

**BYLAWS OF THE PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS**

1. SCOPE OF BYLAWS.....	2
2. DISTRICT CONTROL.....	2
3. DIRECTORS.....	2
4. MEETINGS.....	5
5. BOARD OFFICERS	7
6. BOARD STANDING AND AD HOC COMMITTEES.....	8
7. DISTRICT GENERAL MANAGER.....	8
8. INDEMNIFICATION.....	9
9. SURPLUS OF REVENUE	9
10. GENERAL PROVISIONS.....	9

RECITALS

WHEREAS, the Pajaro/Sunny Mesa Community Services District (hereafter "District"), was organized on or about March 3, 1992, by Resolution No. 92-83 of the Monterey County Board of Supervisors (hereafter "Resolution 92-83) upon Dissolution of County Service Area No. 73 (Bay Farms/Hillcrest), the Sunny Mesa County Water District and the Pajaro Community Services District to be effective January 1, 1992, and

WHEREAS, Resolution 92-83 provides that the District, shall be organized and operated pursuant to the California Community Services District Law, California Government Code § 61000 and following (Community Services District Law)¹.

WHEREAS, Resolution 92-83 provides that the reason for the reorganization was to provide cost-effective service delivery in the Pajaro community, including the provision of lighting service; water for domestic use, irrigation, sanitation, industrial use, fire protection, and recreation; and the operation and maintenance of public parks, playgrounds, golf courses, swimming pools, or recreation buildings, and

WHEREAS, Resolution 92-83 provides that the District's Board of Directors shall consist of five members appointed by the Monterey County Board of Supervisors, and

WHEREAS, the District is authorized by Resolution 92-83 to exercise the following powers and all other powers incidental to the following powers:

- 1) To provide lighting service.
- 2) To supply the inhabitants of the District with water for domestic use,

¹ All section numbers shall be references only to the California Government Code unless specifically excepted.

irrigation, sanitation, industrial use, fire protection, and recreation.

- 3) To purchase, own, operate, and maintain public parks, including, but not limited to, aquatic parks and recreational harbors, playgrounds, golf courses, swimming pools, or recreation buildings.

NOW THEREFORE, good cause appearing, the Board of Directors of the Pajaro/Sunny Mesa Community Services District does adopt the following bylaws

BYLAWS

1. SCOPE OF BYLAWS

This document shall be known as the District Board Bylaws, and shall, upon adoption by the Board, govern the Pajaro/Sunny Mesa Community Services District, and its Board.

2. DISTRICT CONTROL

The title, direction, and control of all District property shall be vested in the District. The District's Board of Directors ("Board") shall establish the policies for the operation of the District. The Board, by the signatures of the President and the Secretary upon authorization by Board resolution, shall be the only proper authority for the purchase or sale of property, or for the investment or other disposal of funds which are subject to the control of the District.

The General Manager shall take direction and instruction from the Board, as a body, when it is sitting in a duly convened meeting. Individual Board members should refrain from giving direct orders or instructions to the General Manager or any subordinates of the General Manager.

It is the intent of the Board to establish a system of policies adopted by resolution or ordinance. The Board shall maintain an all-inclusive list of the Board's current adopted policies. The all-inclusive list shall serve as a resource for directors, staff, and members of the public in determining the way matters of District business will be conducted.

If any policy or portion of a policy in conflict with regulations, statutes or laws governing the District, said regulations, statutes, or laws shall prevail.

3. DIRECTORS

3.1 QUALIFICATION AND NUMBER

The Board shall consist of five (5) members, each of whom shall be a registered voter residing in the District. Members shall be appointed by the Monterey County Board of Supervisors. Board member terms of office shall comply with Resolution 92-83 and the Community Services District Law.

