describe issues still under study. The main purposes of the revisions were to make the bylaws consistent with RCW 24.03 and add language that would allow electronic voting by members.

Straw polls of Board members recommended the following approaches to several of the issues under study:

- Article IV, Section 8: Do not change the way officers are elected (by trustees).
- Article VI, Section 9: Allow the Board to remove an at large or branch trustee [for good cause and after a suitable hearing, as stated in the bylaws].
- Article IX, Section 2: Base the number of members required for a bylaws petition on a percentage of the number of members voting in the last election rather than the number of members.

Other recommendations from the discussion included:

- Determine how much detail is needed in the bylaws about specific committees.
- Determine how much content from RCW 24.03 to include in the bylaws.
- Clarify how vacancies are handled if a trustee takes an officer position.

Several specific wording changes were recommended and will be made by the Bylaws Committee. The Committee will work on all of the recommendations in the next two weeks and get a revised draft out to Board members for review. Any revisions will need to be approved by the Board at the June meeting so the proposal can be sent to the membership for approval in the next election. Don asked Board members to test the revised bylaws to confirm that the changes will not pose any unintended problems.

Program Reports

Conservation Division

Public Policy Associate Gina Ottoboni issued a report for the Board (attached).

Recreational Resources

Tom O'Keefe reported that Gina represented the club in a listening meeting with Secretary of the Interior Dirk Kempthorne.

Ed Henderson reported that the Recreational Resources and Conservation Divisions plan to work with the climbing community to document how glaciers are receding and then hold a forum in the fall to discuss global warming and its impact on our mountains. He added that this is an opportunity to involve many groups in the club toward a common purpose.

Ed encouraged Board members to join trail work parties on June 2, which is National Trails Day.

Bellingham Branch

Steven Glenn thanked Jordan for volunteering to lead their upcoming glacier travel field trip.

Foothills Branch

Gerry Haugen reported that the branch is supporting the Green River cleanup this weekend.

Olympia Branch

John Flanagan reported that:

- Their glacier travel field trip will be held at Mt. Rainier this Saturday, which is the day that the road to Paradise reopens.
- The Olympia Outdoor Life Festival is this Saturday and Sunday. The Branch will have a Mountaineers booth displaying their new set of marketing materials and promoting the second module of the wilderness skills course, which begins on May 10.

Seattle Branch

Steve Sears reported that:

- On July 11 the Branch will host the "Above the Clouds" video.
- The Branch chartered a Leadership Development Committee.

Tacoma Branch

Tom Shimko reported that:

- The clubhouse bathroom remodel is complete and came out well. Clubhouse rentals are strong.
- Climbing Chair Mindy Roberts estimated that Branch members contributed 11,000 hours of volunteer effort to this year's climbing program.
- Membership is down 12.6% (156 members) over the past year. This was not expected and is under study with help from staff member Alison Huffman.

Good of the Order

Patti Polinsky noted that the first weekend in August is the Family weekend at Meany Lodge. Board members were encouraged to spread the word in support of the strategic plan's goal of increasing offerings for families.

It was moved by Ed Henderson and seconded to adjourn. The motion passed. The meeting was adjourned at 9:20 pm.

Attachments:

- Executive Director's Report
- President-Elect's Report
- March Financial Report
- Investment Advisory Committee Report
- Proposed Bylaws revisions
- Public Policy Associate's Report

Executive Director Report to the Board of Trustees – May 3rd, 2007

Program Development Coordinator:

Resumes have been collected and a first-cut assessment has been accomplished.

Informz:

May Routefinder stats:

- Total Delivered: 5,713
- Open Rate: 27.8% (number of unique opens, doesn't include multiple opens)
- Total Times forwarded: 88
- Top 5 links
 1. News and Events Community—top pick for almost every month
 2. Sunny Walter's website (her photo was in the Member Photo section)
 3. Magnuson Park Walkthrough registration page
 4. Bellingham Mountaineers website
 5. Seattle Backpacking course registration page

E-List Usage to Increase with New Public Policy Focus:

Following the success of *Routefinder*, we are preparing to release a second e-vehicle that will focus on public policy topics, issues and forums. This new public policy newsletter will be edited by Gina Ottoboni. *Routefinder* is an email newsletter, as you all should know, that highlights some of the more interesting entry-level, easily-accessible activities throughout the club. It also helps build community by sharing special events, member photos and other timely news. Rich Barringer is the editor of *Routefinder*.

Web Site Re-Design:

The look and feel of the club's web site will change radically. The current site has been in place for nearly four years and it needs a massive upgrade into easier functionality from the home page. The membership database management system, iMis, remains highly functional "underneath" the web pages. The emphasis here is to get as many links, buttons, and points of access on the main page. This will then make the club's site compare favorably to the AAC, Colorado Mountain Club, and AMC.

Annual Banquet Returns after Three-year Hiatus:

Friday, October 5th marks the return of this highlight of the Fall Season. Mountaineers Productions will provide the featured speaker. It is expected that a Service Award Committee will be able to select recipients for 2004, 2005, 2006, and 2007. The last to be awarded this prestigious honor were Nancy and Tom Miller in 2003.

