

## **BYLAWS**

of

### **ATASCADERO CREEK GREEN VALLEY CREEK WATERSHED COUNCIL, a California Nonprofit Unincorporated Association**

#### **ARTICLE 1**

##### **Purpose**

The purpose of the Atascadero Creek Green Valley Creek Watershed Council (the "Council") is to bring together the people who live, own property or work in the watershed of Atascadero Creek and Green Valley Creek in Sonoma County, California (the "Watershed"), to help each other in taking responsibility for our impact on the Watershed through protection, restoration and education.

#### **ARTICLE 2**

##### **Construction and Definitions**

Unless the context requires otherwise, the general provisions, rules of construction and definitions in the California Nonprofit Corporation Law shall govern the construction of these bylaws, notwithstanding the fact that the Council is not a corporation.

#### **ARTICLE 3**

##### **Members**

Section 3.1 Eligibility. Any person who lives, works or owns property in the Watershed shall be eligible for membership in the Council. Any person who does not live, work or own property in the Watershed but has an interest in the Watershed shall be eligible for membership in the Council if such person is sponsored by any two members of the Council.

Section 3.2 One Class. The Council shall have one class of members and each member shall hold one membership interest in the Council.

Section 3.3 Dues. An eligible person shall become a member of the Council by the payment of such dues as may be set from time to time by the board of directors. The dues shall be initially ten dollars (\$10) per fiscal year, and any prospective member who for financial reasons requests a waiver of dues shall be granted such a waiver. The fiscal year of the Council shall begin on July 1 and end on June 30 and there shall be no proration of dues for someone who is a member of the Council for only a portion of a fiscal year; provided, however, if a person first becomes a member during the first six months of a calendar year, the payment of one year's dues by such person shall satisfy

the dues obligation of such person for such partial fiscal year and for the immediately following full fiscal year.

Section 3.4 Nonliability of Members. A member of the Council is not, as such, personally liable for the debts, liabilities, or obligations of the Council.

Section 3.5 Nontransferability of Memberships. No member may transfer a membership or any right arising therefrom. All rights of membership cease upon the member's death or termination of membership as set forth in Article 11 below.

Section 3.6 Meetings. Members shall act by meetings or by ballot, as set forth in Article 10 below.

#### **ARTICLE 4** **Board of Directors**

The Council's activities and affairs, and all powers, shall be exercised by or under the direction of a board of directors. The board may delegate the management of the activities of the Council to any person or persons, or committee however composed, provided that the activities and affairs of the Council shall be managed and all powers shall be exercised under the ultimate direction of the board. The board of directors shall have the power:

To appoint and remove at its pleasure any or all of the officers, agents and employees of the Council, prescribe such duties for them as may not be inconsistent with law and these bylaws and fix their compensation, if any; and

To conduct, manage and control the affairs of the Council and to make such rules and regulations therefor, not inconsistent with law and these bylaws, as they may deem best.

#### **ARTICLE 5** **Directors**

Section 5.1 Number. The board of directors shall consist of at least three but no more than nine directors unless changed by amendment to these bylaws. The number of directors initially shall be five. The number of directors may from time to time be changed, within those limits, by a resolution adopted by the board.

Section 5.2 Eligibility. To serve as a director of the Council, an individual must be a member of the Council.

Section 5.3 Non-Liability of Directors. The directors shall not, as such, be personally liable for the debts, liabilities, or obligations of the Council.

Section 5.4 Indemnification by Council of Directors, Officers, Employees and Other Agents. To the extent that a person who is, or was, a director, officer, employee

or other agent of the Council has been successful on the merits in defense of any civil, criminal, administrative or investigative proceeding brought to procure a judgment against such person by reason of the fact that he or she is, or was, an agent of the Council, or has been successful in defense of any claim, issue or matter, therein, such person shall be indemnified against expenses actually and reasonably incurred by the person in connection with such proceeding. If such person either settles any such claim or sustains a judgment against him or her, then indemnification against expenses, judgments, fines, settlements and other amounts reasonably incurred in connection with such proceedings shall be provided by the Council to the extent allowed by, and in accordance with, California law.

Section 5.5 Insurance for Corporate Agents. The board of directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the Council (including a director, officer, employee or other agent of the Council) against any liability other than for violating provisions of law relating to self-dealing.