3.2 DIRECTOR DUTIES

Board of Director duties include, but are not limited to:

- a. Attending Board meetings.
- b. Attending meetings of committees to which the Board member is assigned.
- c. Fulfilling the duties of any Board office held by a member.
- d. Appointment, oversight, and evaluation of the General Manager in all matters concerning the operation of the District.
- e. Approve or reject contracts as appropriate.
- f. Communicating community input to the Board.
- g. Establish goals and policies for the efficient and effective operation of the District.
- h. Representing the District accurately in public forums communicating either individually as a member of the Board or, communicating the Board's position if the Board has adopted a position by Board motion or resolution.
- i. Adopting policies for the operation of the District, including, but not limited to, administrative, fiscal, reimbursement, personnel, and purchasing policies.
- j. Appointment, oversight and evaluation of a District Counsel to handle matters concerning the legal interests of the District
- k. Monitoring the District's progress in attaining its goals and objectives.
- l. To represent the District to interested individuals in the public and to other organizations as requested.
- m. Remaining politically active on behalf of the District and its interests and needs.
- n. Learning enough details about District management and services so that the member can effectively understand and ask questions about reports of the General Manager, District administrative staff, consultants and professionals, and evaluate responses.
- o. Monitor the fiscal management of the District, including the adoption of an annual budget and oversight of expenditures to ensure that spending practices and procedures are within statutory requirements. The Board shall also investigate other revenue sources as may be appropriate.
- p. Accepting and fulfilling reasonable assignments from the Board or Board president.
- q. Periodically evaluate long-range plans for the District including evaluating land acquisition, capital improvements and major equipment purchases as may be necessary or appropriate to meet growth and/or future District obligations.

3.3 ATTENDANCE AND DUTIES

Directors shall attend all meetings of the Board, except for absences excused by the Board by motion for good cause. A Board member absent for good cause shall notify the President by electronic transmission, telephone communication, or letter before any

meeting. The President shall notify the General Manager and the Board of all absences. Board meeting minutes shall indicate whether an absence was excused by the Board for good cause.

The Board by resolution may, if a Board member is absent without good cause from three (3) or more consecutive meetings or more than four (4) meetings during any calendar year, declare a vacancy on the Board and send a copy of such resolution to the Monterey County Board of Supervisors. The Board has no authority to remove a member due to absences.

The Board may by motion declare a Board officer's position vacant for failure to perform the duties of their office or for malfeasance in office.

3.4 VOTING

A roll call vote shall be taken for all items considered by the Board and shall be entered in the minutes of the Board, showing those Directors voting aye, those voting no, those not voting because of a conflict of interest and those absent. Unless a Board member states that they are not voting on an item because of a conflict of interest, and explains the conflict, their silence or abstention shall be deemed and recorded as an affirmative vote.

3.5 BOARD OF DIRECTORS COMPENSATION

Compensation for Board members shall be set by Board Resolution, and shall conform to applicable law; provided, however, that each Board member shall be allowed actual and necessary travel and incidental expenses incurred in the performance of the official business of the District as approved by the Board and supported by verifiable documentation. Reimbursement shall be reported as required by AB1234². The Board shall adopt a reimbursement policy as required by subdivision (b) of California Government Code 53232.2

3.6 AUTHORITY OF DIRECTORS

The Board of Directors is the unit of authority within District. Apart from their normal function as a part of the Board, Board members have no individual authority. As individuals, Board members may not commit the District to any policy, act or expenditure.

At any time, the Board may appoint, employ, fix the compensation of, and prescribe the authorities and duties of the officers, employees, attorneys, engineers, or independent contractors necessary for the business of the District.

3.7 DISTRICT CONFLICTS OF INTEREST

No Board member shall realize economic gain or incur loss from action of the Board or inaction of matters before the Board. Board members shall comply with the Board's adopted Conflict of Interest Code³; the Political Reform Act of 1974 (§§ 81000 et seq);

² Chapter 700, Statutes of 2005, California Government Code § 53232 et seq

³ 2 CCR 18104 et seq; 2 CCR 18351 FPPC Model Conflict of Interest Code

and as required by the regulations of the Fair Political Practices Commission (Title 2, Division 6, of the California Code of Regulations, 2 CCR 18700 et seq.) The Board shall review and, by resolution, re-adopt a Conflict of Interest Code in even numbered years as required by the California Political Reform Act.