Arctic Wings Closes out Productions Season with a Huge Crowd:

On April 11th, at UW's Kane Hall, a crowd of nearly 500 attended Stephen Brown's important and engaging presentation on migratory birds from the Arctic. This was a partnership event between The UW's Program on the Environment, Mountaineers Books, Audubon, and others. Mountaineers Productions was the prime funding agent, with much of the funds coming from the successes of 2006-2007 events such as the Banff Film Festival.

Steve Costie, Executive Director



Memo

To: Mountaineers' Board of Trustees,
Officers and Executive Director

From: Eric Linxweiler

cc:

Date: 3 May 2007

Subject: President-Elect Report

General Activities For April

- Focus on Managing Committee activities.

Committee Updates

Snoqualmie Land Use Committee

- Identified 11 main options, which have been assigned owners among the committee. Work to gather data about each option is currently underway.
- Currently evaluating budget required for information gathering. Planning a trip to meet with Kittitas County Community Development Services.
- Next meeting, late May / mid June (TBD).

Managing Committee

- April meeting was held on April 26th. Combined group of Managing Committee and Strategic Planning Committee.
- Activities Standards are currently being approved. Alpine Scrambling was unanimously approved. Snowshoeing to be approved at May meeting.
- Martin Mehalchin presented us with a 20 quarter implementation calendar for the strategic plan. Combined group worked through a breakdown of the strategic plan by individual goal and objective (35 in total) and discussed which group is best suited to "own" the development of the implementation plan.
- Developing a road show schedule whereby members of the Strategic Planning Committee will take the strategic plan to all of our divisions. Some of this has happened already.
- Jordan Roderick shared recent financial information, and led discussion around budgeting for next year.
- Next meeting is May 26th. Focus will be on implementing club wide safety recommendations (pushed from April due to importance of strategic plan).

Miscellaneous

- I will not be at the June Board meeting

The Mountaineers
Financial Report
Period ending

03/31/07

	Month	Budget Variance	Prior Year Variance	YTD	Budget Variance	Prior Year Variance
HQ & Divisions						
Revenue	163,106	37,591	23,896	883,315	(827)	(60,692)
Net Income	18,356	24,637	12,833	70,221	5,285	(11,593)
Capital Expense	3,508	0	482	27,514	(15,000)	(3,120)
Cash Flow	6,147	(886)	(2,024)	106,565	5,293	29,293
Branches						
Revenue	34,141	(18,078)	(2,853)	327,550	46,707	(13,082)
Net Income	(924)	(2,496)	(6,805)	113,205	67,704	(33,086)
Cash Flow	5,486	0	24,957	110,217	0	85,357
Books						
Revenue	395,794	70,928	126,617	1,774,614	145,100	175,007
Net Income	39,723	37,103	48,843	(57,571)	104,263	65,503
Cash Flow	40,118	38,060	46,344	(46,700)	118,505	58,821
The Mountaineers						
Revenue	593,041	90,441	147,660	2,985,479	190,980	101,233
Net Income	57,155	59,244	54,871	125,855	177,252	20,824
Cash Flow	51,751	37,174	69,277	170,082	123,798	173,471
Building Sale & Construction						
Bldg Sale Income	4,009,510			4,009,510		
Capital Expense	-			19,858		
Cash Flow	678,785			658,927		
Membership	(171)	(41)	(33)	(154)	206	229
Month of March 2007						
Positive Variances						
Building Sales		31,760				
Referral business from previous years						
Dues		4,094				
Timing difference dues YTD equal to Budget						
Other Income		4,009,510				
Gain on Queen Anne Building Sale						
Negative Variances						
None						

The Mountaineers
BALANCE SHEET
As of March 31 2007

Assets	2007
Current assets:	
Cash and investments	\$ 285,145
Branch Cash:	
Foothills	11,593
Kitsap	11,569
Seattle	112,639
Board funds:	
Program Development	51,278
Building	681,153
Conservation Education	143,500
Books Reserve	100,000
Lodge Reserve	115,339
Total Reserve	<u>1,091,270</u>
Total cash and investments	<u>1,512,216</u>
Receivables	3,705,817
Prepaid Expense	88,044
Inventory	60,907
	<u>5,366,984</u>
Property and equipment	1,389,957
Accumulated depreciation	<u>(821,015)</u>
Net property and equipment	568,942
Other Long term Assets	
Total assets	<u><u>\$ 5,935,926</u></u>
Liabilities	
Current Liabilities:	
Accounts payable	\$ 260,736
Accrued expenses	42,261
Total current liabilities	<u>302,997</u>
Net assets	5,632,929
Total liabilities and net assets	<u><u>\$ 5,935,926</u></u>

Investment Advisory Committee Interim Report – May 2007

Members:

Jordan Roderick (chair)

Don Heck

Brian Horstman

Jerry Lockwood

Craig Rowley

In response to the duties outlined in the Interim Advisory Committee (IAC) charter approved at the April 7, 2005 Board of Trustees meeting, the committee reports as follows:

1. Building proceeds available for investment:

Building Sale	\$4,500,000
Remodel Cost	(\$2,500,000)
Real estate commission	(\$ 225,000)
Excise tax	(\$ 80,000)
Title and escrow fees	(\$ 7,000)
Other closing costs	(\$ 9,000)
Moving expense & furniture	<u>(\$ 100,000)</u>
Net proceeds	\$1,579,000

Under the terms of the contract with Goodman, the cost of change orders requested by the Mountaineers will reduce the net proceeds. If the Mountaineers order changes, it will have less money to invest.