Section 5.6 Reimbursement. Directors shall serve without compensation but shall be entitled to reimbursement for expenses incurred in the performance of their duties.

## **ARTICLE 6** **Election of Directors**

Section 6.1 Nomination. A member may nominate any member, including himself or herself, for the position of director. A person nominated must indicate a willingness to serve as a director before his or her name will be placed in contention.

Section 6.2 Term. The directors shall be elected by the members at the annual meeting of the members. A director's term of office shall begin immediately after election and shall continue for one year after the election or until his or her successor is elected. Certain provisions for the election of directors are set forth in Article 10.

## **ARTICLE 7** **Changes in Directors**

Section 7.1 Vacancy. A vacancy or vacancies on the board of directors shall occur in the event of (a) the death, removal, or resignation of any director, (b) an increase in the authorized number of directors, (c) a failure of the members, at any meeting at which any director or directors are to be elected, to elect the number of directors required to be elected at that meeting, or (d) the declaration by board resolution that a director has failed or ceases to meet the required qualifications for a director of the Council.

Section 7.2 Resignation. Any director may resign by giving written notice to the president, the secretary or the board of directors. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become

effective. If a director's resignation is effective at a later time, the board may appoint a successor to take office as of the date when the resignation becomes effective.

Section 7.3 Removal. All directors are expected to attend all board meetings held, and the board of directors may remove a director who in any twelve-month period fails to attend seventy percent or more of the board meetings held during such period. Any director may be removed, for any reason or for no reason, by the vote of the majority of the members at a special meeting called for that purpose or by a majority vote of all ballots cast in a special ballot.

Section 7.4 Filling Vacancies. Vacancies on the board may be filled by approval of the board or, if the number of directors then in office is less than a quorum, by the unanimous written consent of the directors then in office.

## **ARTICLE 8**

### **Meetings of Directors**

Section 8.1 Meetings. All meetings of the board of directors shall be held at such place that has been designated by resolution of the board or in the notice of the meeting. It is anticipated that the board will meet approximately once each month, and not less than ten times each year. Meetings of the board shall be open to attendance by any member of the Council, but the board may convene in private session, at which only directors may be present, to consider and vote upon any matter.

Section 8.2 Appointment of Officers. Immediately after each annual meeting of the members, the board shall hold a general meeting for purposes of organization, appointment of officers and transaction of other business. Notice of this meeting is not required.

Section 8.3 Special Meeting. Special meetings of the board of directors may be called at any time by the president, the secretary or any two directors. Notice of special meetings of the board of directors, duly called, shall be served on each of the directors by delivering a notice thereof by: (a) personal delivery of written notice; (b) first-class mail, postage prepaid; (c) telephone, including a voice message system or other system or technology designed to record and communicate messages; (d) facsimile; (e) electronic mail; or (f) other electronic means. All such notices shall be given or sent to the director's address or telephone number as shown on the Council's records. Notices sent by first-class mail shall be deposited in the United States mail at least ten (10) days before the time set for the meeting. Notices given by personal delivery, telephone, or electronic mail shall be delivered, telephoned, or sent, respectively, at least forty-eight (48) hours before the time set for the meeting. The notice shall state the time of the meeting and the place. The notice need not specify the purpose of the meeting.

Section 8.4 Quorum. A majority of the authorized number of directors (but not less than three directors) shall constitute a quorum for the transaction of any business except adjournment. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of some directors, if any action taken or decision made is approved by at least a majority of the required quorum for that

meeting. Directors may participate in any meeting of the Board through use of conference telephone or similar communications equipment, so long as all members participating in the meeting can hear one another. Such participation constitutes presence in person at the meeting.

Section 8.5 Notice. Notice of a meeting need not be given to any director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. All such waivers, consents, and approvals shall be filed with the Council records or made a part of the minutes of the meeting. Notice of a meeting need not be given to any director who attends the meeting and who, before or at the beginning of the meeting, does not protest the lack of notice to him or her.

Section 8.6 Adjournment. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given unless the original meeting is adjourned for more than twenty-four (24) hours. If the original meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time and place shall be given, before the time of the adjourned meeting, to the directors who were not present at the time of the adjournment.

Section 8.7 Unanimous Written Consent. Any action that the board is required or permitted to take may be taken without a meeting if all board members consent in writing to the action. All such consents shall be filed with the minutes of the proceedings of the board.

