AWWA: THE ASSOCIATION - SECTION RELATIONSHIP

CANADIAN SUMMIT
2019
Condensed History of the Association – Section Business Model...

- **1881**: AWWA formed
- **1914**: First Section formed
- **1992**: Last Section formed
- **2009**: Affiliation Agreement

Sections are Divisions of AWWA “The Association Model”
Sections become independently incorporated
The Affiliation Agreement Context

Working together for the greater good

Incorporation was a risk reduction strategy

The Affiliation Agreement defined our relationship for business purposes
SUMMARY OF RESULTS

A stronger framework for AWWA – the Association and Sections - to become One AWWA

• Created clarity as to Association and Section responsibilities to each other
• Reduced risk and increased protections
• Enhanced ability to obtain competitive insurance coverage
• Reinforced commitment to AWWA’s mission
• Increased protection of AWWA’s assets and brand
A Path to One AWWA

- Communication
- Branding
- Education
- Membership
- Finance
• AWWA = Association + Sections
• Association = Denver and DC Offices
• Sections = Sections
QUESTION:

WHAT WOULD OUR WORLD LOOK LIKE WITHOUT AWWA?

AWWA = Association + Sections
• AWWA = Association + Sections
• Association = Denver and DC Offices
• Sections = Sections
WHAT DOES THE AFFILIATION AGREEMENT ACHIEVE?

AWWA is the senior partner in a mutually beneficial and arms length business relationship.

- Fidelity to AWWA’s mission and governing documents
- Intellectual property protection
- Tax status preservation
- Continuation of indemnification
- Commitment to relationship and future improvements
Guiding Principles

To provide linkage and alignment to AWWA’s mission, values, and strategic plan.

Key Documents:
- Bylaws
- Board Policy Manual

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<td>The Sections and Association will conduct daily operations and relationships consistent with the AWWA Strategic Plan, Vision, Guiding Principles and Mission.</td>
<td>The Sections and Association will strive to protect, develop, and enhance the reputation and value of the AWWA brand.</td>
<td>The Sections and Association will maintain reasonable indemnification policies consistent with the Association Bylaws for the benefit of all parties or modify practices to do so.</td>
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WHY DOES OUR PARTNERSHIP WORK?

BEST BUSINESS PARTNERS

- Solid Operating Framework (Affiliation Agreement)
- Unified Membership
- Accountability
- Trust

AWWA = Association + Sections

- Association’s Investment
  - Financial
  - Section Services Resources
  - Each Other
- Board Representation
Best Business Partners

American Water Works Association = Association + Sections

Primary Business Relationship
Subordinate Business Relationship
THANK YOU & DISCUSSION