2. Timing of Cash Flows:

The Mountaineers received \$679,000 in cash at closing (\$1 million less closing costs), and will receive a further \$3.5 million on August 2, 2007. Under the terms of the contract with Goodman, it is responsible for monthly payments for its share of construction costs up to the \$2,500,000 cap. These payments commenced in April 2007 and will continue throughout the project.

Based on this schedule of cash flows, the IAC has concluded that all current funds should be invested in short-term securities pursuant to BP 426. Of the amount received in August, \$1.5 million should be invested in the long-term building fund, and the remainder in short-term securities pursuant to BP 426. At the end of the project, remaining funds should be rolled into the long-term building fund.

3. Protecting the investment from unwarranted invasion:

The IAC charter directs the committee to consider mechanisms to protect the investment from being consumed by future board actions. The committee was unanimous in its opinion that there was a need to provide some level of protection

against the vagaries of 30 years of funding demands, and also the flexibility to meet true emergencies and opportunities. For example, it would make little sense to establish a structure that allowed the Board so little flexibility that the organization might file for bankruptcy, but then have funds to buy a new building ten years later.

The committee considered a variety of mechanisms that provided different balances between protection, flexibility, and administrative costs:

- a. Engaging a third-party to manage the money as a long-term endowment based on a set of irrevocable instructions.
- b. Establishing a trust owned by The Mountaineers but governed by trustees who must abide by irrevocable instructions.
- c. Paying the money to an insurance company in return for a guaranteed payment 30 years from now.
- d. Investing in productive real-estate.
- e. Establishing through bylaws a 75% board vote as the supermajority threshold for using the money other purposes than replacing the building.

The IAC recommends option “e” as having the lowest administrative costs, and the best balance between board flexibility to deal with obvious emergencies and opportunities and protection from frivolous spending plans.

4. Recommended investment plan:

The IAC has drafted a new section of BP 426 dealing with the long-term building fund. It is attached.

5. Branch Equity:

The IAC is of the unanimous opinion that the net proceeds should be adequate to meet the financial goals set by the Board over the 30-year horizon. Further, if historical trends in investment returns, construction inflation, currency inflation, and property availability continue, there may be excess funds generated that will be available for other club uses. The IAC is equally sure, however, that unexpected things can happen over a 30-year horizon and that it would be imprudent to distribute any money to branches or any other part of the club at this time.

BP 426 Addition

Long-term Building Fund

Goal:

The primary goal of the long-term building fund is to provide funding for a replacement clubhouse in 2038. Based on 2007 assumptions, this is targeted at \$11 million. The secondary goal is to earn whatever additional returns, if any, are consistent with a prudent level of risk.

Investment Policy:

- The long-term building fund will be invested in tradable, public financial securities. It will not be invested in private securities, real-estate, commodities, art, collectibles, or other classes of assets.
- Given the corporation's tax-advantaged status, no investments will be made in tax-exempt securities.
- The financial assets in which the fund is invested will seek to replicate as nearly as possible the aggregate performance of the markets from which they are drawn. Broad market index funds are an example of an appropriate investment. Actively managed mutual funds, and individual companies' stocks and bonds are not appropriate.
- The initial asset allocation will be 50%-60% domestic market equities, 10%-20% equities of international companies, and 30% - 40% domestic corporate bonds. The asset allocation targets will be reviewed and adjusted as necessary every two years.
- Only funds of investment grade debt (rated "BBB" or better) will be purchased for the debt portion of the long-term building fund.
- The portfolio of investments will be rebalanced once per year to bring it within the target asset allocation range.
- Uninvested cash is to be minimized. Any uninvested cash will be put into the portfolio at least once a quarter.

Implementation:

The portfolio will be invested through accounts managed by a single securities broker. A professional financial advisor will be engaged to assist the Investment Advisory Committee on a quarterly basis. The cost of administering the accounts, including all commissions and fees, and the advisor may not exceed 1% of the portfolio's value per year.

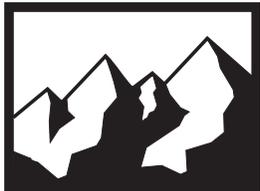
Governance:

The Investment Advisory Committee will consist of the Treasurer and three Mountaineers members with professional experience in financial management. Professional experience is defined as being responsible for, or managing investments for a business, government, or non-profit organization, or performing these functions as part of a financial services company. These members will be appointed by the Board of Trustees. None of them may have any familial or professional relationship

with any funds, advisors, or investment managers which do business with the Mountaineers. It will have the following duties:

- To select a brokerage company to hold the fund's assets
- To select, review, and change as appropriate a financial advisor
- To recommend to the Board of Trustees at the first meeting of every odd-numbered year a target asset allocation for the coming two-year period

The Controller of the corporation will report to the Finance Committee on the status of the Long-Term Building Fund on a quarterly basis.



