

YACSD BYLAWS

Board of Directors of the Yosemite Alpine Community Services District
Fish Camp, California
Resolution Number 2012-002
Adopt Revised Bylaws for Yosemite Alpine Community Services District

WHEREAS, the Yosemite Alpine Community Services District (YACSD) has been organized under the Community Services District Law of the State of California (Government Code Sections 61000 et seq.) for over forty years, and

WHEREAS, Government Code Section 61045(f) requires the YACSD to establish rules or bylaws for the conduct of its business, and

WHEREAS, the Chairman and Secretary of YACSD believe it is time to revise its Bylaws,

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE YOSEMITE ALPINE COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

The 2012 Revised Bylaws of the Yosemite Alpine Community Services District in the form attached hereto are hereby provisionally adopted. These Bylaws will be submitted to the District's General Counsel Sky Woodruff of Meyers-Nave for review. If Mr. Woodruff advises significant revision, the Bylaws will be returned for Board review and a new approving resolution adopted. If revisions are minor editorial corrections, the revisions will be made to the attached bylaws by the Secretary.

PASSED AND ADOPTED this 26th day of May, 2012, by the following vote, to wit:

AYES: Ken Fox, Dick Ryon, Karen Glendenning, Shannon Glendenning, and Diane Bopp.

NOES: None

ABSTAIN: None

ABSENT: None

I, Karen Glendenning, Secretary of the Board of Directors of the Yosemite Alpine Community Services District, Fish Camp, California, hereby certify that the forgoing is a true copy of an original order of the Board of Directors duly made and entered in the minutes of the District on September 3, 2011.

Karen Glendenning, Secretary YACSD

These bylaws were revised by resolutions of the Board of Directors on December 12, 2020, September 12, 2020, September 7, 2015 and October 5, 2019.

2012 REVISED BYLAWS FOR YOSEMITE ALPINE COMMUNITY SERVICES DISTRICT

Preamble:

Yosemite Alpine Community Services District (the “District”) is tiny, consisting of about 40 families in 2012, with a budget of under \$50,000. These Bylaws are written to be in conformity with State and Federal laws, including the California State Constitution, initiatives passed by the California Legislature or the People of California (such as Propositions 218 and 26), the Ralph M. Brown Act (the “Brown Act”), the Americans with Disabilities Act, California Senate Bill No. 135, and the codification of these laws in the California Government Code, the Code of Civil Procedure, the California Elections Code, the Public Contract Code, and the Joint Exercise of Powers Act. Governing State laws may be found in Appendix A, attached hereto and incorporated herein.

The District was formed pursuant to, and is governed by, California Government Code, Division 3, Community Services Districts (Sections 61000 et seq.). California State law is incorporated herein by reference and the District will endeavor to abide by such provisions. State laws are generally intended for districts hundreds and thousands of times larger than the District. Laws that require interpretation to make them applicable to our tiny district are found in the Appendix B, attached hereto and incorporated herein.

ARTICLE 1: THE DISTRICT

Section 1.01: Name of District. The official name of the District is Yosemite Alpine Community Services District.

Section 1.02: Jurisdiction. The District was formed to serve the municipal needs of that portion of Fish Camp known as Yosemite Alpine Village. The Mariposa County Local Agency Formation Commission recognizes the District’s sphere of influence to be all of Fish Camp. By law, the District’s territory may include additional areas, whether incorporated or unincorporated, whether contiguous or noncontiguous, and whether in one or more counties.

Section 1.03: Authority. Yosemite Alpine Community Services District is an independent district that was organized in 1969 by the Mariposa County Board of Supervisors by Resolution No. 69-45, which has been filed with the California Secretary of State, and a portion of which is attached hereto and incorporated herein as Appendix C. The District operates under the Community Services District Law, California Government Code sections 61000 – 61226. The District was formed to provide governmental services within limited boundaries. (Government Code section 56036(a).)

Section 1.04: Powers. The powers of the District are those authorized by enabling California State law and are vested in the Board of Directors of the District (the “Board”), who reserve the right to delegate by resolution such powers as are appropriate and permissible by law. The District provides water for any beneficial uses, maintains streets and roads, and removes snow from public streets, roads, easements, and rights-of-way. The District retains latent powers to provide additional services.

