

BYLAWS
OF THE
INTER-ISLAND FERRY AUTHORITY
Revised March 23, 2021

ARTICLE 1. PRINCIPAL OFFICE

SECTION 1.1. LOCATION

The principal office of the Inter-Island Ferry Authority is located at Craig, Alaska 99921.

SECTION 1.2. CHANGE OF ADDRESS

The designation of the Inter-Island Ferry Authority principal office may be changed by amendment of these Bylaws.

SECTION 1.3. OTHER OFFICES

The Inter-Island Ferry Authority may also have offices at such other places, within Alaska, where it is qualified to do business, as its business and activities may require, and as the Board of Directors may, from time to time, designate.

ARTICLE 2. BOARD OF DIRECTORS

SECTION 2.1. POWERS

Subject to the provisions of the laws of Alaska and any limitations in the ordinance(s) establishing the Inter-Island Ferry Authority and these Bylaws, the activities and affairs of the Inter-Island Ferry Authority shall be conducted and all Inter-Island Ferry Authority powers shall be exercised by or under the direction of the Board of Directors.

SECTION 2.2 TERMS OF OFFICE

Directors shall serve a term of 4 years in accordance with the IFA enabling ordinance.

SECTION 2.3. DUTIES

It shall be the duty of the Board of Directors to:

- a) Perform any and all duties imposed on them collectively or individually by law or by these Bylaws;
- b) Understand, review and monitor, and if necessary perform, the implementation of fundamental financial, management and operational decisions of the Authority;
- c) Employ, discharge, proscribe the duties and fix the compensation for the Authority's General Manager;
- d) Oversee and evaluate the Authority's General Manager in the effective and ethical management of the Authority;
- e) Meet at such times and places as required by these Bylaws, and
- f) Register their addresses and email addresses with the Chair of the Inter-Island Ferry Authority, and notices of meetings mailed or transmitted by facsimile or email to them at such addresses shall be valid notices thereof.

SECTION 2.4 CONFLICT OF INTEREST

An actual or possible conflict of interest may arise where an Interested Person, as defined below, has a financial interest in a matter or transaction or agreement being considered by the Board. An interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

Definitions:

Interested person: A member of the governing body, director or officer or members of committees with governing board delegated powers.

Financial Interest Definition:

A member of the governing body, director or officer has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the IFA has a transaction or arrangement or with which the IFA is considering a transaction or arrangement,
- b. A compensation arrangement with the IFA or with any entity or individual with which the IFA has a transaction or arrangement or with which the IFA is considering a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which IFA is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. The governing board or committee determines in its discretion whether the financial interest constitutes a conflict of interest.

Procedures:

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the IFA board of directors.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, a board member or committee member may make a motion that the interested person be declared to have a conflict of interest and that motion shall be then voted upon by the full board or committee, except for the interested person, who shall not vote.

If the governing board or committee determines by vote that the interested person has a conflict of interest, the interested person shall not participate in any discussion related to the matter, transaction or arrangement, and shall not vote on any motions related to the matter, transaction or arrangement. If the governing board or committee holds an executive session on the matter, transaction or arrangement, the interested person shall not be permitted to participate in the executive session and shall not be provided with any documents or materials reviewed or discussed in executive session.

3. Procedures for Addressing a Conflict of Interest in addition to those procedures in Part 2 above.

- a. An interested person may declare a possible conflict of interest and make a presentation at the governing board meeting.
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee shall determine whether the IFA can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction

or arrangement is in IFA 's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

e. The official meeting minutes shall include the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the declared conflict of interest.

4. Violations of the Conflicts of Interest Policy

a. If the governing board has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board determines the member has failed to disclose an actual or possible conflict of interest, it shall take corrective action as deemed necessary by the board or committee to protect the interests of the IFA.

SECTION 2.5.COMPENSATION

2.5.1. Compensation

Directors shall serve without compensation.

2.5.2. Allowances

Directors may receive an allowance for per diem and for travel and other necessary and reasonable expense incurred in the conduct of the business of the Inter-Island Ferry Authority. The Board of Directors shall set, and may amend from time to time, by resolution the schedule of such allowances.

SECTION 2.6.VACANCIES

2.6.1 Determination of Vacancies

The Board of Directors may declare a seat vacant when a Director:

- a) Is absent from three (3) consecutive regular meetings of the IFA Board of Directors without first providing notice of such absence to the Chair or the IFA Administrator;
- b) Resigns and that resignation is accepted;
- c) Is removed from office by the appointing Participating Municipality or,

- d) Is physically or mentally unable to perform the duties of Directors as stated in Section 2.3 of these bylaws.