THE MOUNTAINEERS

Board Policy Manual

Section: 100 GOVERNING DOCUMENTS

Subject: 101 Mountaineers Bylaws

Article I

Name and Location The corporation shall be called The Mountaineers and the principal place of business shall be in the City of Seattle, King County, State of Washington, but the **corporation** *<replaces club throughout>* may establish branches anywhere, within or without the State of Washington.

Article II

Purposes

Section 1 **Articles.** *<new heading>* The purposes of The Mountaineers, as stated in the Articles of Incorporation, are attached hereto as "Attachment A".

Section 2 **Amendments to Purposes.** *<new heading>* These purposes may not be amended except by majority vote of those members voting by written ballot in a regular or special election. ~~Such procedures as may be necessary to amend the Articles of Incorporation subsequent to such a change in purposes shall be duly implemented.~~ *<unclear and not necessary per LW>*

Section 3 **Powers.** *<new heading>* In pursuit of these purposes, the **corporation** may:

- Take such actions and make such rules and policies as it deems wise;
- Hold real estate and personal property;
- Receive, hire, purchase, occupy, maintain and manage suitable buildings and quarters;
- Hold funds, received by bequest, gift or otherwise, to be devoted to the purposes of the **corporation**. Such funds may be held in trust or otherwise.
- Publish books, periodicals, pamphlets and other materials.
- Organize programs, classes, seminars and other educational activities in furtherance of its purposes.
- Take all other actions as permitted by law and as consistent with the **corporation's federal tax-exempt status.** *<per LW's rec>*

Article III

Board of Trustees *<was Administration>*

Section 1 **Powers Duties of the Board of Trustees.** ~~The~~ A governing board, to be termed The Mountaineers Board of Trustees, hereafter referred to as the board, shall control all expenditures, make rules and determine policy for the use of the **corporation's** property and programs, and act for the



Board Policy Manual

Section: 100 GOVERNING DOCUMENTS

Subject: 101 Mountaineers Bylaws

interest of the corporation in any way not inconsistent with these by-laws.

Section 2

Trustees. The Board of Trustees shall consist of nine elected trustees, a trustee from each branch, the president, president-elect, vice president of publishing, secretary, treasurer and vice president of recreational properties of the organization and the retiring president for one year after his or her term as president, if he or she is not otherwise an elected trustee.

Section 3

The Executive Committee. There shall be an Executive Committee of the board consisting of the president, president-elect, vice president of publishing, secretary, treasurer, vice president of recreational properties and the executive director. The Executive Committee is empowered to act in the board's stead when special circumstances of timeliness or emergency require such action in order to protect the best interests of the corporation. Such action shall be subject to ratification by the board.

Section 4

Committees. The board may by resolution adopted by a majority of the board, create, appoint and dissolve standing or special committees of the board. Any such committee shall consist of two (2) or more trustees and shall have and exercise such authority of the board in the management of the corporation as may be specified in said resolution. However, no such committee shall have the authority of the board to amend, alter or repeal the Bylaws; elect, appoint or remove any member of any such committee or any trustee or officer of the corporation; amend the Articles of Incorporation; adopt a plan of merger or adopt a plan of consolidation with another corporation; authorize the voluntary dissolution of the corporation or revoke proceedings therefor; adopt a plan for the distribution of the assets of the corporation not in the ordinary course of business; or amend, alter or repeal any resolution of the board which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation of authority to it shall not operate to relieve the board or any individual trustee of any responsibility imposed upon it, him or her by law. *<rec. by LW: This comes straight out of Washington's Nonprofit Corporation Act at RCW 24.03.115 and replaces the current committees section (see below); note that Board-level committees require at least two trustees>*

~~**Committees.** The board may create and dissolve such standing or special committees and confirm appointments by the president of such administrative officers and other personnel for carrying on the activities of the club, and may delegate to them such powers as it deems wise.~~



Board Policy Manual

Section: 100 GOVERNING DOCUMENTS

Subject: 101 Mountaineers Bylaws

Article IV <new Article; Administration was split into the Board of Trustees and Officers>