Pursuant to Government Code section 61060 (as amended), the District has and may exercise all rights and powers, expressed and implied, necessary to carry out the purposes and intent implicit in its creation, including but not limited to, the following powers:

- (a) To adopt ordinances following the procedures of Article 7 (commencing with Section 25120) of Chapter 1 of Part 2 of Division 2 of Title 3 of the California Government Code.
- (b) To adopt, by ordinance, and enforce rules and regulations for the administration, operation, and use, and maintenance of District facilities and provide services.
- (c) To sue and be sued in its own name.
- (d) To acquire or lease real and personal property and dispose of such property for the benefit of the District's citizens.
- (e) To acquire by eminent domain real or personal property.
- (f) To appoint employees, to define their qualifications and duties, and to provide a schedule of compensation for performance of their duties.
- (g) To engage legal counsel and other professional services.
- (h) To enter into and perform all contracts consistent with the Public Contract Code.
- (i) To adopt a seal and alter it.
- (j) To enter joint powers agreements pursuant to the Joint Exercise of Powers Act.
- (k) To provide insurance.
- (l) To provide training that will assist the members of the Board in the governance of the District.
- (m) To construct any works along, under, or across any street, road, or highway, subject to the consent of the governing body in charge, and along, under, or across any other property devoted to a public use.
- (n) To take any and all actions necessary for, or incidental to, the powers expressed or implied by this division.

Further, pursuant to Section 61069 of the Government Code, where there is no reasonable expectation of privacy, subject to the limitations of the United States Constitution and the California Constitution, District personnel may enter onto property within the District to: (i) inspect the property and determine the presence of public nuisances that the District has the authority to abate; (ii) abate such nuisances, either directly or by giving notice to the property owner(s) to abate the public nuisance; and (iii) determine if a notice to abate a public nuisance has been complied with.

Section 1.05: Records. The District is tiny and desires to keep expenses to its property owners at a minimum and therefore does not have an office. Records shall be retained by the Secretary of the Board.

Section 1.06: Meeting Place. District meetings shall be held in private homes or public spaces such as the Tenaya Lodge and Jack L. Boyd Outdoor School Green Meadows Facility as may be decided by the Chair in consultation with the Board. Meeting locations will be handicapped-

accessible in conformance with the Americans with Disabilities Act (“ADA compliant”) and noticed in advance in accordance with the Brown Act.

Section 1.07: Establishment of Policies. The Board shall adopt policies for the operation of the District, including, but not limited to, administrative policies, fiscal policies, personnel policies, and purchasing policies.

Section 1.08: Conformance with State and Federal Laws. The Board will endeavor at all times to adhere to all applicable California and United States laws, government codes and these Bylaws.

Section 1.09: Agreements with Agencies. The District may enter into agreements with any Federal, State, local, or tribal government for any of its needs.

ARTICLE 2. BOARD OF DIRECTORS

Section 2.01: Board of Directors. A legislative body of five elected members (“Directors” or “Board members”) known as the Board shall govern the District. The Directors and their appointees shall be the staff of the District.

Section 2.02: Director Duties and Authority. The primary responsibilities of the Board is the formulation of District policy, evaluation of these policies for effectiveness, revision as necessary, and see to their implementation. A majority vote of the Board is required for the Board to establish a policy and take action. As individuals, Directors may not commit the District to any policy, act or expenditure.

Section 2.03: Independence. All members of the Board shall exercise their independent judgment on behalf of the interests of the entire District, including residents, property owners, and the public as a whole in furthering the purposes and intent of the District.

Section 2.04: Term of Office. Directors shall be elected at large and serve staggered terms, three members elected at one general election and two members elected two years later. The term of office of each Board member is four years or until his or her successor qualifies and takes office. Directors shall take office at noon of the first Friday in December following their election in November pursuant to Government Code section 61042.

Section 2.05: Qualifications for Directors. Candidates for the office of Director shall be registered voters in Mariposa County and shall reside within the boundaries of Yosemite Alpine Community Services District. A Director may not be a compensated employee of the District.

This section revised and accepted by the Board of Directors on December 15, 2012

Section 2.06: Elections. The District’s elections are subject to the provisions of the State of California Community Services District Law and the Elections Code (Uniform District Election Law). The Board may require that the election of members to the Board be held on the same day as the statewide general election pursuant to Section 10404 of the Elections Code. The District may conduct any election by mailed ballots. The District may hold advisory elections pursuant to Section 9603 of the Elections Code.

Section 2.07: Compensation. Pursuant to Government Code section 61047 the Board may set the compensation, if any, of all Board members and staff by ordinance or resolution. Board members may receive compensation not to exceed \$100 per day of service; and Board members shall not receive compensation for more than six days of service per month. Likewise, Board members may be reimbursed for actual necessary travel and incidental expenses incurred while on official, Board-approved business. The District does not currently compensate Directors for the discharge

of their duties, nor does the District reimburse Directors for necessary expenses such as travel, as provided for in Government Code section 61047. If in the future the Board establishes a compensation policy, such policy shall comply with Government Code sections 61047, 53232.2 and 53232.3 and with District policy as established by resolution of the Board. Such a policy shall clearly state the maximum amounts of reimbursable expenses. All claims shall be submitted to the Treasurer within 60 days after they are incurred. No Director may serve as a compensated employee of the District as provided by Section 53227 of the Government Code.

