

BYLAWS

SALINAS VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY

BOARD OF DIRECTORS

I. PURPOSE AND AUTHORITY.

1.1. Authority. These bylaws are adopted pursuant to the Joint Exercise of Powers Agreement forming the Salinas Valley Basin Groundwater Sustainability Agency (“Agency”), dated December 22, 2016 (Agreement).

1.2. Purpose. The purpose of these bylaws is to establish procedures for the conduct of meetings of the Agency Board of Directors (“Board”), provide for the formation and function of committees, and to provide guidelines for the other activities of the Board.

1.3. Relations between Board and Regional Government Services. The purpose of the Board is to set policy for implementation by Regional Government Services, an independent contractor who is providing certain administrative services to the Agency pursuant to a contract dated _____, 2017. Such services include the provision of a General Manager, who will function as the Agency’s Executive Director as described in the Agreement but not be an employee of the Agency.

1.4. Incorporation of Provisions of the Agreement. Various provisions of the Agreement set forth the powers, duties and procedures of the Board. Those provisions are attached hereto and incorporated herein as Exhibit A for ease of reference. If any inconsistency exists between the provisions of the Agreement and these bylaws, the provisions of the Agreement shall control.

II. DIRECTORS.

2.1. General. The number, manner of appointment, removal, filling of vacancies, and duties of Primary and Alternate Directors are set forth in Article VI of the Agreement. Primary and Alternate Directors are expected to communicate with each other from time-to-time so that the Alternates may participate in Board meetings in an informed manner when called upon to do so. When a Primary Director is present, an Alternate may attend a Board meeting as a member of the public, but may not participate in any Board discussion or vote on a matter.

2.2. Compensation.

(a) Each Director, whether Primary or Alternate, shall receive a stipend for his or her services in the sum of \$100 for each meeting attended by such Director in an official capacity. A meeting for which a stipend will be given may be a regular or special meeting of the Board at which a Director is sitting as a participating member of the Board, a meeting of any committees established by the Board to which a Director is appointed and is attending in a participating capacity, or any meeting at which a Director’s presence is authorized by the Board.

(b) In addition, Directors, whether Primary or Alternate, shall be reimbursed for actual and necessary expenses incurred in the performance of official Agency business when so directed or authorized by the Board, such reimbursement to be consistent with a schedule and

policy adopted by the Board.

2.3. Notice to Directors. Whenever written notice is required by law or these bylaws to be given or delivered to Directors, such notice will be considered effective when the notice is left at the Directors' residence or usual place of business by personal messenger, when the notice is sent to the Director via fax transmittal to the fax number given to the Agency by the Director, when the notice is sent to the Director via electronic mail transmittal to an electronic mail address given to the Agency by the Director, or five days after the notice is deposited in the U.S. mail, first class postage prepaid, properly addressed to the Director.

III. OFFICERS.

3.1. Officers. The officers of the Board shall be the Chairperson and Vice-Chairperson.

3.2. Qualification, Selection, and Term. The Chair and Vice-Chair shall be Primary Directors and elected by the Board at the Board's first meeting in July of each year, and shall serve until June 30 of the succeeding calendar year, or until a successor has been duly elected. Officers may serve consecutive or multiple terms.

3.3. Duties of Chairperson. The Chairperson shall preside at all meetings of the Board. The Chairperson shall execute contracts, correspondence, conveyances, and other written instruments as authorized by the Board, and exercise and perform such other powers and duties as may be assigned by the Board. In the absence of both the Chairperson and Vice-Chairperson, and notwithstanding the appointment of an Alternate Director for the Director Position serving as Vice-Chairperson, the Board shall elect a Chairperson Pro-Tem from the Primary Directors to preside at a meeting; however, the Alternate Director for the Vice-Chairperson may otherwise attend and participate in the meeting as a substitute for the absent Primary Director.