Section 8.8 Committees. The board, by resolution adopted by a majority of the directors then in office, may create one or more committees, each consisting of one or more directors, to serve at the pleasure of the board. Appointments to committees of the board shall be by majority vote of the directors then in office. The board may appoint one or more directors as alternate members of any such committee, who may replace any absent member at any meeting of the committee. Any such committee shall have all the authority of the board, to the extent provided in the board resolution.

## **ARTICLE 9** **Officers**

Section 9.1 Officers. The officers of the Council shall consist of a president, a secretary, a treasurer, a list serve moderator and web master, who shall be appointed by the board of directors. The board may from time to time create such other offices as they may deem advisable and appoint the incumbents thereof. Any number of offices may be held by the same person except that the president and treasurer shall not be the same person. An officer may be, but need not be, a director of the Council, except that the person who is appointed president shall be a director.

Section 9.2 Execution of Documents. Any two officers may execute on behalf of the Council all documents, papers and instruments that may require the same, unless the board of directors shall otherwise direct.

Section 9.3 Removal. The board may remove any officer with or without cause. Any officer may resign at any time by giving written notice to the board. Any resignation shall take effect, at the option of the board, on the date the notice is received or at any later time specified in the notice. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled by the board.

Section 9.4 President. The president shall preside at all meetings of the board of directors and of the members, and shall exercise general supervision over the affairs of the Council and shall have such other powers and duties as are prescribed by law, by these bylaws, or by the board.

Section 9.5 Secretary. The secretary shall keep a full and complete record of the proceedings of the board of directors and shall discharge such other duties as pertain to the office or are prescribed by law, by these bylaws, or by the board. In the absence of the president from any meeting, the secretary shall call the meeting to order, and preside at the meeting.

Section 9.6 Treasurer. The treasurer of the Council shall have such powers and duties as are prescribed by law, by these bylaws, or by the board. In addition, the treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Council's assets and transactions, and to send or cause to be given to the members and directors such financial statements and reports as are required to be given by law, by these bylaws, or by the board. The books of account shall be open to inspection by any director at all reasonable times. The treasurer shall also: (i) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Council with such depositories as the board may designate; (ii) disburse the Council's funds as the board may order; (iii) render to the president and the board, when requested, an account of all transactions as chief financial officer and of the financial condition of the Council; and (iv) have such other powers and perform such other duties as the board or these bylaws may require.

Section 9.7 List Serve Moderator. The list serve moderator shall maintain all list serves established by the Council from time to time (the "Council List Serve"), including the Yahoo Group known as "The Atascadero Creek/Green Valley Creek" or the "agy-watershed council." In addition, the list serve moderator shall, in consultation with the board, develop and promulgate standards for use of the Council List Serve.

Section 9.8 Web Master. The web master shall maintain the web sites of the Council.

## **ARTICLE 10** **Meetings of Members**

Section 10.1 Place of Meetings. Meetings of members shall be held at a location to be determined by the board of directors. All members will be given written notice of the meeting.

Section 10.2 Annual and Other Regular Meetings. The members shall meet annually in July in each year, for the purpose of electing directors and transacting other business as may come before the meeting. Each voting member shall be entitled to one vote, except that in voting on the election of directors, each member shall be entitled to vote for as many nominees for director as there are director positions to be filled, and the nominees receiving the highest number of votes up to the number of directors to be elected shall be elected. Voting may be either voice or ballot. The annual meeting of members for the purpose of electing directors shall be deemed a regular meeting and any reference in these bylaws to regular meetings of members refers to this annual meeting.

Section 10.3 Special Meetings of Members. Special meetings of the members shall be called by the board of directors. In addition, special meetings of the members for any lawful purpose may be called by ten percent or more of the members but not less than five members.

Section 10.4 Notice of Meetings.

(a) Time of Notice. Whenever members are required or permitted to take action at a meeting, a notice of the meeting including the date, place, and time of meeting, shall be given via either mail, email, FAX or phone at least five days prior to the meeting date.

(b) Notice of Meetings Called by Members. If a special meeting is called by members as authorized by these Bylaws, the request for the meeting shall be submitted in writing via either mail, email, or FAX to the president or secretary of the Council. The officer receiving the request shall promptly cause notice to be given to the members entitled to vote that a meeting will be held, stating the date of the meeting. The date for such meeting shall be fixed by the Board and shall not be less than ten (10) nor more than ninety (90) days after the receipt of the request for the meeting by the officer. If the notice is not given within twenty (20) days after the receipt of the request, persons calling the meeting may give the notice themselves.