Section 2.08: Vacancies. Any vacancy that may occur on the Board of Directors of the District shall be filled by appointment by the directors remaining on the Board, pursuant to Government Code section 1780.

This section was amended on September 12, 2020 by Resolution 2020-002

Section 2.09: Liability of Directors. No officer or employee of the District is liable for any fine or penalty provided for a failure to perform his/her duty, unless the intention of the Board to impose such fine or penalty on such an officer or employee is specifically and clearly expressed in the District policy creating such duty.

Section 2.10: Restriction on Board of Director Authority. The powers of the Board derive from Mariposa County Resolution 69-45 and Community Services District Law, located in California Government Code sections 61000 et seq. The Board shall act only by ordinance, resolution, or motion. The Board has the power to declare that an emergency situation exists. The Board's power does not include land-use issues such as zoning and building codes, which are the responsibility of the County of Mariposa. The Board shall not enforce Yosemite Alpine Village Association's covenants and restrictions.

Section 2.11: Professional Organizations. The District is a member of the California Special Districts Association. The Board may decide what organizations the District and/or the Board members will belong to and/or what events/activities to participate in.

ARTICLE 3. OFFICERS OF THE BOARD AND DISTRICT OFFICERS

Section 3.01: Officers of the Board. The officers of the Board shall be those agreed upon by the Board after each election. Pursuant to California Government Code Section 61043, the Board must include a President ("Chair") and Vice-President ("Vice-Chair"). Within 45 days after each general district or unopposed election, the Board shall meet and elect the officers of the Board. The Board may choose to elect its officers annually. No Board member may hold more than one office.

Section 3.02: Other Board Officers. The Board, at its discretion, may designate other officers as it deems necessary for the functioning of the Board. The Board has created the position of Secretary-Treasurer and elected one of its members to that position. The Board at its discretion may choose to elect a separate Secretary and a separate Treasurer and may appoint other officers as it deems necessary.

Section 3.03: Chair. After a general election, the County Elections Official certifies and declares the results of such election. Within 45 days of the general election, the Board shall declare the results and appoint a Chair of the Board. The Chair shall serve until the election or appointment of a new Chair following the subsequent general election or upon the occurrence of a vacancy in the position of Chair. The Chair shall preside at all meetings of the Board. Except as otherwise authorized by resolution of the Board or the provisions of these Bylaws, the Chair shall sign all

contracts, deeds and other instruments made by the District and perform all other acts required by law. If questions arise from the press or public, the Chair shall determine which Board member will answer such questions. The Chair prepares an annual budget with the assistance of the Secretary–Treasurer for the Board’s consideration and adoption as presented, modified, and/or amended.

The Chair shall have a maximum term limit of five (5) consecutive years of service. It is recommended that the Chair become Past Chair at least one year prior to retiring from the Board of Directors in order to have a smooth transfer of responsibility. *(Revised 05 October 2019.)*

Section 3.04: Vice-Chair. After a general election, the County Elections Official certifies and declares the results of such election. Within 45 days of such election, the Board shall declare the results and appoint a Vice-Chair of the Board. The Vice-Chair shall perform the duties of the Chair in the absence or incapacity of the Chair. In case of the resignation or death of the Chair, the Vice-Chair shall perform such duties as are imposed on the Chair until such time as the Board shall elect a new Chair. The Vice-Chair shall execute all resolutions and contracts adopted by the Board in the Chair’s absence and shall perform all other acts required by law.

The Vice Chair is also considered to be “Chair Elect” and shall assume the duties of Chair upon the retirement or death of the Chair or the expiration of the term-limit to which the Chair is subject. *(Revised 05 October 2019.)*

Section 3.05: Secretary–Treasurer. The Secretary-Treasurer keeps accurate minutes of all Board meetings reflecting the date, hour and place of the meeting; roll call; all motions; all votes; summary of discussion; all actions taken; and attests to the signature of the Chair on all District documents required to be executed by the Chair. Whenever the Board acts in a quasi-judicial proceeding such as assessment matters, it is necessary to compile a complete summary of all witnesses. If any Board member arrives late or departs before adjournment, the minutes shall reflect his or her arrival or departure time.