3.4. Duties of Vice-Chairperson. Notwithstanding the appointment of an Alternate Director for the Chairperson, the Vice-Chairperson shall perform the duties of the Chairperson in the absence or disability of the Chairperson; however, the Alternate Director for the Chairperson may otherwise attend and participate in the meeting as a substitute for the absent Primary Director. The Vice-Chairperson shall exercise and perform such other powers and duties as may be assigned by the Board. In the absence of both the Chairperson and Vice-Chairperson, and notwithstanding the appointment of an Alternate Director for the Director Position serving as Vice-Chairperson, the Board shall elect a Chairperson Pro-Tem from the Primary Directors to preside at a meeting; however, the Alternate Director for the Vice-Chairperson may otherwise attend and participate in the meeting as a substitute for the absent Primary Director.

3.5. Vacancies and Removal of Officers. Officers of the Board may be removed and replaced at any time, with or without cause, by a Majority Vote. A vacancy in any office shall be filled by nomination and election by the Board from the Primary Directors as soon as it is reasonably possible to fill the remaining term. In the event that an officer loses their position as a Primary Director, that officer position shall become vacant.

IV. MEETINGS.

4.1 Conduct of Meetings. All meetings of the Board shall be subject to the provisions of the Ralph M. Brown Act (Government Code section 54950 et seq.) ("Brown Act"), the Agreement, and these bylaws. If any inconsistency exists between the provisions of the Act and the Agreement or these bylaws, the provisions of the Act shall control.

4.2 Regular Meetings Time and Place. Regular meetings of the Board shall occur monthly; however, regular meetings may be cancelled by the Chairperson due to the anticipated lack of a quorum or lack of business to be addressed. At its regular meeting in June of each year, the Board shall establish a regular meeting schedule for the following fiscal year, including the date, time and location. The Board shall meet regularly in the Salinas City Council Chambers (“Rotunda”) located at 200 Lincoln Avenue, Salinas, CA, 93901; however, due to the geographic expanse of the Agency’s jurisdiction, and in order to provide convenient access to regular Board meetings for constituents of the Agency in remote locations, the Board shall designate alternate locations for not more than five (5) regular Board meetings each year at other venues within the boundaries of the Salinas Valley Groundwater Basin. Notice and posting of agendas for regular meetings shall be pursuant to the provisions of the Brown Act.

4.3 Special Meetings. Special meetings may be called by the Chairperson at any time for a specific, announced purpose. At the request of any five (5) Primary Directors, the Chairperson shall call such a special meeting. Written notice of a special meeting shall be delivered to all Directors at least 48 hours in advance of any such meeting. Attendance at a special meeting by any Director amounts to a waiver of any defect in the giving of notice to such Director, unless at the meeting the Director specifically objects to the holding of the meeting on the grounds of such defect. Notice and posting of agendas for special meetings shall be pursuant to the provisions of the Brown Act.

4.4 Emergency Meetings. Emergency meetings may be called by the Chairperson under the circumstances and conditions set forth in the Brown Act.

4.5 Quorum. A quorum of the Board shall consist of six (6) Directors. No action shall be taken by the Board unless a quorum is present at the meeting, except as otherwise provided herein or in the Brown Act.

4.6 Voting. Actions of the Board shall be by majority vote, super majority vote, or super majority plus vote, as set forth in the Agreement. If a Director is recused or prohibited from voting due to an actual or perceived conflict of interest under the California Political Reform Act (Government Code section 8700 et seq.) or Government Code section 1090 et seq., the Director shall leave the dais, and his or her presence shall not be counted towards a quorum. The presence of any Director who otherwise abstains from voting shall be counted for purposes of determining a quorum, and shall be considered to vote in favor of the majority or, if a tie vote results not considering the abstaining Director’s vote, in favor of the motion voted upon.

Voting on all motions and resolutions of the Board shall be by voice vote, calling for ayes and noes, except that if any Director requests a roll call vote, either before or after the voice vote is taken, then the vote shall be by roll call.

4.7 Minutes. The Board shall designate a Clerk of the Board of Directors who shall keep a record of proceedings of all minutes of the Board.