(c) Waiver of Notice of Meetings. The transactions of any meeting of members, however called and noticed, and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each of the persons entitled to vote, not present in person or by proxy, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the Council records or made a part of the minutes of the meeting. Waiver of notices or consents need not specify either the business to be transacted or the purpose of any regular or special meeting of members, except that if action is taken or proposed to be taken for approval of any of the matters specified in subparagraph (d) of this section, the waiver of notice or consent shall state the general nature of the proposal.

(d) Special Notice Rules for Approving Certain Proposals. If action is proposed to be taken or is taken with respect to the following proposals, such action shall be invalid unless unanimously approved by those entitled to vote or unless the

general nature of the proposal is stated in the notice of meeting or in any written waiver of notice:

1. Removal of directors without cause;
2. Filling of vacancies on the Board by members;
3. Amending the Bylaws; and
4. An election to voluntarily wind up and dissolve the Council.

Section 10.5 Quorum For Meetings. A quorum shall consist of no less than twenty percent (20%) of the members of the Council.

The members present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of members from the meeting provided that any action taken after the loss of a quorum must be approved by at least a majority of the members required to constitute a quorum.

In the absence of a quorum, any meeting of the members may be adjourned from time to time by the vote of a majority of the votes represented in person or by proxy at the meeting, but no other business shall be transacted at such meeting.

When a meeting is adjourned for lack of a sufficient number of members at the meeting or otherwise, it shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted at such meeting other than by announcement at the meeting at which the adjournment is taken of the time and place of the adjourned meeting. However, if after the adjournment a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each member who, on the record date for notice of the meeting, is entitled to vote at the meeting. A meeting shall not be adjourned for more than forty-five (45) days.

Section 10.6 Majority Action as Membership Action. Every act or decision done or made by a majority of members present in person or by proxy at a duly held meeting at which a quorum is present is the act of the members, unless the law or these bylaws require a greater number.

Section 10.7 Voting Rights. Each member is entitled to one vote on each matter submitted to a vote by the members. Voting at meetings shall be by voice vote, show of hands, or ballot.

Section 10.8 Conduct of Meetings. Meetings of members shall be presided over by the president or secretary of the Council or, in the absence of these persons, by a chairperson chosen by a majority of the members. The secretary of the Council shall act as secretary of all meetings of members, provided that, in his or her absence, the presiding officer shall appoint another person to act as secretary of the meeting.

Meetings shall be governed by Roberts Rules of Order as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with these Bylaws or with any provision of law.

Section 10.9 Action by Written Ballot Without a Meeting. Any action which may be taken at any regular or special meeting of members may be taken without a meeting if the Council sends an email message or otherwise distributes a written ballot to each member. The message or ballot (hereinafter the term "ballot" shall refer to either a written ballot or an email message and the reply thereto, as the context requires) shall set forth the proposed action, provide an opportunity to specify approval or disapproval of each proposal, provide that where the person solicited specifies a choice with respect to any such proposal the vote shall be cast in accordance therewith, and provide a reasonable time within which to reply or return the ballot to the secretary of the Council.

All ballots shall also indicate the number of responses needed to meet the quorum requirement and, except for ballots soliciting votes for the election of directors, shall state the percentage of approvals necessary to pass the measure submitted. The ballots must specify the time by which they must be received by the Council in order to be counted. A ballot may not be revoked after its receipt by the Council.

Approval of action by ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the action at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

Directors may be elected by ballot. Such ballots for the election of directors shall list the persons nominated at the time the ballots are mailed or delivered. If any such ballots are marked "withhold" or otherwise marked in a manner indicating that the authority to vote for the election of directors is withheld, they shall not be counted as votes either for or against the election of a director.

Section 10.10 Reasonable Nomination and Election Procedures. The Council shall make available to members reasonable nomination and election procedures with respect to the election of directors by members. Such procedures shall be reasonable given the nature, size and operations of the Council, and shall include:

- (a) A reasonable means of nominating persons for election as directors.
- (b) A reasonable opportunity for a nominee to communicate to the members the nominee's qualifications and the reasons for the nominee's candidacy.
- (c) A reasonable opportunity for all nominees to solicit votes.
- (d) A reasonable opportunity for all members to choose among the nominees.