Officers

- Section 1** **Officers.** <new heading, content moved from current V.9 (Nomination and Election)> **The officers of the corporation shall be** a president, president-elect, vice president of publishing, secretary, treasurer and vice president of recreational properties.
- Section 2** **Duties of the President.** The president shall appoint (with the concurrence of the board) the chairpersons, and members of the standing and special committees. The president shall appoint the executive director upon the recommendation of the Executive Committee and supervise his or her activities to ensure that the **corporation** is fiscally responsible at all times, and that the staff is efficiently managed. Also, the president shall preside at the meetings of the **membership club** and of the board, and shall act as the spokesperson for the **corporation**.
- Section 3** **Duties of the President-Elect.** The president-elect shall act in the absence or disability of the president. He or she shall prepare for becoming the president of the **corporation**, with the expectation of being nominated for that office when the current president's term is completed.
- Section 4** **Duties of the Vice President of Publishing** The vice president of publishing shall serve as the chairperson of the Books Advisory Committee which offers advice on how Books might best fulfill the mission of The Mountaineers, and otherwise acts as a resource to the Books operation.
- Section 5** **Duties of the Secretary.** The secretary shall be Clerk of the Corporation, shall keep a record of all the proceedings and an annual summary of activities of the **corporation** and board and shall give notice to the members of the time and place of meetings. In the absence of the secretary from any meeting, a temporary secretary designated by the person presiding at the meeting shall perform the duties of the secretary at such meeting. In the absence of the president or vice president from any meeting of the **members of the board club** the secretary shall preside. The secretary shall insure that procedures are established and properly operating for **elections to the board**. <content for this sentence moved from current V.6 (Nomination and Election)>
- Section 6** **Duties of the Treasurer.** The treasurer shall insure that procedures are established and properly operating for the collection and disbursement of all funds belonging to the **corporation**. The treasurer shall insure that proper accounts are kept and, when requested by the board, present a report of its financial condition.



Board Policy Manual

Section: 100 GOVERNING DOCUMENTS

Subject: 101 Mountaineers Bylaws

Section 7

Duties of the Vice President of Recreational Properties. The vice president of recreational properties shall serve as the chairperson of the Recreational Properties Division Committee which offers advice on how recreational properties might best fulfill the mission of The Mountaineers and otherwise acts as a resource for recreational properties operations.

Section 8

Election of Officers. The officers shall be elected by the board from among their number or from among the membership of the corporation at its regular February monthly meeting. Officers shall assume office March 1 following their election and serve for a period of two years or until their successors shall be elected. A person shall not serve two consecutive terms for the same office except for the office of treasurer, vice president of publishing and vice president of recreational properties. *<content of this section moved from current V.9 (Nomination and Election)>*

Only the nine elected trustees at large and the trustees elected from each branch, or trustees appointed to fill vacancies in either of these categories, shall be eligible to vote for officers. *<This moved from current V.10. LW notes: ". . . RCW 24.03.125 provides that officers may be 'elected or appointed at such time and in such manner and for such terms as may be prescribed in the articles of incorporation or the bylaws.' I do not believe that I have ever seen another set of bylaws that provides for different voting rights among different categories of directors for the election of officers, however. Bottom line: The bylaws may legally include the special voting provision, but the board may wish to consider the fact that it is an unusual provision." Under study.>*

Section 9

Removal of Officers. Any elected officer may be removed from office at any time by a two-thirds vote of the entire board. *<content of this section moved from current V.11 (Nomination and Election)>*

Section 10

Vacancies. The Board of Trustees shall fill all vacancies in any officer position. Any person so appointed shall serve only until the next annual election. *<comparable to current V.8 (Nominations and Election)>*

Article V

Membership

Section 1

Eligibility. Any person who meets criteria established by the board is eligible to become a member of The Mountaineers by the submission of a signed application and liability waiver, along with payment of the required dues and application fee.

Section 2

Denial of Application The board may deny by a two-thirds vote of the entire board any application for membership for any reason not re-



Board Policy Manual

Section: 100 GOVERNING DOCUMENTS

Subject: 101 Mountaineers Bylaws

stricted by law, whereupon all moneys tendered by the applicant shall be returned.

- Section 3** **Membership Categories.** The board may establish various categories of membership with differing dues and fees to serve the needs of the membership and the purposes of the **corporation**.
- Section 4** **Expulsion.** Any member may be expelled by a two-thirds vote of the entire board for good cause and after suitable hearing before the board or a due process committee of non-board members appointed by the board.
- Section 5** **Cessation of Membership.** When a membership ceases, from any circumstance whatever, all rights and interests thereunder revert to the **corporation**.
- Section 6** **Voting.** Members who are entitled to vote may vote in person at any meeting, or such member may vote by mail, electronic transmission (such as email or "web voting"), or by proxy executed by the member or a duly authorized attorney-in-fact. An executed proxy may be transmitted to the corporation by regular or express mail, private carrier, personal delivery, email, electronic network posting, facsimile, or by telegram or teletype. A proxy shall be valid only if executed and dated within eleven (11) months of the date of the meeting at which the proxy vote is cast. Whenever proposals are to be voted upon by members, the vote may be taken by mail or by electronic transmission (such as email or "web voting") if the name of each candidate and the text of each proposal to be voted upon is set forth in the notice of the meeting. A vote may be conducted by electronic transmission if the corporation has designated an address, location, or system to which the ballot may be electronically transmitted and the ballot is electronically transmitted to the designated address, location, or system, in an executed electronically **transmitted record**. *<This allows electronic voting in the future; the language tracks that of Washington's Nonprofit Corporation Act §24.03.085>*

Article VI

Nomination and Election of Board of Trustees *<consistent with new Article for Officers>*

- Section 1** **Nominating Committee.** A nominating committee for trustees shall be appointed by the board at its regular May meeting. This committee shall consist of **at least** three members, **two** ~~one~~ of whom shall be members of the board who **are not eligible for re-election that year** (~~ineligible for re-election~~). The other members ~~two~~ shall be non-board members. *<A board committee must have at least two board members; clarification of eligibility by DS>*



Board Policy Manual

Section: 100 GOVERNING DOCUMENTS

Subject: 101 Mountaineers Bylaws

Section 2

Duties of the Nominating Committee. The nominating committee shall select for the office of trustee at least one more candidate than positions open, but not more than two candidates for each position open. Candidates must be members in good standing. The committee shall submit the names of the persons selected by a report sent to the members through the **corporation's** publications prior to the annual meeting. Their report shall also be presented at the annual meeting.