The Secretary–Treasurer keeps all records of the District, maintains the District’s insurance, reports to State officers as required by law, and performs all duties incident to the Secretary’s office. The Secretary–Treasurer maintains all financial records of the District, prepares financial statements for Board meetings, sends billings to property owners, receives payments from property owners, pays the District bills, maintains bank accounts, and assists the Chair in the preparation of budgets.

The Treasurer duties of the Secretary Treasurer shall have a maximum term limit of five (5) consecutive yeas of service. The Board may retain the service of the Secretary indefinitely by creation of the separate offices of Secretary and Treasurer. *(Revised 05 October 2019.)*

Section 3.06: Additional Duties. The officers of the Board shall perform such other duties and functions as may from time to time be required by the Board, these Bylaws or the rules of the District to meet the service requirements of the District members.

Section 3.07: Absences and Vacancies. In the temporary absence of the Chair and Vice-Chair, the remaining Board members shall elect a member present as temporary Chair for the purpose of conducting meetings and performing the duties of the Chair with the exception of/including the execution of all resolutions and contracts adopted by the Board.

Section 3.08: Staff positions. The Board may appoint or hire other District staff to carry out the functions of the District.

Section 3.09: General Manager. The Board shall appoint a 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 Board. The General Manager is responsible for all of the following:

- (a) The implementation of the policies established by the Board 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.
- (c) The supervision of the District's facilities and services. This duty may be delegated.
- (d) The supervision of the District's finances.

Section 3.10: Treasurer. The Board shall also appoint a Treasurer, which may be the General Manager. The Board shall require the Treasurer to be bonded, at the expense of the District. The Treasurer shall make quarterly (or upon request, more frequent) written reports to the Board, as the Board shall determine, regarding the receipts, disbursements and balances in the accounts controlled by the Treasurer. The Treasurer shall sign these reports and file them with the General Manager.

The Board shall:

- (a) Adopt a system of accounting and auditing that shall completely and at all times show the District's financial condition. The system of accounting and auditing shall adhere to generally accepted accounting principles.
- (b) Adopt a procedure for drawing and signing checks, provided that the procedure adheres to generally accepted accounting principles. The procedure shall provide that bond principal (if any) and salaries (if any) shall be paid when due. The procedure may provide that checks to pay claims and demands need not be approved by the Board before payment if the Treasurer determines that the claims and demands conform to the District's approved budget.
- (c) Designate a bank, a savings and loan association, or a credit union as the depository of the district's money.

Section 3.11: Water Master. The Board may appoint a Water Master. Duties include keeping the water system functioning, including hiring professionals for maintenance of wells and related water facilities upon Board-approval of such hires. The Water Master advises the Board regarding long-range maintenance and capital equipment replacement.

Section 3.12: General and Special Counsel. The Board may engage general and/or special legal Counsel, who shall serve at the pleasure of the Board. Counsel shall give advice or opinions in writing to the Chair or other designated officers whenever requested to do so. Counsel shall attend to all suits, negotiations as requested and other matters to which the District is a party or in which the District may be legally interested and provide such other legal services as the Board may request, such as preparation of proposed resolutions, laws, rules, contracts, bonds and other legal papers for the District.

ARTICLE 4. MEETINGS

Section 4.01: Regular Meetings. The Board shall hold a regular meeting at least once every three months. The Secretary shall give notice of, and the Board shall conduct, regular or special

meetings in accordance with the Brown Act and the Americans with Disabilities Act. No action shall be taken on any item not appearing on the posted agenda. At least 72 hours before a regular meeting the Secretary, shall post in a public place an agenda containing the time and place of the regular meeting, the business to be transacted at the regular meeting, and information regarding requests for disability-related modification of accommodation. The day, time, and location of Board meetings will normally be set at the preceding Board meeting by consensus. When necessary, meetings may be called by the Chair in consultation with the Secretary. The Brown Act sets minimum standards; the District will endeavor to at all times to be open and transparent in all its actions and comply with the spirit of the Brown Act.

Section 4.02: Special Meetings. Special meetings may be called by the Chair or a majority of the Board members as provided by the Brown Act. Notice shall be posted in a public place at least 24 hours prior to the meeting and also distributed to Board members. Such notice must specify the time and place of the special meeting and the business to be transacted and satisfy all other requirements of the Brown Act.

Section 4.03: Emergency Meeting. In the case of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities, the Board may call an emergency meeting pursuant to Section 54956.5 of the Government Code.

