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**BY-LAWS OF THE PACIFIC RAILROAD PRESERVATION  
ASSOCIATION, INC.**

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**ARTICLE 1. CORPORATION**

SECTION 1.1 NAME

The name of this corporation is: Pacific Railroad Preservation Association, Incorporated (hereinafter called the P.R.P.A.).

SECTION 1.2 INCORPORATION

The P.R.P.A. shall at all times be duly incorporated as a non-profit corporation under the laws of the state of Oregon.

SECTION 1.3 PRINCIPLE OFFICE AND REGISTERED AGENT

A. The registered agent of this corporation is:

Dan J. Drazen  
Dunn, Carney, Higgins and Tongue LLP  
Suite 1500  
851 S.W. Sixth Avenue  
Portland, Oregon 97204-1357

B. The address of the principle office is:

Pacific Railroad Preservation Association  
P.O. Box 2851  
Portland, Oregon 97208-2851

SECTION 1.4 OBLIGATION TO MAINTAIN

The P.R.P.A. shall have and continuously maintain a registered agent and principal office in Portland, Oregon. However, the P.R.P.A. may have offices at other locations as the Board of Directors from time to time may direct.

SECTION 1.5 STATEMENT OF PURPOSE

The purposes for which the P.R.P.A. was formed are historical, educational, and not for profit. Specific objectives are:

A. To act as custodian, maintainer, and operator of City of Portland-owned SP&S 700

- Steam Locomotive.
- B. To preserve historical railroad materials with emphasis on the Pacific Northwest.
  - C. To educate the public on railroad history and safety.
  - D. To restore and operate historical railroad equipment.
  - E. To acquire and hold for operation historical railroad equipment.
  - F. To acquire by purchase, lease or otherwise, real and personal property, and to mortgage, sell, deed, lease or otherwise manage same in a manner appropriate for museum display and the above mentioned purposes.

## ARTICLE 2. MEMBERSHIP

### SECTION 2.1 MEMBERSHIP

Any person interested in railroads and the objectives of the P.R.P.A. shall be eligible for membership.

### SECTION 2.2 CLASSIFICATIONS OF MEMBERSHIP

Membership of the P.R.P.A. shall be divided into two classifications, Full Member and Associate Member. A member of any status must be 18 years of age or older to physically work on P.R.P.A. equipment.

- A. Full Members are those members who have contributed a minimum of 50 hours of volunteer service within one calendar year. Full members may vote.
- B. Associate Members are those members who have contributed less than 50 hours of volunteer service per calendar year. Associate members cannot vote or hold office.

### SECTION 2.3 APPLICATIONS AND SPONSORSHIP

- A. All applications for membership shall be submitted on a form approved by the Board of Directors.
- B. Each application shall be accompanied by a dues payment.
- C. Application for full member status must be sponsored by a full member. Vote must carry by 75% of full members present.

### SECTION 2.4 RIGHTS OF MEMBERS

Each member shall be entitled to receive publications and in all other ways enjoy the privileges of members except as provided in Section 2.2.

### SECTION 2.5 DUES

The Board of Directors shall establish the annual dues rate and the date on which they are due and payable. Dues will be for a calendar year, except for the first year of a new membership, during which dues may be prorated quarterly. Dues expire on December 31<sup>st</sup>. Members who have not paid the membership dues by March 31<sup>st</sup> are considered to have terminated their membership for that year. Memberships that lapse due to unusual circumstances may be continued during the 1<sup>st</sup> year by approval of the Board.

## ARTICLE 3. BOARD OF DIRECTORS

### SECTION 3.1 GENERAL POWERS

The business and affairs of the P.R.P.A. shall be managed by its Board of Directors (hereinafter called the Board). The Board shall be empowered to authorize an officer to contract with any individual, corporation, or organization, however constituted, for services, which when performed, will carry out in whole or in part, the purposes and functions on the P.R.P.A. Expenditures of funds must be in the approved budget or as authorized by the Board. Indebtedness beyond the scope of normal operations must have prior approval of the membership. Rail operations budgets must be approved by the Board. Contracts must be signed by a second officer.

### SECTION 3.2 NUMBER AND QUALIFICATIONS

- A. The number of board members shall be not less than ten (10) and shall consist of six (6) directors and four (4) officers. The Board shall select any board member to be chairman. The Board may be increased, but in no case shall the board members exceed a total of fifteen (15).
- B. The remaining five (5) non voting positions are for community liaisons to be defined and filled by the Board of Directors.
- C. Regular board members and officers must meet qualifications as defined in Section 2.2 and must have contributed a minimum of one hundred (100) hours of volunteer service toward the objectives of the P.R.P.A. within the previous twelve (12) months.

### SECTION 3.3 TERMS OF OFFICE AND VACANCIES

- A. Each board member shall be elected at the annual meeting and shall serve a term of two (2) years. One half of the directors will stand for election on alternate years. In the election in 1997, three (3) positions will be for a term of two (2) years, and three (3) positions will be for a term of one (1) year.
- B. Any board member who fails to maintain full membership status without good cause, as determined by the Board, shall have been deemed to have resigned from his/her position. Any board member who fails to attend three (3) consecutive board meetings or 50% of the previously convened meetings after the first three (3) months of term of office without good cause as determined by the Board shall have been deemed to have resigned his/her position.
- C. Resignation from the Board of Directors must be submitted in writing to the Board of Directors.