Section 3

Annual Meeting Nominations. The members of the **corporation** may submit three additional candidates from the floor at the annual meeting. No member may nominate more than one person. If the nominations from the floor exceed three names, the members present shall immediately ballot on the names so presented and only the three receiving the highest total of the vote so cast shall be considered nominated.

Section 4

Ineligibility of Employees. Employees shall not be eligible for any elected office, **or for service as the chair of** any standing or special committee ~~chair~~.

Section 5

Eligibility for Voting. The board shall designate which membership categories confer voting privileges. *<LW recommends that the Bylaws set out all membership categories and identify specifically which categories have voting rights. Per LW, This is a fundamental element of corporate governance and should be addressed specifically in the Bylaws in the membership section. Under study>* All members in good standing in such categories shall be eligible to vote.

Section 6

Election Procedures. **Members who are entitled to vote shall elect the trustees at large.** Election results shall be reported to the membership by announcement in the **corporation's** publications. The **procedure for the** election of the trustees from each branch shall be determined by each branch.

Section 7

Term of Office. Trustees at large shall be elected to serve a term of three years beginning upon certification of their election but not later than November 1 following the date of their election. No persons shall be elected to the board for more than two consecutive terms. *<LW asks, Can someone take a year off after two consecutive terms and be elected again? This should be specified. Under study>* Three **trustees at large** shall be elected each year, except when vacancies must be filled. *<LW asks, What is the term for trustees elected by the branches? Do the branches get to determine the terms, as well as the procedures for election? Under study>*

Section 8

Vacancies. The Board of Trustees shall fill all vacancies on the board ~~and any office for which the board has the power to appoint~~. Any person so appointed shall serve only until the next annual election.



Board Policy Manual

Section: 100 GOVERNING DOCUMENTS

Subject: 101 Mountaineers Bylaws

Section 9

Removal of Trustees. Any trustee at large may be removed from office by a two-thirds vote of the entire board for good cause and after suitable hearing of a due process committee of non-board members appointed by the board. *<LW asks, How are branch trustees removed? Does the branch get to decide this? Under study.>*

Article VII

Meetings

Section 1

Annual Meeting. The annual meeting of the members shall be held in Seattle or a city where a Mountaineer branch of The Mountaineers is located. It will be held on the Wednesday following the second Tuesday in September. The members present shall constitute a quorum.

Section 2

Special Meetings. Special meetings of the members club may be called by the president or a majority of the entire board. **Members shall receive notice no less than 10 days and no more than 50 days before the meeting.** ~~Due notice of such meetings shall be given to the membership by announcement in club publications or other means.~~ *<Due notice is specified and consistent with RCW 24.03.080. The form of notice moves to Section 4 below>*

Section 3

Board Meetings. The board shall meet at least monthly, except for the month of July. Board meetings shall be held in the Seattle **headquarters office clubroom** unless otherwise stated by the board, on a schedule established by the board. A majority of the entire board shall constitute a quorum. **Members of the board or its committees may participate in a meeting of the board or such committees by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.** *<LW asks, Is there a notice requirement for board meetings? Under study>*

Section 4

Notice of Meetings. Any notice required under these Bylaws may be delivered by regular or express mail, private carrier, personal delivery, email, electronic network posting, facsimile, telegram or teletype or by announcement in corporation publications.

<Rec. by LW: Sections 4.1 – 4.3 track language in Washington’s Nonprofit Corporation’s Act at RCW 24.03.009 permitting corporations to use electronic communication>

Section 4.1

Consent to Notice By Email. If notice is provided to trustees, officers or members by email, it is effective only with respect to those trustees, officers and members who have: (a) consented in



Board Policy Manual

Section: 100 GOVERNING DOCUMENTS

Subject: 101 Mountaineers Bylaws

writing or by email to receive notices transmitted by email; and (b) designated in the consent the message format that is accessible to the recipient, and the address, location, or system to which these notices may be emailed. A trustee, officer or member who has consented to receipt of emailed notices may revoke the consent by delivering (by mail, facsimile or email) a revocation to the corporation. The consent of any trustee, officer or member is revoked if the corporation is unable to transmit by email two (2) consecutive notices given by the corporation in accordance with the trustee's, officer's or member's consent, and this inability becomes known to the secretary of the corporation or other person responsible for giving the notice. The inadvertent failure by the corporation to treat this inability as a revocation does not invalidate any meeting or other action.

Section 4.2 Delivery of Notice By Email. Notice provided by email to a trustee, officer or member who has consented to receive notice by such means is effective when it is emailed to an address designated by the recipient for that purpose.