Section 4.04: Right of Public to Appear and Speak. All Board meetings are open to the public, with a prepared agenda, and all persons shall be permitted to attend all meetings except those closed sessions held in accordance with the Brown Act (such as personnel, litigation matters or real estate negotiations). Members of the public shall have an opportunity to address the Board on matters within the District's jurisdiction. There shall be an open forum at the start of each meeting for the public to raise issues or concerns not on the meeting's agenda. For items that appear on the agenda, the Board will provide for public input and comment. The Chair, at his or her discretion, may set the total amount of time allocated for public discussion of particular issues and the time allocated for individual speakers. Members of the public shall state their name before addressing the Board, and may not defer his/her time to another speaker.

Section 4.05: Non-Agenda Items. Matters brought before the Board at a regular meeting that were not placed on the agenda of the meeting shall not be acted upon by the Board at that meeting, unless: (i) a majority of the Board finds that an emergency situation exists, as defined in California Government Code section 54956.5; or (ii) unless the Board determines, by 2/3 vote of the Directors present, that there is an immediate need to take action, or in the event that less than 2/3 of the Board are present, a unanimous vote of a quorum of those Directors present finds there is a need to take immediate action and that the need for action came to the attention of the District subsequent to the agenda being posted. Two-thirds of five board members (3.333) means three.

Any non-agenda items brought before the Board may either be placed on the agenda for the next regular meeting or referred to a subcommittee as directed by the Chair.

The Board shall receive public comments on matters not appearing on the agenda and Board members or staff may briefly respond to statements and questions posed by the public during public comments. Furthermore, a member of the Board may request staff to provide factual information, request staff to report back to the Board at a subsequent meeting concerning any matter, or request any matter be placed on a future agenda.

Section 4.06: Quorum. A majority of the total Board membership (three members) shall constitute a quorum for the purpose of conducting District business, exercising District powers and for all other purposes, but a smaller number may adjourn from time to time until the quorum is obtained. Every official act of the Board shall be adopted by a majority of the total membership of the Board (three votes), except as otherwise specifically provided by law.

Section 4.07: Setting of Agenda. The Chair is responsible for the preparation of the agenda. Any Board member may place an item on the agenda for consideration by contacting the Chair.

Section 4.08: Posting of Agenda. The Brown Act requires posting of the agenda at least 72 hours prior to regular meetings or 24 hours prior to special meetings. If requested, the agenda shall be made available in various formats to persons with a disability as required by Section 202 of the Americans with Disabilities Act of 1990 (41 U.S.C. sect. 12132).

Section 4.09: Order of Business. At the regular meetings of the Board, the following shall be the normal order of business; however, the Chair may address items out of order for the efficient conduct of the meeting.

- (a) Roll call and introductions.
- (b) Public Forum: Matters not on the agenda.
- (c) Approval of the minutes of the previous meeting(s).
- (d) Approval of the Treasurer's report.
- (e) Business items and matters.
- (f) Written communications received and comment.
- (g) Items by Directors.
- (h) Next meeting date, time, and place.
- (i) Adjournment.

Section 4.10: Manner of Voting. The Board shall act only on ordinances, resolutions, adoption of budgets, and matters under its jurisdiction by motion, second, discussion, and public vote of the Directors. All resolutions shall be in writing and designated by number, reference to which shall be inscribed in the minutes and an approved copy of each resolution filed in the official book of resolutions of the Board. The minutes of the Board shall record the ayes, noes, abstentions, and absences for all votes taken for passage of ordinances, resolutions or motions.

Section 4.11: Motions. Any Board member may initiate an item for formal consideration by the Board by making a motion. Upon making a motion, a second Board member must second the motion. A duly offered and seconded motion shall be restated by the Chair. Unless withdrawn, the Board shall vote upon the motion.

- (a) Motions out of order. The Chair may at any time, by unanimous consent of the Board permit a Board member to introduce an ordinance, resolution, or motion out of the regular agenda order.
- (b) Division of Question. If the question contains two or more divisible propositions, the Chair may, and upon request of a Board member shall, divide the question and require a vote on each portion of the question.

(c) Withdrawal of Motion. A motion may be withdrawn if the motion has not been stated by the Chair. A withdrawn motion does not appear in the minutes. Once a motion has been stated by the Chair, a motion can be withdrawn only by unanimous consent of the Board or by a majority roll call vote and the approval of the Board member who seconded the motion.

(d) Precedence of Motions. When a motion is before the Board, the only other motions that may be entertained are motions: to adjourn; to fix hour of adjournment; to lay on the table; for the previous question; to amend; to postpone; and for reconsideration. These motions have the precedence in the order indicated.

Section 4.12: Conduct of Meetings. The Chair shall conduct meetings in the manner of his or her and choosing which is conducive to orderly business and full public and Board discussion.

Section 4.13: Minutes. Following each Board meeting, the Secretary shall transcribe the minutes thereof and forward the same to the Board members for presentation and approval at a following meeting. A full reading of said minutes may be dispensed with by consensus. The minutes of the Board shall record the aye, no, and abstention votes, and absences of members for the passage of all ordinances, resolutions, and motions.

