

**AMENDED AND RESTATED BYLAWS**

**OF**

**SANTA LUCIA COMMUNITY SERVICES DISTRICT**

**ARTICLE I – PURPOSES**

Section 1. Purposes. The Santa Lucia Community Services District may do any of the following:

- (a) The supply of water for any beneficial uses in the same manner as a municipal water district.
- (b) Collect, treat or disposal of sewage, waste water, recycled water and storm water in the same manner as a sanitary district.
- (c) Collect, transfer and disposal of solid waste and to provide solid waste handling services including but not limited to source reduction, recycling, and composting activities.
- (d) Protection against fire.
- (e) Acquire, construct, improve, maintain and operate recreation facilities including parks and open space in the same manner as a recreation and park district.
- (f) Organize, promote, conduct and advertise programs of community recreation.
- (g) Equip and maintain security services to protect and safeguard life and property.
- (h) Acquire, construct, improve and maintain streets, roads, rights of way, bridges, culverts, curbs, gutters, drains, and incidental works.
- (i) Provide transportation services.
- (j) Abate weeds and rubbish.
- (k) Provide mail delivery services under contract to the United States Postal Service.
- (l) In partnership with one or more private providers will provide enhanced broadband internet and IP telephonic services to the residents.

(m) Such additional services as are allowed by applicable law and as may from time to time be necessary or appropriate for the inhabitants of the District.

Section 2. Additional Purposes. The District may exercise additional purposes whenever the Board determines by resolution that it is feasible, economically sound and in the public interest and first receives approval of the local area formation commission.

## ARTICLE II – POWERS

Section 1. In General. The District shall have the powers generally to perform all acts necessary to carry out fully the purposes set forth in Article I of these Bylaws.

Section 2. Statutory Powers. Without limited the generality of Section 1, the District shall have all of the powers enumerated in Title 6, Division 3, Part 2, Chapter 5 of the Government Code.

Section 3. Powers Related to the Preserve Company.

(a) Participation in the Preserve Company. The District shall have the power to appoint and remove its designated member of the board of directors of the Santa Lucia Preserve Company, a California nonprofit mutual benefit corporation (the “Preserve Company”), which has been created for the purpose of providing coordinated management services and facilitating cooperation among the various entities managing and operating the Santa Lucia Preserve which is within the boundaries of the District. The District’s rights and obligations with respect to the Preserve Company shall be as set forth in these Bylaws and the Bylaws of the Santa Lucia Preserve Company, recorded or to be recorded in the Recorder’s Office for Monterey County, California (as they may be amended, the “Preserve Company Bylaws”).

(b) Management. The District may enter into an agreement with the Preserve Company for the provision of management, administrative, and operational services with regard to the District’s infrastructure and facilities and services (the “Management Services Agreement”). The Management Services Agreement shall be made available for inspection at the District’s principal office. The District shall have the authority to enter into long term contracts with the Preserve Company or any other entity for any number of years. This subsection (b) of Section 3 is not intended to limit or prohibit the District from entering into an agreement for the provision of management, administrative, operational or other services with any other entity or organization.

(c) Resolution of Disputes. The District recognizes that it is in the best interest of the Santa Lucia Preserve to encourage the amiable resolution of disputes involving the Santa Lucia Preserve without the emotional and financial costs of litigation. Accordingly, the District, its officers, directors, and committee members agree to use good faith efforts to resolve claims, grievances, or disputes arising out of or relating to

the “disputes” described in Section 4.18 of the Preserve Company Bylaws using the alternative dispute resolution procedures set forth in Section 4.18 of such bylaws prior to filing suit in any court.

The District also recognizes that it is in the best interest of the Santa Lucia Preserve for the Preserve Company to resolve and/or determine matters that are or may be a significant and material derogation from the Santa Lucia Preserve’s mission, vision, or values, as more particularly set forth in the Preserve Company Bylaws (“Preserve Wide Issues”). Notwithstanding the foregoing, nothing in this Section 3(c) or the Preserve Company Bylaws shall be construed to force the District to take or fail to take any action that would or may violate applicable law.