## ARTICLE 4. OFFICERS

### SECTION 4.1 OFFICERS

The officers shall be President, Vice-President, Treasurer, and Recording Secretary.

### SECTION 4.2 DUTIES OF OFFICERS

- A. President. The President shall be the coordinator of all activities of the P.R.P.A. He/she shall counter-sign all contracts or other instruments in behalf of the P.R.P.A. when approved by the Board. He/she shall assist in the preparation of a yearly and/or rail operations budget. He/she shall assist the Board in fulfilling the mission of the P.R.P.A. as defined in Article 1, Section 1.5. He/she shall define committees and appoint committee chairpersons with the input and approval of the Board.
- B. Vice-President. The Vice-President shall counter sign all contracts or other instruments in behalf of the P.R.P.A. in the absence of the President. He/she shall assist in the preparation of a yearly and/or rail operations budget. He/she shall assist the Board in fulfilling the mission of the P.R.P.A. as defined in Article 1, Section 1.5. He/she shall maintain a physical inventory of assets.
- C. Treasurer. The treasurer shall pay all bills for and in behalf of the P.R.P.A. by check, bank draft, or other legal tender from the treasury of the P.R.P.A. as directed by the Board. He/she shall sign all checks. He/she shall assist in the preparation of a yearly and/or rail operations budget. He/she shall deposit, as is good financial practice, all funds received by the P.R.P.A. in the financial institute as directed by these by-laws and the Board. He/she shall keep an accounting of the membership and their dues standing. He/she shall prepare a detailed financial report for each fiscal year and make such report available at the next board or membership meeting. The report shall include a beginning balance, an itemization of receipts and disbursements, and the ending balance for each account in the name of the P.R.P.A. He/she shall prepare and file all necessary documents to maintain corporate and tax status as required by federal and state statutes. The Treasurer shall maintain a membership list and shall provide a list of members eligible to vote.
- D. Secretary. The Secretary shall keep a record of the minutes of all board and membership meetings. He/she shall keep on file any and all documents for and in behalf of the P.R.P.A. He/she shall keep on file the articles of incorporation and by-laws and shall make available to any member a true copy of the by-laws when requested. He/she shall maintain a list of members and their mailing addresses.

### SECTION 4.3 QUALIFICATIONS AND TERM OF OFFICE

Any member in good standing, as per section 2.2, who has contributed a minimum of 100 hours of volunteer service in behalf of the P.R.P.A. within the previous calendar year, may hold a position as listed above. No two (2) offices may be held by the same person at the same time. The term of office shall be one (1) year, to commence on January 1<sup>st</sup>, and run through December 31<sup>st</sup>. Any officer may be elected to consecutive terms.

## ARTICLE 5. ELECTION OF DIRECTORS AND OFFICERS

### SECTION 5.1 NOTICE

A notice shall be mailed to all members, one (1) month prior to the annual business meeting, that nominations and elections of officers and directors shall take place at the annual business meeting. The notice shall set forth the date, time and place of the meeting.

### SECTION 5.2 NOMINATIONS

The Board shall be the nomination committee, or can form a nominating committee composed of full members which will report to the Board. The Board shall place in nomination at least one name for each officer and director position, two (2) months prior to the general election. Additional nominations may be made from the members at the annual business meeting. All candidates must accept the nomination to be eligible for election. The nomination committee will provide a list of members qualified to be nominated.

### SECTION 5.3 ELECTION PROCEDURE

Each member entitled to vote shall have one vote for each position to be filled. Voting shall be conducted by secret ballot, one (1) ballot for the four (4) officers and one (1) ballot for the directors whose terms are expiring. The officers and directors receiving the highest number of votes shall be declared elected. In cases of a tie vote, a run-off secret ballot between the tied candidates shall be conducted.

### SECTION 5.4 VACANCIES

Any vacancy in an elective office may be filled by appointment until such time as an election is held. The officers with the approval of the directors, shall appoint any eligible member as per Section 3.2C. to fill the vacancy.

## ARTICLE 6. MEETING

### SECTION 6.1 RULES OF ORDER

All meetings shall be conducted by the Chairman of the Board according to Robert's Rules of Order.

### SECTION 6.2 BUSINESS MEETINGS

There shall be a minimum of two (2) general membership meetings each year. One (1) such meeting shall be known as the annual business meeting and shall be held on a Saturday in January, at which time the general election shall be conducted. A notice shall be mailed to all members in good standing at least thirty (30) calendar days prior to the date of each meeting and shall state briefly the purpose of the meeting. No other business is to be conducted.

SECTION 6.3      SPECIAL CALLED MEETINGS

Special meetings may be called by any two (2) officers and/or directors or by a petition of twelve (12) members in good standing. A notice shall be mailed to all members in good standing at least seven (7) calendar days prior to the meeting date and shall state briefly the purpose of the meeting. No other business is to be conducted.