2.6.2 Filling Vacancies

- a) The Board shall make a determination that a seat is vacant under 2.6.1 above, or for any other reason, by roll call vote.
- b) After determining, by roll call vote, that a seat is vacant, the Board shall request in writing that the Mayor of the affected Participating Municipality, or Municipalities, declare the seat vacant. The Board shall also request the Mayors of the Participating Municipality, or in the case of the At-large Director, the Mayors of the Participating Municipalities, to proceed to fill the vacated seat in accordance with the procedures set forth in the enabling ordinances.

SECTION 2.7. OFFICERS

2.7.1. Officers

The officers of the Inter-island Ferry Authority shall be Chair, Vice-chair, Secretary and Treasurer.

2.7.2. Terms of Office

- a) Officers of the Inter-island Ferry Authority Board of Directors shall serve two-year terms, which terms shall begin on July 1 of the year of appointment.
- b) Each Officer of the Inter-Island Ferry Authority Board of Directors shall hold office for the term of appointment and until a successor has been duly appointed and qualified as provided in this Section.

2.7.3. Appointment

- a) At a regular or special meeting of the Inter-Island Ferry Authority Board of Directors prior to the expiration of terms of office, Directors may nominate from among the Board's membership to serve as an Officer of the Board of Directors.
- b) At that, or a subsequent regular or special meeting, the Inter-Island Ferry Authority Board of Directors shall appoint its Officers by majority vote of the members present.

2.7.4. Vacancies

- a) Any vacancy in an Officer position shall be filled by appointment in the manner provided in this section.
- b) A Director appointed to fill a vacancy in an Officer position shall serve for the balance remaining in the term of that Officer position.

ARTICLE 3. MEETINGS

SECTION 3.1. TIME AND PLACE OF MEETINGS

All meetings of the Board of Directors shall be held at the time and place set forth in the public notice of meeting.

SECTION 3.2. REGULAR MEETINGS

Regular meetings of the Directors shall be held quarterly, at a time and place designated by the Directors.

SECTION 3.3. SPECIAL MEETINGS

The Chair of the Board of Directors or any two Directors may call special meetings of the Board of Directors.

SECTION 3.4. NOTICE OF MEETINGS

3.4.1 Notice to Board of Directors

Unless otherwise provided by these Bylaws, or provisions of law, the following provisions shall govern the giving of notice for meetings of the Board of Directors:

- a) Regular Meetings: At least two weeks prior notice shall be given to each Director of each regular meeting of the Board. Such notice shall be written, may be given personally, by first class mail, by email, by telephone, or by facsimile machine, and shall state the place, date and time of the meeting and the matters proposed to be acted upon at the meeting.
- b) Special Meetings: Except for meetings required by emergency, at least forty-eight (48) hours prior notice shall be given to each Director of each special meeting of the Board. Such notice may be oral or written, may be given personally, by first class mail, by email, by telephone, or by facsimile machine, and shall state the place, date and time of the meeting and the matters proposed to be acted upon at the meeting.

3.4.2. Notice to General Public

- a) Notices of each regular and special meeting of the Board of Directors shall be posted in at least one designated public place in each participating municipality. Such notices shall be posted on the same day as notice is given to the Board of Directors.
- b) In addition, notice of each regular and special meeting of the Board of Directors shall be published in print or other media as may be necessary or appropriate to reasonably and adequately notify the general public of the meetings of the Board.

SECTION 3.5. QUORUM FOR MEETINGS

3.5.1. Determination of Quorum

A quorum of the Board of Directors shall be determined in accordance with the following table:

Number of Participating Municipalities	Appointed Board Members per Municipality	At-Large Board Members	Total Board	Quorum
1	1	2	3	2
2	1	1	3	2
3	1	1	4	3
4	1	1	5	3
5	1	1	6	4
6	1	1	7	4
7	1	1	8	5
8	1	1	9	5

3.5.2. Quorum Required for Action

Except as otherwise provided under these Bylaws, or provisions of law, no business shall be considered by the Board of Directors at any meeting at which the required quorum is not present, and the only motion which the Chair shall entertain at such meeting is a motion to adjourn.

SECTION 3.6. MAJORITY ACTION OF THE BOARD

Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless these Bylaws, or provisions of law require a greater percentage or different voting rules for approval of a matter by the Board of Directors.

SECTION 3.7. CONDUCT OF MEETINGS

3.7.1. Presiding Officer

Meetings of the Board of Directors shall be presided over by the Chair of the Board of Directors, or, in the Chair's absence, the Vice-Chair, or, in the absence of each of these persons, by a Chair chosen by the majority of the directors present at the meeting.