### **ARTICLE III – OFFICES**

Section 1. Principal Office. The principal executive office of the District shall be 121 Rancho San Carlos Road, Building A, Carmel, California 93923.

Section 2. Other Offices. The District may also have offices at such other place as the Board of Directors may from time to time designate, or as the business of the District may require.

### **ARTICLE IV – BOARD OF DIRECTORS**

Section 1. Powers. The business and affairs of the District shall be managed and all District powers, including those enumerated in Title 6, Division 3 of the Government Code, shall be exercised by, or under the direction of the Board of Directors. The Board of Directors may delegate the management of the day-to-day operation of the business of the District to a General Manager provided that the business and affairs of the District shall be managed and all District powers shall be exercised at the ultimate direction of the Board of Directors.

Section 2. Number. The authorized number of directors of the Board of Directors shall be five (5).

Section 3. Qualifications. Directors shall be registered voters residing within the boundaries of the District, all of whom shall be elected at large. Before entering upon the duties of office, each director shall take and subscribe the official oath before the secretary or any officer authorized by law to administer oaths and shall file it with the secretary.

Section 4. Term of Office. The term of office of each member of the board of directors is four (4) years or until his or her successor qualifies and takes office. Directors shall take office at noon on the first Friday in December following their election.

Section 5. Regular Meetings. The Board of Directors shall provide for regular meeting at least once every three (3) months. At least 72 hours before a regular meeting, the Secretary shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session. The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public.

Section 6. Special Meetings. Special meetings of the Board of Directors may be called at any time by the President, or by any three (3) directors by delivering written notice to each member of the Board and to each local newspaper of general circulation and radio or television station requesting notice in writing. The Preserve Board may have the right to request a special meeting of the Board of Directors by delivering a notice to the President, who may then call a Special meeting pursuant to statutory requirements. The notice shall be delivered personally or by any other means and shall be received at least 24 hours before the time of the meeting as specified in the notice. The call and notice shall specify the time and place of the special meeting and the business to be transacted or discussed. No other business shall be considered at these meetings. The written notice may be dispensed with as to any member of the board who, at or prior to the time the meeting convenes, files with the secretary a written waiver of notice. The waiver may be given by telegram. The written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes. The notice shall be posted at least 24 hours prior to the special meeting in a location that is freely accessible to members of the public.

Section 7. Place of Meeting. Meetings of the board of directors may be held at any place within the District which has been designated in the notice or if not stated in the notice or there is no notice, the principal executive office of the District or by a resolution duly adopted by the board of directors.

Section 8. Quorum. A majority of the board shall constitute a quorum for the transaction of business.

Section 9. Action at Meeting. The board shall act only by ordinance, resolution or motion. No ordinance, resolution or motion shall become effective without the affirmative votes of at least a majority of the board.

Section 10. Public Meetings. All legislative sessions of the board shall be public and shall be subject to the provisions of the Ralph M. Brown Act.

Section 11. Resignations. Any director may resign effective upon giving written notice to the President, the Secretary or the board of directors of the District, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be appointed to take office when the resignation becomes effective.

Section 12. Vacancies. All vacancies in the board of directors, whether caused by resignation, death or otherwise, shall be filled by appointment by the remaining directors elected, though less than a quorum, or by a sole remaining director, and each director so elected shall hold office for the unexpired term of the directorship in which the vacancy exists.

Section 13. Compensation. The board may authorize each director to receive compensation not exceeding one hundred dollars (\$100.00) for each meeting of the board attended or for each day's service rendered as a director by request of the board, not exceeding six (6) days in any calendar month, together with any expenses incurred in the performance of the duties required by the board of the director.

Section 14. Committees. The board may by resolution designate one or more advisory committees, each consisting of two (2) or more directors, to serve at the pleasure of the board of directors and to advise the board about the District's finances, policies, programs or operations.