Section 4.14: Closed Sessions. All meetings of the Board shall be open to the public except for closed sessions as specified by the Brown Act. For instance, the law provides for closed sessions related to litigation and personnel matters. Prior to holding any closed session, the meeting agenda shall list the item or items to be discussed in the closed session. In the closed session, the Board may consider only those matters covered in this list. Nothing in this Section shall require or authorize a disclosure of information prohibited by State or federal law. The Board shall publicly report any action taken in closed sessions. Copies of any final contracts, settlement agreements, or other documents approved in closed session will be made public.

ARTICLE 5. COMMITTEES

Section 5.01: Establishment. Committees of the Board are established for the purpose of reviewing certain matters of District interest and for making recommendations to the Board. The Chair shall make appointment to committees with concurrence by the Board. The committees serve at the pleasure of the Board. All committees are advisory only; they have no decision-making authority.

Section 5.02: Composition. Each standing and special-purpose committee shall be composed of not more than two Board members plus additional persons who are not Board members who are deemed appropriate. The Chair may designate the chair of the committee. The chair of the committee schedules the meetings and sets its agenda. The committee shall report to the Board from time to time as directed by the Chair.

Section 5.03: Open Meetings of Committees. All committees established by charter, ordinance, resolution or other formal action, whether permanent or temporary, are subject to the Brown Act. Ad hoc advisory committees are not subject to the Brown Act.

ARTICLE 6. CONFLICT PROVISIONS

Section 6.01: Consistency with Law. In the event any provision contained in these Bylaws is inconsistent with the Brown Act, the Community Services District Law, or any other mandatory

and applicable provision of law, as such law currently exists or as it may be subsequently enacted or amended, the mandatory and applicable provision of law shall prevail.

Section 6.02: Conflicts of Interest. Conflicts of interest shall be determined by the California Government Code, the California Fair Political Practices Commission regulations, by custom, and in consultation with Counsel, (if the District has contracted with one). No Director shall discuss or vote upon an issue in which he or she has a financial interest or individual (as distinct from general) benefit.

Section 6.03: Filing Statements of Economic Interests. Directors and designated employees shall file statements (Form 700) of economic interests with the County.

ARTICLE 7. FINANCE AND BUDGET

Section 7.01: General Requirements for Budget Adoption and Management.

State law requires that the District adopt either a one-year or a two-year budget. Each year (or every second year) a preliminary budget will be set on or before July 1st and follow the noticing procedures outlined in Government Code section 61110. The Board shall adopt a final budget that conforms to generally accepted accounting and budgeting procedures for special districts on or before September 1st of each year or (or every second year). If rates, fees and/or taxes are to be increased, an election will be scheduled in accordance with law.

In its budget, the Board may establish a designated reserve for capital outlay and a designated reserve for contingencies. When the Board establishes a designated reserve, it shall declare the exclusive purposes for which the funds in the reserve may be spent. The funds in the designated reserve shall be spent only for the exclusive purposes for which the Board established the designated reserve. The reserves shall be maintained according to generally accepted accounting principles.

Any time after the establishment of a designated reserve, the Board may transfer any funds to that designated reserve.

If the Board finds by a 4/5 vote that the funds in a designated reserve are no longer required for the purpose for which it the reserve was established, the Board may discontinue the reserve or transfer funds to the District's general fund.

In a state of emergency or in a local emergency, the Board may temporarily transfer funds from a designated reserve for capital outlay or the designated reserve for contingencies to the District's general fund. The Board shall restore these funds to the designated reserves when feasible.

The Board shall adopt and annually review a policy for the management of reserves.

Section 7.02: Time of Adoption. The District will follow this approximate timetable in setting each year's budget that allows at least 45 days to receive protest letters and at least an additional 45 days to receive ballots:

- March 1 On or before this date, set preliminary budget. Notice property owners of public hearing.
- March 12 Hold budget hearing on proposed budget. If rates, fees, and/or taxes are proposed

- May 1 to be increased, mail notice of need to mail protest letters (at least 45 days notice).
Count protest letters. If less than majority of property owners, set Water budget, mail ballots for Roads and Snow fees (at least 45 days notice). Inform property owners of date to count ballots and set final budget.
- June 20 Count ballots, hold protest hearing, and adopt final budget.
- July 1 Mail bills to property owners.