3.7.2. Rules of Procedure

Meetings shall be governed by Roberts Rules of Order, insofar as such rules are not inconsistent with or in conflict with these Bylaws or with provisions of law.

3.7.3. Subject to Open Meeting Law

The Inter-Island Ferry Authority is subject to Alaska's Open Meetings Act (AS 44.62.310 – 44.62.312).

ARTICLE 4. COMMITTEES

SECTION 4.1. COMMITTEES

The Inter-Island Ferry Authority may have such committees as may from time to time be designated by resolution of the Board of Directors. These committees may consist of persons who are not also members of the Board of Directors and shall act in an advisory capacity to the Board.

SECTION 4.2. MEETINGS AND ACTION OF COMMITTEES

Meetings and action of committees shall be governed by, noticed, held and taken in accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of such Bylaw provisions as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular and special meetings of committees may be fixed by resolution of the board or by the committee. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are consistent with the provisions of these Bylaws.

ARTICLE 5. EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

SECTION 5.1. EXECUTION OF INSTRUMENTS

The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the Inter-Island Ferry Authority to enter into any contract or

execute and deliver any instrument in the name of and on behalf of the Inter-Island Ferry Authority, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the Inter-Island Ferry Authority by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

At its regular Board meeting on November 3, 2005, the Board of Directors passed Resolution No. 2005-04 amending the Bylaws of the Inter-Island Ferry Authority; thereby granting the General Manager of the IFA the authority to enter into any contract for professional services in the name of and on behalf of the IFA such as he/she deems necessary to carry out the goals and business needs of the IFA established by the Board of Directors. The General Manager shall notify the Board of Directors at least one week prior to signing any contract for professional services, and provide the Board with a copy of the proposed contract. Any Board Member can require that the contract be presented at a Board meeting for approval by the Board. If no such requirement is made, the General Manager may enter the contract on behalf of IFA, up to a total contract value of \$70,000.00. Contracts with a total value over \$70,000.00 require Board approval.

SECTION 5.2. CHECKS AND NOTES

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for payment of any and kind and other evidence of indebtedness of the IFA shall be signed by a Director or the General Manager, and countersigned by a second Director or the General manager. Exceptions to this dual signature requirement include regular employee payroll checks, expenses approved by the Board of Directors in the IFA Fiscal Year Operating Budget, and expenses approved by the Board of Directors relating to grants.

SECTION 5.3. DEPOSITS

All funds of the Inter-Island Ferry Authority shall be deposited from time to time to the credit of the Inter-Island Ferry Authority in such banks, trust companies, or other depositories as the Board of Directors may select.

SECTION 5.4. GIFTS

The Board of Directors may accept on behalf of the Inter-Island Ferry Authority any contribution, gift, bequest, or devise for the purposes of the Inter-Island Ferry Authority.

ARTICLE 6. AUTHORITY RECORDS AND REPORTS

SECTION 6.1. MAINTENANCE OF INTER-ISLAND FERRY AUTHORITY RECORDS

The Inter-Island Ferry Authority shall keep at its principal office:

- a) Minutes of all meetings of Directors and committees of the Board. Such minutes shall indicate the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof.
- b) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses.
- c) A copy of the ordinance of each Municipality, which authorizes its participation in the establishment of the Inter-Island Ferry Authority.
- d) A copy of the ordinance or resolution of each municipality, which certifies the results of the referendum election authorizing its participation in the establishment of the Inter-Island Ferry Authority.
- e) A copy of the Bylaws of the Inter-Island Ferry Authority, as amended to date.
- f) Original signed copies of all resolutions approved by the Board of Directors.

SECTION 6.2. PERIODIC REPORTS

The Board of Directors shall cause any annual or periodic report required under law to be prepared and delivered to each Participating Municipality to be so prepared and delivered within the time limits set by law.

SECTION 6.3. SUBJECT TO PUBLIC RECORDS LAW

The Inter-Island Ferry Authority is subject to Alaska's public records laws (AS 09.25.110 – AS 09.25.220).

ARTICLE 7. ADOPTION AND AMENDMENT OF REGULATIONS

Except as may otherwise be specified under provisions of law, the Board of Directors, by resolution, shall adopt and amend any regulations necessary for the operation of the Authority.

ARTICLE 8. AMENDMENT OF BYLAWS

Except as may otherwise be specified under provisions of law, these Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted by resolution of the Board of Directors.

ARTICLE 9. CONSTRUCTION AND TERMS

Should any of the provisions or portions of these Bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these Bylaws shall be unaffected by such holding.

IFA Bylaw Revisions:

January 26, 2011 Resolution No. 2011-03 Version 2

February 25, 2014 Resolution No. 2014-04

March 23, 2021 Resolution No. 2021-05