SECTION 6.4      QUORUM

Twelve (12) voting members in good standing shall constitute a quorum for business meetings of the general membership.

SECTION 6.5      VOTING

Each member eligible to vote as per Section 2.2, and in good standing shall be entitled to attend all business meetings and have a voice and a vote in the affairs of the P.R.P.A. A simple majority vote of the members present and proxies shall prevail unless otherwise provided in other sections of the by-laws.

SECTION 6.6      GUESTS

Members may invite guests to attend business meetings.

**ARTICLE 7. MEETINGS OF THE BOARD**

SECTION 7.1      MEETINGS

Regular meetings of the Board shall be held monthly, unless changed by the Board. Special meetings may be called by the President, Vice-President, or any four (4) board members. The Secretary shall give at least five (5) days notice to board members of the time, place, date, and purpose of the meeting.

SECTION 7.2      QUORUM

A quorum of the Board shall be one more than one-half (1/2) of the board members for the transaction of business. The action taken at any board meeting where there is a quorum will constitute the action of the entire Board.

SECTION 7.3      GUESTS

Where requested, guests may attend board meetings pertinent to the business at hand. Any member in good standing may attend the board meeting but may not participate in discussions unless requested.

**ARTICLE 8. FINANCIAL OPERATION**

SECTION 8.1      FISCAL YEAR

The fiscal year shall correspond to the calendar year.

SECTION 8.2 DEPOSITS AND WITHDRAWALS

The funds of the P.R.P.A. shall be deposited in the name of the P.R.P.A. in such bank or trust company as the Board shall designate and shall be drawn out by check upon approval of the Board.

SECTION 8.3 BUDGET

A. The Treasurer, with the assistance of the officers, shall prepare a budget for each fiscal year for approval of the Board.

B. Each committee shall submit a budget for approval by the Board. All committee expenses or financial commitments outside the budget must be approved by the Board.

SECTION 8.4 INSTRUMENTS

All deeds, mortgage, conveyances, contracts or other instruments of the P.R.P.A. authorized by the Board shall be executed on behalf of the P.R.P.A. and in its name by officers under the authority of the Board.

**ARTICLE 9. GENERAL PROVISIONS**

SECTION 9.1 CODE OF CONDUCT

Any member, officer, or director may be disciplined for cause. The procedure for discipline shall be as follows:

A. For cause shall be interpreted as an act by the accused such as: theft, fraud, dishonesty, deliberate act of sabotage, failure to carry out the duties and obligations of these by-laws, or any act contrary to the general good of the P.R.P.A.

B. The member shall be delivered a notice of the charges and a request to appear before the Board to explain their position or defense on the charges.

C. The Board shall decide on the proper course of action to be taken (removal from office, re-classification of membership, or removal of membership) and duration, and a secret ballot vote shall be taken.

D. If a mutual resolution is not agreeable between the parties, a special called meeting of the membership shall be held within thirty (30) calendar days of the board meeting. The Chairman of the Board shall report to the members present of the action recommended by the Board. The member may be present to state his/her position or defense. The members, after any discussion, shall vote by secret ballot on the recommendation of the Board. The vote must carry by a seventy-five (75%) percent majority.

**ARTICLE 10. AMENDMENTS**

Subject to the restrictions contained in the articles of incorporation, these by-laws may be amended. Any eligible member may propose changes to the by-laws. Any proposed change shall first be submitted to the Board with six (6) additional signatures of voting members. The Board will review and recommend such action as is in the best interest of the P.R.P.A. Notification of the proposed changes shall be distributed to the membership

at least thirty (30) calendar days in advance of any meeting where such changes will be acted upon. A two-thirds (2/3) majority vote of the eligible members shall be required for adoption of the changes. Each member shall be entitled to one (1) copy of the current by-laws at no cost to the member. Thereafter, any member desiring another copy will pay for the cost of copying the by-laws.

#### ARTICLE 11. DISSOLUTION

This corporation may be dissolved only on the affirmative vote of seventy-five (75%) percent of the entire membership by a secret written ballot. In the event of such dissolution, all assets shall be converted into cash, except real estate, equipment, or other fixed assets. After the payment of all outstanding indebtedness, the assets of the P.R.P.A. shall be distributed as follows: to any worthy non-profit museum or suitable non-profit organization consistent with the P.R.P.A.'s statement of purpose, exempt under the United States Internal Revenue Code of 1954, Section 501 (c) (3). This shall not be construed to mean that only one (1) organization may be the benefactor, but only that such organization must be non-profit and exempt under Section 501 (c) (3).

These by-laws were approved by the Board and membership on 12/6/2008 (date) and shall supersede all other by-laws with a date prior to the date above.  
Signed this 14 day of March, 2009.

Matt R. Baccitich  
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President

James R. Vail  
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Vice-President

Greg Kamholz  
\_\_\_\_\_  
Secretary

Yong P. Zhang  
\_\_\_\_\_  
Director