4. MEETINGS

4.1 MEETINGS SHALL BE OPEN TO THE PUBLIC

All meetings of the Board and any standing committees, whether regular, special, emergency, or adjourned, shall be open to the public unless otherwise allowed by law. The Board shall always comply with the Ralph M. Brown Act⁴.

4.2 AGENDA POSTING ON DISTRICT WEB SITE

A copy of each meeting Agenda shall be posted on the District's primary internet web site homepage and accessible through a prominent, direct link to the District's current agenda⁵.

4.3 REGULAR, SPECIAL, EMERGENCY OR ADJOURNED MEETINGS

Regular and special meetings of the Board shall be held within District boundaries except as provided in Subdivision (b) of § 54954.

1. Regular Meetings

Regular meetings are meetings occurring on the fourth Thursday of every month, unless cancelled at the District's business office at the time set annually in February by Board resolution and are subject to 72-hour Ralph M. Brown Act posting requirements⁶

2. Special Meetings

Special meetings are meetings that may be called by the Board President or majority (3) members of the Board to discuss only those items on the agenda under the notice requirements for special meetings of § 54956. The notice of the special meeting and the conduct of the meeting shall comply with § 54956.

Written notice of a special meeting shall be sent to, and received by, each member of the Board (unless waived in writing by that member) and to each local newspaper of general circulation, and radio or television station which has requested such notice in writing. The Notice shall state the time and place of the meeting, and all business to be transacted or discussed. The Notice shall be posted at least 24 hours before the special meeting in a site freely accessible to the public. Notices to media shall be delivered by personal delivery or any other means which ensures receipt, at least 24 hours before the time of the meeting. The Board shall only consider business in the Notice.

⁴ California Government Code § 54950 et seq

⁵ Subdivision (a)(2)(A) of California Government Code § 54954.2.

⁶ Subdivision (a) of California Government Code § 54954.

3. Emergency meetings

Emergency meetings are meetings held when prompt action is needed due to actual or threatened disruption of public facilities and are held on little notice. Emergency shall be only those identified in § 54956. All special meeting requirements of subdivision (b) of § 54954.2 shall apply to emergency meetings for the 24-hour notice requirement. The minutes of emergency meetings together with a list of persons who the Board President or designee notified or attempted to notify, a copy of the rollcall vote, and any actions taken at the meeting shall be posted for a minimum of 10 days in a public place as soon after the meeting as possible.

4. Adjourned meetings

Adjourned meetings are continuations of regular or special meetings that have not been completed and so been suspended by Board action to a later time and place or re-suspended to a later time and place specified in the order of adjournment. No new agenda shall be required for regular meetings adjourned for less than five calendar days if no additional business is transacted⁷.

4.4 QUORUM

A quorum is three (3) or more members. If a quorum does not arrive within fifteen (15) minutes of the time the meeting has been scheduled to start, it shall be determined that a quorum is not present. When there is no quorum for a meeting, the President, Vice President, or any Board member shall adjourn such meeting or, if no Board member is present, the District secretary shall adjourn the meeting.

4.5 MAJORITY VOTE

The Board shall act only by ordinance, resolution, or motion. All Board action by motion, resolution or ordinance shall require the affirmative vote of at least three (3) Board members.

4.6 AGENDAS

The General Manager, in cooperation with the Board President and Vice President, shall prepare an agenda for each meeting of the Board of Directors. An item placed on an agenda in this manner shall only be removed by the General Manager, with consent of the President and Vice President. Any director's request to place an item on the agenda must be approved by the Board President or a majority of the Board members acting in open session.

4.7 MINUTES

A record of proceedings of all public meetings of the Board shall be kept by the General manager and kept on file in the District business office.