Section 15. Representation on Preserve Company Board. Any member of the Board of Directors shall be authorized to be a member of the board of directors of the Preserve Company and/or to represent the District in matters coming before the Preserve Company board of directors. The board may by resolution designate one of its members, from time to time, to sit as a member of the board of directors of the Preserve Company.

## **ARTICLE V – OFFICERS**

Section 1. Number and Term. The officers of the District shall be a President and a Vice President. The president shall preside over meetings of the Board of Directors and the vice president shall serve in the president's absence or inability to serve. A board of directors may create additional offices and elect members to those offices, provide that no member of the board of directors may hold more than one office. The officers to be appointed by the Board of Directors shall be chosen annually at the first regular meeting of the Board of Directors in the calendar year and shall serve at the pleasure of the board of directors. If officers are not chosen at such meeting of the Board of Directors, they shall be chosen as soon thereafter as shall be convenient. Each officer shall hold office until his or her successor shall have been duly chosen or until his removal or resignation.

Section 2. Inability to Act. In the case of absence or inability to act of any officer of the District and of any person herein authorized to act in his or her place, the Board of Directors may from time to time delegate the powers or duties of such officer to any other officer, or any Director or other person whom it may select.

Section 3. Removal and Resignation. Any officer chosen by the Board of Directors may be removed at any time, with or without cause, by the affirmative vote of a majority of all the members of the board of directors.

Any officer chosen by the Board of Directors may resign at any time by giving written notice of said resignation of the District. Unless a different time is specified therein, such resignation shall be effective upon its receipt by the President, the Secretary or the Board of Directors.

Section 4. Vacancies. A vacancy in any office because of any cause may be filled by the board of directors of the unexpired portion of the term.

Section 5. Other Positions. A Director shall not be the general manager, the district treasurer or a compensated employee of the district.

Section 6. President. The president shall be a Director and shall preside at all meetings of the Board of Directors and shall perform all such other duties as are incident to such office or are properly required by the board of directors, shall make reports to the board of directors, and shall perform all such other duties as are incident to such office or are properly required by the Board of Directors.

Section 7. Vice President. The vice president shall be a Director. In the absence of the president, or in the event of such officers death, disability or refusal to act, the vice president shall perform the duties of the president, and when so acting, shall have all the powers and be subject to all restrictions upon the president. A vice president shall have such powers and discharge such duties as may be assigned from time to time by the president or by the board of directors.

Section 8. General Manager. The Board of Directors shall appoint a general manager who shall serve at the pleasure of the Board of Directors. The Board of Directors shall set the compensation for the general manager. The general manager, who shall not be a director, shall be the chief administrative officer of the District, subject to the control of the Board of Directors, and as such, be responsible for all of the following:

- (a) Implementation of policies established by the Board of Directors for the operation of the District;
- (b) The appointment supervision, discipline and dismissal of the District's employees (if any) consistent with the employee relations system established by the Board of Directors; and
- (c) Supervision and management of the District's facilities and services; and
- (d) Supervision of the District's finances.

The general manager shall have general supervision of the affairs of the District, shall make reports to the Board of Directors, and shall perform all such other duties as are incident to such office or are properly required by the Board of Directors. The general manager may also serve as the Secretary of the District.

Section 9. Secretary. The Secretary, who shall not be a director, shall see that notices for all meetings are given in accordance with the provisions of these Bylaws, and as required by law, shall keep minutes of all meetings, and shall make such reports and perform such other duties as are incident to such officer, or are properly required by the president or by the Board of Directors. The Secretary may also serve as the general manager.

Section 10. Treasurer. The treasurer shall have custody of all moneys and securities of the District and shall keep regular books of account. Such officer shall disburse the funds of the District in payment of the trust demands against the District or as may be ordered by the Board of Directors, taken proper vouchers for such disbursements, and shall render to the Board of Directors quarterly or more frequently written reports as to the receipts and disbursements and balances in the several accounts under his or her control, which errors shall be signed by he treasurer and filed with the general manager. The Treasurer shall perform all duties incident to such office or which are properly required by the president or by the Board of Directors.

