MEMO

To: The Valdez City Council and the Initial Board of Directors for Destination Valdez
From: The Valdez Tourism Task Force
Re: Valdez Tourism Task Force Recommendations for Future Bylaws of Destination Valdez, Inc.
Date: August 4, 2026

Introduction:

After adopting and submitting recommendations to City Council based on the initial assigned tasks and outlining an organizational vision and draft Articles of Incorporation for a new destination marketing organization, structured as a quasi-public non-profit, to be named Destination Valdez, the members of the Valdez Tourism Task Force took on the final task of providing recommendations on what future Bylaws for this organization should contain.

The group reviewed several examples of Bylaws from other destination marketing and tourism non-profits, as well as those of adopted by the Valdez Museum and Historical Archive, which the legal structure for Destination Valdez was based upon. This memo outlines article by article components that the task force suggests for inclusion in future Bylaws for Destination Valdez and hopes that the future Bylaws Committee will draw on these as a solid starting point for their work.

Submission of these recommendations marks the final action of the task force as a formal advisory body. The Valdez Tourism Task Force thanks the City Council for the opportunity to help shape the vision for future tourism marketing and visitors' services in Valdez and wish Destination Valdez success and stability as they build a new stable visitors organization.

Article by Article Recommendations:

Article 1 – NAME

- Destination Valdez, Incorporated

Article 2 – OFFICES

- Principal office located in Valdez, Third Judicial District, State of Alaska.
- Corporation to maintain a registered office in the State of Alaska, and a registered agent whose office is identical with such registered office, as required by the Alaska Non-Profit Corporation Act.
- The registered office may be, but need not be, identical with the principal office in the State of Alaska, and the address of the registered office may be changed by the Board of Directors.

Article 3 – PURPOSE

- Repeat the purpose of the corporation from the Articles of Incorporation for clarity.

Article 4 – MEMBERSHIP

- Two membership classes: Public Members and Business Members.
- Public Members:
  - Those holding office on the Valdez City Council.
  - A Public Member shall retain membership until the member's successor takes office on the City Council.
- Business Members –
  - Business Membership categories for Bylaws:
    - Valdez business members (voting).
    - Non-Valdez/ Out of Town business members (non-voting).
    - Trade associations/ reciprocal DMOs (non-voting).
    - Supporting business/ individual membership (non-voting).
  - Annual confirmation of business membership list (businesses reaffirming participation ensures an accurate member list and database).

Article 5 – MEMBERSHIP MEETINGS

- Require an annual meeting to take place for both membership types. Two separate annual meetings are suggested.
- Business Members Meeting (spring/ before summer tourism season): nomination of board seats; review of member services and programs.
- Public Members Meeting (fall/ before budget cycle): approval of budget; annual reports; final approval of board nominations.
- Clear dates should be set for these.
- The Business Member Meeting should happen before the Public Member Meeting.
- There should be provisions for:
  - Member and public notice (electronic preferred)
  - Calling special meetings (who can and why- must conform with AS 10.20.061)
  - Quorum
  - Voting-
    - Typically, can be a majority of members present.
    - Including items that should require a higher threshold for approval.
    - Voting by proxy is not recommended.
    - Executive Session and Alaska Open Meeting Act
- May want to allow electronic participation (teleconference or web based) at member meetings (though this might be difficult to manage logistically).

Article 6 – PROHIBITED ACTIVITIES

- Boiler plate language: "The Corporation is a non-profit corporation under the laws of the State of Alaska and under Section 501(c)(6) of the Internal Revenue Code. No Member shall take any action which would jeopardize or in any way defeat the Organization's status as a non-profit corporation."

Article 7 – BOARD OF DIRECTORS

- General Powers

- Managing affairs of the Corporation
- Authority over operations and administration.
- Adoption of needed policies to ensure professional management.
- Number, Term and Appointment:
    - 7 members.
    - 3-year terms.
    - Nominated/Appointed by Business Membership.
    - Confirmed by Public Members.
    - Non-voting member seat for city representative(s).
    - Temporary advisory members may be appointed for specific issues.
- Vacancies:
    - Mid-term vacancies filled by Council appointment.
    - Replacement serves the remainder of the term.
- Removal/ Replacement:
    - Inability to perform duties for health or personal reasons.
    - Violation of Bylaws or Code Ethics.
- Meeting/ Public Meetings:
    - At least quarterly.
    - The first year or more may require monthly meetings.
- Quorum:
    - 4 members, electronic participation can count for quorum.
- Attendance:
    - Including rules for remote attendance.
    - Simplified attendance rules (not a complex excused or unexcused system).
- Voting rules:
    - No voting by email (OMA prohibits this).
    - Majority for ordinary business.
    - Higher threshold for major actions (bylaws changes, dissolution).