⁷ California Government Code § 54952.2

5. BOARD OFFICERS

5.1 OFFICERS AND DUTIES

There shall be five Board officers: President, Vice-President, Secretary, Assistant Secretary and Treasurer whose duties are as follows:

1. President

The President shall preside over all meetings of the Board and sign as President, jointly with other officers as appropriate, and execute in the name of the District, all contracts, conveyances, and other written instruments authorized by the Board. The President shall have the same rights as the other Directors in voting, introducing motions, resolutions and ordinances, and any discussion of questions that follow said actions. The President shall be the primary liaison between the Board and the General Manager. Generally, the President, or in their absence the Vice President, is the designated representative of the Board of Directors to speak on Board positions or policies. The Board President shall, in writing, give the General Manager and Vice President reasonable notice whenever the President reasonably believes they will be unable to exercise the powers or perform the duties of the President.

2. Vice President

The Vice President shall in the event of death, absence, or other inability of the President, exercise the powers and perform the duties herein given to or imposed upon, the President. If the President and Vice President of the Board are both absent, the remaining directors at a meeting shall select one of themselves to act as the presiding officer of the meeting.

3. Secretary

The Secretary shall see that the General Manager keeps accurate and complete minutes of all meetings, call meetings on order of the President, attend to all correspondence, execute contracts and conveyances and all other written instruments with the President, and perform such other duties as ordinarily pertain to such office.

4. Assistant Secretary

The Assistant Secretary shall in the absence of the Secretary assume the duties of the Secretary.

5. District and Board Treasurers.

The Board shall elect a Board Treasurer. The Board Treasurer shall be charged with confirming adequate and complete records of the financial condition of the District are created and maintained and ensure that audits required by law are conducted. The Treasurer shall also see that adequate funds are properly maintained, protected, and managed. The Board Treasurer shall also be the primary Board liaison with the General Manager and the District's auditor or auditors regarding audits and the District's financial condition and reporting thereof.

5.2 ELECTION OF OFFICERS

The Board shall, at its regular annual February meeting, or at such other regular meeting as the Board may by motion provide, elect officers from its own members.

Officers are elected for a period of one (1) calendar year but shall continue to serve in such office until a successor is elected. No Board member shall serve more than two (2) consecutive one-year terms in the same office.

6. BOARD STANDING AND AD HOC COMMITTEES

No committee shall include in its membership more than two (2) Board members.

STANDING COMMITTEES: Standing committees are those that have continuing subject matter jurisdiction, regularly established meeting schedules and one Board member as chairperson. The General Manager may be an ex-officio member of all standing committees. The Board may, from time to time, establish standing committees, appoint members to a standing committee, and establish the purpose and authority of a standing committee. Any committee member shall serve at the pleasure of the Board. Agendas and records and minutes shall be kept of the proceedings of all standing committee meetings. Agendas and Minutes of Standing Committees shall be placed on the District's website.

AD HOC COMMITTEES: The President may create ad hoc committees consisting of no more than two Board members in accordance with the provisions of the Brown Act from time to time with specific focus and duration. Ad hoc committees shall meet on an as needed basis. The Board President may, from time to time, appoint ad hoc special purpose committees, provided they are limited as to time and purpose. Ad hoc committees may, but are not required, to prepare or post agendas or keep minutes. The duties of the ad hoc committee shall be outlined at the time of appointment, and the committee shall be considered dissolved when its final report has been made.

7. DISTRICT GENERAL MANAGER

The Board may employ a District General Manager. The General Manager is the highest-level management appointee who is directly responsible to the Board for the implementation of the policies established by the Board⁸. The General Manager shall have all the duties set forth in §61051 of the Community District Law. The General Manager shall be responsible for the day-to-day management of the District and the employment of District personnel subject to the Pajaro/Sunny Mesa Community Services District Board Employee Handbook adopted from time to time by Board resolution. The Board shall determine the qualifications of the General Manager.