Section 11. Compensation. The compensation for the general manager and the treasurer shall be fixed from time to time by the Board of Directors.

Section 12. Term of Office. With the exception of the President, who shall serve for a term of one year, all officers shall serve at the pleasure of the board.

Section 13. Faithful Performance Bonds. The General Manager and other employee or assistants of the District required to do so by the Board shall each give a bond to the District conditioned for the faithful performance of his or her duties as the Board may provide.

## ARTICLE VI – MISCELLANEOUS

Section 1. Definitions. Unless the context otherwise require words contained in these Bylaws shall have the meanings set forth in Title 6, Division 3, Chapter 2 of the Government Code.

Section 2. Execution of Ordinances. All ordinances of the District shall be signed by the President and attested by the Secretary.

Section 3. Enacting Clause. The form of enacting clause of all ordinances passed by the Board shall be: “Be it ordained by the Board of Directors of the Santa Lucia Community Services District as follows:”

Section 4. Warrants. Warrants shall be drawn by the Treasurer and signed by the President, Secretary or one of them and one member of the Board.

Section 5. Fiscal Year. The fiscal year of the District shall begin on July 1 and end on June 30.

Section 6. Amendments. These Bylaws may be adopted, amended or repealed by the majority vote of the Board of Directors subject to the provisions of Title 6, Division 3 of the Government Code. In order to allow the Preserve Company to respond appropriately, any amendment or repeal of Article II sections 3(a), 3(b), 3(c) or Article IV section 15 and related to withdrawal of the District from participation in the Preserve Company shall not be effective unless first preceded by a 180 day notice to the Preserve Company of such proposed action to amend or repeal.

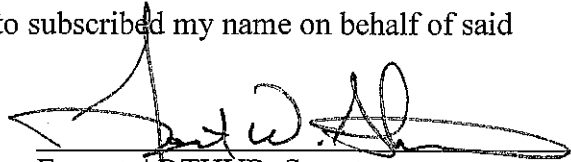


**CERTIFICATE OF SECRETARY**

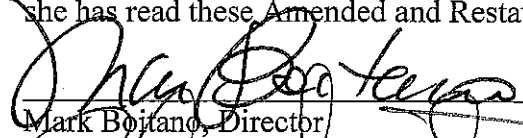
I, the undersigned, do hereby certify:

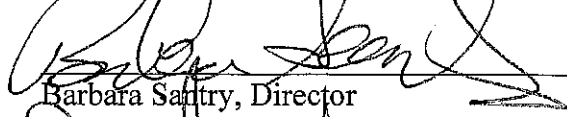
1. That I a the duly elected and acting Secretary of the SANTA LUCIA COMMUNITY SERVICES DISTRICT; and
2. That the foregoing Bylaws, comprised of eight pages, excluding the instant page, constitute the Amended and Restated Bylaws of said District as duly adopted by the Board of Directors on January 31, 2017.

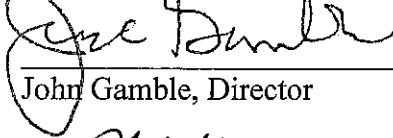
IN WITNESS WHEREOF, I have hereunto subscribed my name on behalf of said District this 31 day of January, 2017.


  
Forrest ARTHUR, Secretary

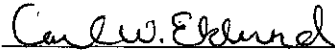
The undersigned Directors of the Santa Lucia Community Services District acknowledge receipt of a copy of these Amended and Restated Bylaws and expressly agrees that he or she has read these Amended and Restated Bylaws and understands the provisions hereof.

  
\_\_\_\_\_  
Mark Boitano, Director

  
\_\_\_\_\_  
Barbara Santry, Director

  
\_\_\_\_\_  
John Gamble, Director

  
\_\_\_\_\_  
David Maddox, Director

  
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Carl Eklund, Director