Section 7.03: Notices. The Secretary will follow the Brown Act requirements by publishing a notice at least two weeks before any hearing in at least one newspaper of general circulation in the District stating the following:

- (a) The Board has adopted a preliminary budget which is available for inspection and give notice of when and where the Board will meet to hear comments, suggestions and adopt the final budget.
- (b) The date, time, and place when the Board of Directors will meet to adopt the final budget and that any person may appear and be heard regarding any item in the budget or regarding the addition or deletion of items.

Section 7.04: Budget Items. The Board of Directors will divide the budget into two main categories:

- (a) Water Supply, including but not limited to: utility costs, anticipated maintenance costs, capital replacement fund, water testing, legal expenses, services, and supplies; and
- (b) Non-Water Infrastructure and Administration, including but not limited to: road maintenance, capital replacement fund, snow removal, audit, election fees, insurance, meeting place rental, government fees, general administrative expenses, services and supplies.

Sub-categories under these main divisions may change as circumstances and law require.

Section 7.05: Special Taxes. The District may levy special taxes and benefit assessments for operations and maintenance, consistent with State law. The Board may charge a fee to cover the cost of any District service or the cost of enforcing any regulation for which the fee is charged, provided such fee shall not exceed the costs reasonably borne by the District. The District may charge standby charges for water (and also for sewer).

Section 7.06: Capital Financing through Debt Obligations. If reserve funds or revenues are inadequate to acquire, construct, improve, rehabilitate, or replace facilities, or for funding or refunding outstanding indebtedness, the Board may incur debt and raise revenues to pay for such debt. The District shall not incur bonded indebtedness that exceeds 15 percent of the assessed value of all taxable property in the District.

Section 7.07: Budget Amendment. At any regular meeting or properly noticed special meeting after the adoption of its final budget, the Board may adopt a resolution amending the budget and ordering the transfer of funds between sub-categories, other than transfers from the designated reserve for capital outlay and the designated reserve for contingencies. The Board may authorize the General Manager to transfer funds between budget sub-categories, other than transfers from the designated reserve for capital outlay and the designated reserve for contingencies. Transfers

between the Water Supply Account and Non-Water-Supply Infrastructure and Administration Accounts cannot be authorized.

Section 7.08: Setting of Fees, Rates, and Charges; Protest Hearing and Election. Rates, fees, and charges are set by the Board as part of the budgetary process. Before increasing any fee for property related services, the Board shall follow the procedures in Sections 4 and Section 6 of Article XIII D of the California Constitution and California Proposition 218. These laws allow the District to set water rates and fees (and sewer and refuse collection fees if any), with the provision that a majority of property owners do not object in writing. For non-water related fees, in addition to the majority protest proceeding, the District must hold an election of either property owners (requiring a majority vote for approval with one vote per parcel), or hold an election of registered voters residing in the District (requiring a 2/3 vote for approval).

Section 7.09: Reserve Accounts. The reserves shall be maintained according to generally accepted accounting principles. Any time after the establishment of a designated reserve, the Board may transfer any funds to that designated reserve. If the Board finds that the funds in a designated reserve are no longer required for the purposes for which it established the designated reserve, the Board may discontinue the designated reserve or transfer any funds that are no longer required from the designated reserve to the District's general fund.

Section 7.10: Payment of Bills Owed to the District. Billing statements shall be made to all property owners annually, as soon as possible after July 1st and before July 31st. Bills for water services, fees, and taxes shall be due and payable immediately upon mailing. Bills shall become delinquent when payment is not received by September 1st or later date as may be specified in the billing statement.

Section 7.11: Late Payment Penalties. Penalties shall be imposed when payment is delinquent. The basic penalty for the nonpayment of charges shall be 10 percent of the outstanding amount, plus interest compounded at one percent per month for all amounts due (unpaid bill plus previously applied penalties). *(Revised 05 October 2019.)*

Section 7.12: Payment Collection. If a payment of charges, fees, or taxes and penalties is delinquent for one year or more, the Treasurer shall institute the following collection proceedings:

- (a) Penalties shall be collected on the tax roll in the same manner as property taxes provided the District adheres to the procedure outlined in Government Code section 61115(b), and
- (b) Charges and penalties shall be recovered by recording a lien with the County Recorder. All included fees and costs shall be included in the lien. This lien shall have the force, effect, and priority of a judgment lien. Within 30 days of receipt of payment for all amounts due, including the recordation fees and reasonable fees incurred by the County and paid by the District, the District shall record a release of the lien.

(Revised 05 October 2019.)

Section 7.13: Accounting. The Treasurer shall make reports to the Board at each regular meeting and an annual written report of receipts, disbursements, and balances for each line item of the budget. The report shall comply with generally accepted accounting principles and reporting standards. An independent audit by a professional accountant shall be made at least every five years.