Section 4.3 Delivery of Notice By Posting to Electronic Network. Delivery of Notice by Email. The corporation may provide notice of the time and place of any meeting of the trustees or members by posting the notice on an electronic network (such as a listserv), provided that the corporation also delivers to the trustee or member notice of the posting by mail, facsimile, or email (pursuant to the recipient's consent to receive notices by email), together with comprehensible instructions regarding how to obtain access to the posting on the electronic network.

Section 4.4 Delivery of Notice By Other Means. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the trustee, officer or member at his or her address as it appears on the records of the corporation, with postage thereon prepaid. Other forms of notice described in this section are effective when received.

Section 5 Actions by Written Consent. Any corporate action required or permitted by the Articles of Incorporation or Bylaws, or by the laws of the State of Washington, to be taken at a meeting of the board of trustees (or its committees) of the corporation, may be taken without a meeting if a consent in writing or by email transmission setting forth the action so taken shall be executed (as defined herein) by all of the trustees entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote, and may be described as such. For purposes of the Bylaws, "executed" means: (a) writing that is



Board Policy Manual

Section: 100 GOVERNING DOCUMENTS

Subject: 101 Mountaineers Bylaws

signed; or (b) an email transmission that is sent with sufficient information to determine the sender's identity.

Section 6

Rules of Order. The current edition of Roberts' Rules of Order, Newly Revised, shall govern in all parliamentary procedures.

Article VIII

Branches

Section 1

Establishment. A branch may be created by the board when petitioned to do so by existing members if, after an examination of the facts and circumstances, the board concludes that the interests of the corporation and the members will be served thereby.

Section 2

Branch Rules and Regulations. Each branch may adopt such local rules and regulations as are not inconsistent with the bylaws and general board policies.

Section 3

Voting Privileges. All members are equal in standing as members, except only branch members with voting privileges shall be entitled to vote at branch meetings and elections.

Section 4

Branch Financial Accountability. Each branch shall keep financial records and make reports under the supervision of the corporation's treasurer.

Article IX

Amendments to Bylaws

Section 1

Amendments Proposed. Amendments to the bylaws may be proposed in either one of two ways:

- a) By petition by any member of the corporation, or
- b) By majority vote of the Board of Trustees.

Section 2

Amendment Proposed by Petition: Any corporation member may propose an amendment to the bylaws by presenting to the corporation secretary a petition of support for said amendment signed by ~~at least twenty (20)~~ a number of members in good standing that exceeds 5% of the number of ballots cast in the previous election for at large board of trustees candidates. *<Revised to increase the number to 50-100 based on recent election turnout and to be flexible for changing membership>*



Board Policy Manual

Section: 100 GOVERNING DOCUMENTS

Subject: 101 Mountaineers Bylaws

The proposed amendment must be presented to the **corporation** secretary, along with the above referenced petition, who shall then present the proposed amendment to the board at its next meeting or within 15 days of receipt, whichever is later.

Any member-proposed bylaws amendment shall be accepted by the board at the first regular meeting of the board following the meeting at which it is presented, provided that the signatures on the proposing petition have been found by the **corporation's** secretary to be valid. The board will either endorse the amendment with a majority vote, or vote to accept the amendment for placement on the ballot without board endorsement. A member-proposed bylaw amendment must reach the **corporation** secretary by May 1 in order to allow advance notice to **corporation** members by the end of July and inclusion on the regular annual ballot. The board may choose to endorse the amendment with a majority vote.

Section 3

Amendments Proposed by the Board of Trustees: Any individual board member, or any board committee, may propose an amendment to the bylaws. The proposed amendment must be presented to the **corporation** secretary, who shall then present the proposed amendment to the board at its next meeting or within 15 days of receipt, whichever is later.

The board shall vote on the proposed amendment at the first regular meeting of the board following the meeting at which it is presented. A simple majority vote of the board is required to place the amendment on the annual election ballot or special ballot. Such a majority vote shall also constitute board endorsement.

Amendments proposed by the Board of Trustees must be acted upon at the June board meeting or earlier in order to allow advance notice to **corporation** members by inclusion on the regular annual ballot.

Section 4

Vote of Membership Required. Any bylaw amendment shall be submitted for approval by the membership at the next regularly scheduled election or by special ballot. Approval by the membership shall be defined as a simple majority of ballots returned. An amendment shall be effective the first day of the month following approval, unless it states otherwise.

A report of the election results complete with ballot counts will be reported to the membership shortly after the ballots are counted.

Article X

Indemnification

Indemnification is as provided in the Articles of Incorporation.



Board Policy Manual

Section: 100 GOVERNING DOCUMENTS

Subject: 101 Mountaineers Bylaws

Article XI

Financial and Administrative Provisions

Section 1 **Fiscal Year.** The last day of the corporation's fiscal year shall be **September 30**.