Article 8 – OFFICERS

- Define Officers with at least the minimum requirements outlined in Alaska Nonprofit Act (AS 10.20.121).
- Can have other positions if helpful.
- Election of Officers - Cleanest if nominations are taken from the floor and ballots cast in case of multiple nominees.
- Term of Office - annual election after appointment of new members.
- Duties of Officers
    - PRESIDENT- Principal Officer of the Board of Directors
        - General supervision of the businesses and affairs of the Corporation.
        - Signing authority (and limits to signing authority)
        - Chair of Meetings
    - VICE PRESIDENT-
        - In the absence of the President, Vice President performs the duties of the President.
        - Can assign additional duties.
    - SECRETARY-

        - Responsible for Keeping Minutes
        - Responsible for Notices
        - Responsible for records maintenance
    - TREASURER-
        - Accounting and fund tracking
        - Assistance with annual budget preparation
        - Check signing authority is typical
        - Consider including a skills expectations; Treasurer should possess budgeting ability and financial literacy.

Article 9 – COMMITTEES

- Standing Committees suggested
    - Finance Committee to work with administrator on developing annual budget and assisting with financial oversight, conducts audits as appropriate
    - Marketing Committee to work on overall market strategy and plans, to include website, social media and annual publication (visitor guide or other)
    - Board Development Committee to work on recruiting for board as well as board training and overall trajectory of board.
- Outline process for appointment of temporary or special committees
- Committees may include both board members and members-at-large
- Ensure committees don't include a majority of the board (OMA)
- Committee roles are outlined in policy rather than bylaws
- Temporary advisory members may be appointed for a specific issue

Article 10 – FINANCIAL CONSIDERATIONS

- Should outline high level rules on:
    - Contracts.
    - Payments and deposits.
    - Accounting practices/ fund management.
    - Gifts/ donations.
- Include Annual Meeting financial reporting requirements.
    - Quarterly financial reports recommended.
- Can be more general if a separate fiscal policy is required to be adopted (detailed purchasing policy belongs in policies and procedures)
- Include big picture RFP triggers and procurement expectations (reference thresholds, but make specific rules in policy, not bylaws).
- Embed in fiscal year in this section

Article 11 – ADMINISTRATION

- This article should be more detailed and include anything related to the ED position that the board and members want to be legally binding.
- Executive Director role should be clearly defined:
    - The board selects, determines compensation for, evaluates and fires the Executive Director.

    - The Executive Director has and responsibility to operate the Corporation in all its activities in alignment with adopted policies and applicable law.
    - The Executive Director acts as the duly authorized representative of the board in all matters where there is no formal designation of some other person to act.
- Executive Director Authority and Responsibility should include:
    - Carrying out all policies and advising on the amendments to policies.
    - Developing and submitting for approval a plan of organization for the conduct of operations.
    - Preparing an annual budget, including estimated capital expenditures, showing the expected revenues and expenditures.
    - Maintaining physical properties in a good and safe state of repair and operating condition.
    - Supervising the business affairs of the corporation to ensure that funds are collected and expended in a manner consistent with their public trust responsibilities and to the benefit of the Corporation.
    - Attending all meetings of the Board of Directors.
    - Attending all meetings of the Members.
    - Serving as the liaison between the Board and the Members.
    - Employment matters and management, personnel decisions are ED's responsibility, not the Board's or Members'.
    - Other duties as assigned
- Executive Director Performance Review
    - Outline a clear process for performance review (who and how often).
    - Include an emergency / vacancy clause: If no ED exists, Board President assumes operational responsibility until replacement hired.
- Include a board or members "no confidence" process: If a vote of the board or members, issues statement of no confidence, must trigger corrective plan or termination procedure.

Article 12 – STAFF/ EMPLOYEES

- Recommended authority:
- Executive Director has sole authority for recruitment, selection, appointment and discharge, and determination of duties and compensation levels for all employees of the Corporation.
- Exercise of this authority in accordance with applicable rules, schedules, fiscal resources, and policies of the Corporation.
- Require adoption of a personnel policy to include compensation, benefits, org chart, grievance procedures, general expectations, etc.

Article 13 - CODE OF ETHICS AND CONFLICT OF INTERESTS

- Can loosely follow COV or Museum Code of Ethics
- Conflict of interest definitions should be both financial and relational
- Outline specific disclosure and recusal processes.
- Anti-discrimination and grievance process. Should focus on financial conflicts specifically and include:
- Purpose
- Policy
- Statement/ Form Requirement

Article 14 – INDEMNIFICATION

- Must align with Alaska Nonprofit Act
- Should be specific
- Must undergo careful legal review

Article 15 – PARLIAMENTARY PROCEDURES

- Use of Roberts Rules unless other specific procedure is adopted by the board.

Article 16 – AMENDMENTS

- Bylaws may only be amended by a vote or the Public Membership (explicitly stated).
- Higher majority threshold of Board and Members for amendments to Bylaws.
- Required schedule for review (example: every 2–3 years).