4.8 Preparation of the Agenda. The agenda for each meeting of the Board shall be prepared in the first instance by the Executive Director/General Manager but subject to the final approval of the Chairperson. Any item voted affirmatively out of a standing committee shall be placed on a Board agenda as directed by the committee if Board action is required. A memorandum signed by not more than five (5) Directors may cause an item to be placed on a Board agenda as requested in the memorandum.

The Board may not take action on or discuss items not listed on the agenda except as otherwise allowed by the Brown Act.

4.9 Time for Public Comment.

(a) Each agenda of the Board shall provide an opportunity for members of the public to address the Directors on any agenda item of interest to the public, before or during the Directors' consideration of the item. The Chair may limit the time allowed for each person to speak.

(b) Each agenda for regular meetings will include a regular time near the beginning of the agenda to receive public comment on items that are within the jurisdiction of the Agency but that are not on the agenda. Directors are not required to respond to any issues raised during the public comment period, and may not take any action on such issues other than to refer the item to Staff or schedule action for a future agenda.

4.10 Order of Agenda. The general order of each agenda for a regular meeting shall be as set forth in Exhibit B, attached hereto and incorporated herein. Special Board Matters are unique matters that may be of special interest to the Board or otherwise require special attention. Consent Items are those items that are not controversial and that can be taken together with a single vote. Directors or members of the public may ask that a consent item be removed from consent and discussed.

4.11 Procedure for Discussion Items. All items for discussion and decision by the Board shall be heard with the following procedure:

4.11.1 Introduction by the Chairperson.

4.11.2 The General Manager or designee presents the Staff report to the Directors.

4.11.3 The Chair inquires if Directors have any questions of Staff.

4.11.4 The Chair opens the item for public comment; public speakers are requested to identify themselves.

4.11.5 Public testimony is closed and the item returned to the Board for further questions and discussion.

4.11.6 The Chairperson entertains any motion on the item.

4.11.7 Board votes.

The Chair may alter the order specified above, if the Chair believes such change in the order would facilitate the hearing process. Should the Board be required to undertake a noticed public hearing on an application for a permit or other entitlement, the Chairperson may modify the above described procedure to allow time for proponents and opponents of the matter to address the Board outside of general public comment, including appropriate time for rebuttal.

4.12 Reconsideration. The Board may reconsider any item upon which a final vote has been taken at the same meeting upon motion by a Director who voted in the majority on the item. If a motion for reconsideration is made and passes, the item will be reconsidered at the same meeting, or may be continued to a future meeting for reconsideration. A motion for

reconsideration shall have precedence over every other motion except a motion to adjourn.

4.13 Continuance and Adjournment. The Directors may continue any item to another meeting specified in the order of continuance, may adjourn any meeting without specifying a new meeting date, and may adjourn any meeting to a time and place specified in the order of adjournment. Less than a quorum may so continue an item or adjourn a meeting. If all members are absent from any meeting, the Secretary may so adjourn the meeting, and shall provide notice of any new meeting date and time as required by law.

V. BOARD ACTIONS.

5.1 The Board may take action in one of three (3) ways:

- (a) By Ordinance for matters that are regulatory in nature, as determined by Agency Counsel, for example the adoption of rules and regulations regarding the operation or placement of wells, the imposition of a permit requirement, or as otherwise may be required by law. Ordinances may be passed and adopted on the same day, and shall require a noticed public hearing pursuant to Government Code section 6061 at least ten (10) days prior to the hearing. Ordinances may be codified upon order of the Board;
- (b) By Resolution for matters not requiring an Ordinance but otherwise requiring special Board attention or the creation of an appropriate record, as determined by Agency Counsel, for example the setting of a fee schedule; and
- (c) By Board Order for routine and non-controversial matters, as determined by Agency Counsel, for example Consent Items.

5.2 Notwithstanding the foregoing, all matters requiring a Super Majority Vote as set forth in the Agreement shall be adopted by Resolution, and all matter requiring a Super Majority Vote Plus shall be adopted by Ordinance.