Section 2 **Loans Prohibited.** . The corporation shall make no loans to any officer or to any trustee. *<Rec. by LW: Prohibited under Washington law>*

Section 3 **Books and Records; Inspection Rights.** The corporation shall keep at its registered office, its principal office in this State, or at its secretary's office if in this State, the following: Current articles and bylaws; correct and adequate records of accounts and finances; a record of officers' and trustees' names and addresses; a record of members, including names, addresses and classes of members; minutes of the meetings of the board, members, and any minutes that may be maintained by committees of the board. Records may be written or electronic if capable of being converted to writing. All books and records of the corporation may be inspected by any trustee, or his or her agent or attorney, for any proper purpose at any reasonable time. The records shall be open at any reasonable time to inspection by any member of more than three (3) month's standing or a representative of more than five percent (5%) of the membership. Cost of inspecting or copying shall be borne by such member except for costs for copies of articles or bylaws. Any such member must have a purpose for inspection reasonably related to membership interests. Use or sale of members' lists by such member if obtained by inspection is prohibited. *<Rec. by LW: Required under Washington law>*

Section 4 **Yearly Audit.** The board shall each year employ an outside independent accountant to review and/or audit the books and accounts of the **corporation** and at the close of each year shall present a written report of his or her findings. *<Moved from III.11 (Administration)>*

THE MOUNTAINEERS -- PUBLIC POLICY REPORT 3

TO: BOARD OF TRUSTEES

FROM: GINA OTTOBONI, PUBLIC POLICY ASSOCIATE

DATE: MAY 1, 2007

This past month I have continued to refine and define our public policy and to capitalize on opportunities to bring it in line with our mission. The two items below (storm recovery and forest roads) are major initiatives. In the coming month, I look forward to working with Steve, Rich, and others on several events, which I think will be of interest to both the Club and community. We are also working, with Alison's help, on bringing the Club a new, electronic newsletter that will blend conservation and recreation issues and opportunities.

1. **Northwest Storm Recovery Coalition.** I continue to work with the coalition on the recovery effort. While we are largely focused on Mt. Rainier, momentum is shifting to include work at other parks and in the national forests. We are currently focused on:
 - a. **May 5th opening of the Nisqually Road, 9:15am.** I will be on hand, with other Storm Recovery Coalition members as the gates open. The coalition is still working to craft our public presence at this event, but I expect it will provide visibility for the Club. As we work out the details, I will update you. Information is posted on the Club website.
 - b. **Coalition events at The Mountaineers.**
 - i. May 31, 6-8pm, Mountaineers Bldg, Seattle, program featuring the superintendents of Mt. Rainier, Olympic, and North Cascades national parks. Details to follow.
 - ii. Mid-June, Mountaineers Bldg, Seattle, town hall meeting, possibly with Jay Inslee.
 - c. **Developing work parties and capacity for volunteer efforts.** WTA will be coordinating work parties. Individuals can now sign up to volunteer on the WTA website. I will also recruit club members for Mountaineers work parties. Details for much of this are still being worked out, in part because park personnel are absolutely swamped with work.
 - d. **Developing coalition media messaging**
 - e. **Building coalition's longer-range plan**
2. **Watershed Restoration Initiative for Washington State National Forests Coalition.** I continue to work with the coalition (and WA Dept. of Ecology and the tribes) in order to secure funding to maintain and decommission USFS roads in Washington State. Our state has a \$300 million backlog of road work, which

not only affects access, but also water quality and fish habitat. Recent work includes:

- a. **April 18 press tour**, FS Rd 41, Darrington Ranger District, Mt. Baker-Snoqualmie NF. Reporters from KING 5, KOMO 4, and the Everett Herald attended, all filing stories. Two other papers, the Yakima Herald and the P-I, ran related stories that same week, likely in response to the coalition's press release. Much of this is posted on the Club website.
- b. **Meetings w/ congressional staffers**. Continue to meet with staffers to develop support for the initiative. We had a particularly positive response from Maria Cantwell's office.

LETTERS AND COMMENTS

1. **Sent** (initiated by):

- a. National Park Service Centennial Initiative comments (Gina & Tom O'Keefe)
- b. Polar bear proposed Endangered Species Act listing comments (CEC)
- c. Wild Sky thank-you letter to Nick Rahall, Chair, House Committee on Natural Resources (CEC – Norm Winn)
- d. Land and Water Conservation Fund appropriation request letter to Congressman Norm Dicks, US House Appropriations Cmte, Chair, Subcommittee on the Interior and Environment (CEC - Harry Romberg)

2. **Not recommended for signature**:

- a. Mt. Spokane - proposed ski area expansion letter (CEC – Winn – contacted by The Nature Conservancy). Although this proposal may in fact be of concern to the Club, we have not reviewed the relevant documents and are not prepared to comment at this time.

3. **Upcoming** (initiated by):

- a. Support letter for Watershed Initiative w/ Olympic focus (Olympic forest group and Harry Romberg)
- b. Wild Sky thank-you letter to Congressman Rick Larsen (Harry Romberg)
- c. Gray Wolf ESA delisting comments, May 9 (CEC – to be written by Dyche Kinder)
- d. Hardrock mineral lease to Idaho General Mines, AKA Mt. St. Helen's Mine, comment to the Bureau of Land Management, May 14 (CEC – to be written by Gina)