## **ARTICLE 11**

### **Termination of Membership**

11.1 Grounds for Termination. The membership of a member shall terminate upon the occurrence of any of the following events:

(1) Upon his or her notice of such termination delivered to the president or secretary of the Council personally or by mail, such membership to terminate upon the date of delivery of the notice or date of deposit in the mail.

(2) Upon a determination by the board of directors that the member has engaged in conduct materially and seriously prejudicial to the interests or purposes of the Council.

11.2 Procedure for Expulsion. Following the determination that a member should be expelled under Section 11.1, subparagraph (2), the following procedure shall be implemented:

(1) A notice shall be sent by first-class or registered mail or email to the last address of the member as shown on the Council's records, setting forth the expulsion and the reasons therefor. Such notice shall be sent at least fifteen (15) days before the proposed effective date of the expulsion.

(2) The member being expelled shall be given an opportunity to be heard, either orally or in writing, at a hearing to be held not less than five (5) days before the effective date of the proposed expulsion. The hearing will be held by the board of directors in accordance with the quorum and voting rules set forth in these bylaws applicable to the meetings of the board. The notice to the member of his or her proposed expulsion shall state the date, time, and place of the hearing on his or her proposed expulsion.

(3) Following the hearing, the board of directors shall decide whether or not the member should in fact be expelled, suspended, or sanctioned in some other way. The decision of the board shall be final.

## **ARTICLE 12** **Indemnification**

Section 12.1 Indemnification. To the fullest extent permitted by law, this Council shall indemnify its directors, officers, employees, and persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in Section 7237 of the California Nonprofit Mutual Benefit Law, and including an action by or in the right of the Council, by reason of the fact that the person is or was a person described in that section. "Expenses" as used in this bylaw shall have the same meaning as in that section of the California Nonprofit Mutual Benefit Corporation Law.

Section 12.2 Standard of Conduct. On written notice to the board by any person seeking indemnification under Corporations Code Section 7237(b) or Section 7237(c), the board shall promptly decide under Corporations Code Section 7237(e) whether the

applicable standard of conduct set forth in Corporations Code Section 7237(b) or Section 7237(c) has been met and, if so, the board shall authorize indemnification. If the board cannot authorize indemnification because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, the board shall promptly call a meeting of members. At that meeting, the members shall determine under Corporations Code Section 7237(e) whether the applicable standard of conduct has been met and, if so, the members present at the meeting in person or by proxy shall authorize indemnification.

Section 12.3 Advancing of Expenses. To the fullest extent permitted by law and except as otherwise determined by the board in a specific instance, expenses incurred by a person seeking indemnification under Sections 12.1 and 12.2 of this Article 12 in defending any proceeding covered by those Sections shall be advanced by the Council before final disposition of the proceeding, on receipt by the Council of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately found that the person is entitled to be indemnified by the Council for those expenses.

### **ARTICLE 13** **Adoption and Amendment**

Section 13.1 Adoption. Notwithstanding the provisions of Article 10 hereof, these bylaws shall be submitted to those persons who are now participants on the Council List Serve and who are members of the Council for approval or rejection, and these bylaws shall become the bylaws of the Council if a majority of such participants who respond approve thereof.

Section 13.2 Amendment. After approval, these bylaws may be amended, altered or repealed by the board of directors unless the action would modify or delete the right of members to vote as otherwise set forth in these bylaws or effect the following, in which case such amendment requires the approval of the members:

- (a) change the maximum or minimum number of directors, or change the board from a variable number to a fixed;
- (b) increase or decrease the term of a director beyond or less than that for which the director was elected;
- (c) increase the percentage of members required to constitute a quorum;
- (d) repeal, restrict, create or expand proxy rights; or
- (e) materially and adversely affect the rights of members as to voting, dissolution, redemption or transfer.

**CERTIFICATE OF SECRETARY**

I certify that I am the duly elected and acting secretary of Atascadero Creek Green Valley Creek Watershed Council, a California nonprofit unincorporated association; that these bylaws, consisting of \_\_\_\_\_ pages, are the bylaws of this Council as adopted by the members on \_\_\_\_\_, 2006; and that these bylaws have not been amended or modified since that date.

Executed on \_\_\_\_\_, 2006, in Sonoma County, California.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Secretary