5.3 The introductory of clause of Ordinances shall be “Be it ordained by the Board of Directors of the Salinas Valley Basin Groundwater Sustainability Agency” The introductory clause of resolutions shall be: “Be it resolved by the Board of Directors of the Salinas Valley Basin Groundwater Sustainability Agency”

5.4 The general format of ordinances and resolutions shall be as set forth in Exhibit C, attached hereto.

VI. COMMITTEES.

6.1 Standing Committees. The Board shall maintain the following standing committees: Executive Committee, Budget and Finance Committee, and a Planning Committee. Meetings of the standing committees shall be subject to the provisions of the Ralph M. Brown Act (Government Code section 54950 et seq.). Standing committees shall meet as frequently as is necessary to fulfill the committee’s duties, but in any event, not less than quarterly. Standing committees shall consist of not more than five (5) Directors. Each standing committee shall elect a Chairperson and Vice Chairperson.

6.2 Appointment and Terms of Committees. The Board shall appoint members of standing committees at its regular meeting in July of each year, and terms of committee members shall last until June 30 of the succeeding calendar year or until a successor is appointed. Members of committees may be re-appointed for succeeding terms, without limitation.

6.3 Executive Committee. The Executive Committee shall consist of the Chairperson and Vice-Chairperson, and three (3) other Directors as appointed by the Board. The Executive Committee ---

6.4 Budget and Finance Committee. The Finance Committee assists in establishing and enhancing valid business and financial management systems, and makes appropriate recommendations to the Board. It annually reviews and recommends the budget, and each month it reviews the Agency's financial performance under the adopted budget. The committee acts as the audit committee for the Board of Directors and makes recommendations on capital expenditures. The committee reviews the financial aspects of projects proposed to be implemented by the Agency, and reviews charges proposed to be levied by the Agency.

6.5 Planning Committee. The Planning Committee shall assist the Executive Director/General Manager develop short- and long-range plans for the Agency with respect to all activities in which the Agency is involved or might become involved, and make appropriate recommendations to the Board. The Planning Committee will screen, evaluate, and prioritize projects and programs considered for implementation by the Agency, and review the Agency's ongoing projects and programs.

6.6 Advisory Committee. The Board shall establish an Advisory Committee as provided in the Agreement. Director membership on the Advisory Committee shall be structured such that there shall not be more than a quorum of Directors, whether Primary or Alternate, participating in Advisory Committee meetings in an official capacity at any one time. The Advisory Committee Charter, attached hereto as Exhibit D and incorporated herein, shall be the bylaws of the Committee.

6.7 Additional Committees. The Board may by majority vote establish additional committees from time to time, including standing committees and ad hoc committees. Ad hoc committees may not consist of more than five (5) Directors, shall be advisory only, and shall have limited subject matter jurisdiction. Ad hoc committees are not subject to the provisions of the Brown Act.

6.8 Staff Assistance to Committees. Agency Staff shall provide assistance to all committees of the Directors, at the request of the committee or the Board. The Clerk of the Board shall take minutes of Executive Committee meetings; other standing committees shall provide that one if its members shall take minutes.

6.9 Role of Committees. The role of each committee is limited to the matters expressly assigned to the committee by these bylaws or by resolution of the Board, together with all matters necessarily incidental thereto. Except as otherwise expressly provided in these bylaws or by resolution of the Board, the committee does not make binding decisions on those matters; rather, the committee makes recommendations to the Board on those matters that are to be considered by the Board.

VII. MISCELLANEOUS.

7.1 The seal of the Agency shall be as set forth in Exhibit E.

7.2 The letterhead for the Agency shall be as set forth in Exhibit F.

VIII. ADOPTION AND AMENDMENT OF BYLAWS.

8.1 These bylaws shall be adopted by resolution, approved by a majority of the Directors. The bylaws may be amended at any properly noticed meeting, by resolution approved by a majority of the Directors.