The Board may assign, refer, or delegate certain powers to the General Manager. No assignment, referral, or delegation of authority by the Board shall preclude the Board from exercising the authority required to meet its responsibilities for operation of the District. The Board shall retain the right to rescind any such delegation.

The General Manager shall be an ex officio member of all standing or ad hoc committees of the Board except where the Board by motion specifically directs

⁸ Subdivision (f) of California Government Code § 61002

otherwise.

The General Manager, and any other employee or assistant of the District, if required to do so by the Board, shall each give a bond to the District conditioned for the performance of their duties as the Board may require. If so required, any and all costs of said bond shall be paid by the District.

8. MEETING ATTENDANCE

The General Manager shall be given notice of and attend all regular, special, emergency and adjourned meetings of the Board, standing and ad hoc committees, unless excused.

9. INDEMNIFICATION

Board Directors and Officers shall be defended and indemnified to the full extent permitted by law against all claims, liabilities and expenses incurred as a result of an action by the Board, except arising out of willful misconduct in the performance of their duties as a Director or Officer.

10. SURPLUS OF REVENUE

10.1 PROFIT OR GAIN

There shall be no profit or pecuniary gain, and no distribution of profits or assets to any person, under any guise whatsoever, nor shall there be any distribution of assets or surpluses to any person on the dissolution of this District.

10.2 DISPOSITION OF SURPLUS OF REVENUE

Should the operation of the District result in a surplus of revenue over expenses, such surplus may be used and dealt with by the Directors as required by the Community Services District Law and these Bylaws.

11. GENERAL PROVISIONS

11.1 PLACE OF BUSINESS

The District's principal place of business shall be 136 San Juan Road, Royal Oaks, California 95076.

11.2 EXECUTION OF CONTRACTS

All contracts for the construction of any unit of work, except as otherwise statutorily provided, shall be in accordance with State law. The Board may authorize any officer or officers, agent or agents, to enter into any contract to execute any contract or execute any instrument in the name of and on behalf of the District. All contracts shall be entered into in accordance with the District's Public Works Ordinance and its Purchasing

Ordinance.

11.3 SEAL

The District shall have a seal and the Board may alter said seal at its pleasure.

11.4 FISCAL YEAR

The fiscal year of the District shall commence on the first day of July of each calendar year and shall end on the last day of June of each succeeding calendar year.

11.5 ANNUAL AUDIT

The District shall be audited annually after the end of each fiscal year by a Certified Public Accountant selected by Board resolution and a written report of such audit and appropriate financial statements submitted to the Board for approval by resolution. The selection of the District Auditor shall comply with Cal Gov Code § 12410.6.

The Board Treasurer shall be the primary Board liaison for communications with the Board Auditor and District Treasurer regarding the annual audit.

The Board may, for good cause, by resolution authorize other audits.

11.6 REVIEW AND AMENDMENT OF BYLAWS

These Bylaws shall be reviewed and revised or readopted at least every two (2) years in the second quarter of odd numbered calendar years. The Bylaws may be also be amended at any properly noticed regular meeting of the Board by a majority of three (3) Board members.

~000~

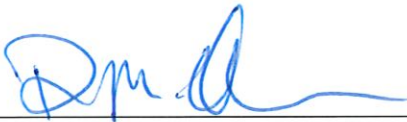
The above revised Bylaws were duly adopted at a regular meeting of the District Board of Directors on April 27, 2023 by the following vote:

AYES: D. Olsen; S. Coplin; C. Miller; D. Chesterman

NOES: None

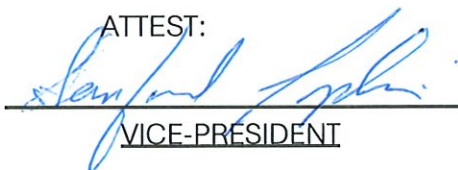
ABSTAIN: None

ABSENT: P. Anderson



PRESIDENT

ATTEST:



VICE-PRESIDENT