ARTICLE 8. PURCHASING AND CONTRACTING POLICIES

Section 8.01: Governing Law. The California Government and California Public Contract Codes hereby govern purchases and public works projects. They require the adoption of policies and procedures for large purchases and contracts. The requirements are outlined in the following sections.

Section 8.02: Purchases.

- (a) The District can purchase materials and supplies for the construction or completion of any building, structure or improvement without competitive bids when the cost of such work does not exceed \$25,000. Likewise, the District may construct any building or complete any improvement with its own forces or by contract without bidding when the cost does not exceed \$25,000. Projects cannot be split such that they equal less than \$25,000.
- (b) Bids are required for purchases of materials or supplies, or contracts for the construction or completion of any building, structure or improvement that costs over \$25,000.
- (c) When competitive bidding is required, the District shall publish a notice inviting bids at least one time in a newspaper of general circulation in the District at least one week before the time specified for receiving bids. The notice inviting bids shall set a date for opening the bids and distinctly state the materials and supplies to be purchased.
- (d) If the General Manager recommends and the Board determines that the publication of advertisements of the notice in trade journals and papers in lieu of publication pursuant to subdivision (c) will increase the number of business enterprises receiving that notice, the Board may by resolution declare that those notices shall be published in trade journals and papers at least 10 days prior to the time specified for receiving bids.
- (e) All bids for construction work shall be presented under sealed cover and shall be accompanied by one of the following forms of bidder's security: Cash, a cashier's check made payable to the District, a certified check made payable to the District, or bidder's bond executed by an admitted surety insurer, made payable to the District.
- (f) Contracts are awarded to the lowest responsible bidder after notice. If two or more bids are the same and the lowest, the Board may choose between these two contracts.
- (g) At its discretion, the Board may reject any or all bids presented and re-advertise.
- (h) Upon an award to the lowest bidder, the security of an unsuccessful bidder shall be returned in a reasonable period of time, but in no event shall that security be held by the district beyond 60 days from the time the award is made.
- (i) As an alternate to the procedures required by this Section 8.02(c) through (e), the District may rely on the Uniform Public Construction Cost Accounting Act, Chapter 2 (commencing with Section 22000) of Part 3 of Division 2, provided the Board adopts such procedures by resolution and completes all other requirements.
- (j) If plans and specifications are prepared describing the work, all bidders shall be afforded an opportunity to examine the plans and specifications, and the plans and specifications shall be attached to and become part of the contract, if one is awarded.

(k) The Board may, subject to Chapter 7 (commencing with Section 3247) of Title 15 of Part 4 of Division 3 of the Civil Code, require the posting of those bonds it deems desirable as a condition to the filing of a bid or the letting of a contract.

(l) The District shall keep cost records of such work in the manner provided in Chapter 1 (commencing with Section 4000) of Division 5 of Title 1 of the Government Code.

(m) In the case of an emergency, the Board may act according to California Public Contract Code Part 3, Article 3, Chapter 2.5 (commencing with Section 22050).

Section 8.03: Labor. The District will pay prevailing wages for labor contracts, as required by law.

Section 8.04: Public Works Projects by the County. The District may contract with the County to perform work on its behalf. This will assure the District that all laws are satisfied, avoid the need to determine “prevailing wages”, and will establish a good working relationship with County government.

Section 8.05: Purchases of Materials by the County. The District may request the purchasing agent of the County to make purchases of materials, equipment, or supplies on its behalf.

Section 8.06: Purchases of Labor by the County. The District may request the purchasing agent of the County to contract with persons to provide projects and services on its behalf.

ARTICLE 9. BOUNDARY CHANGES

Section 9.01: Change of District Boundaries. If changes to the boundaries of the District are proposed, the District shall comply with Chapter 8 (commencing with Section 54900) of Part 1 of Division 2 of Title 5 of the California Government Code. Boundary changes are subject to Mariposa County Local Agency Formation Commission approval.

ARTICLE 10. SPECIAL SERVICE ZONES

Section 10.01: Creation of Special Service Zones. The District’s sphere of influence encompasses all of Fish Camp. If the District does expand, it may provide different levels of service and establish different rates, fees, and taxes to support zones incorporated into the District.

ARTICLE 11. DIRECT DEMOCRACY

Section 11.01: Democracy. Citizens of the District may establish ordinances by initiative, may disapprove legislative acts by referendum, and may remove directors from office by recall, all pursuant to provisions of the State Elections Code.

ARTICLE 12. PERSONNEL POLICIES

Section 12.01: General Provisions. If in the future the District needs to hire its own employees, it shall write personnel policies in conformance with provisions of California State law.

ARTICLE 13. PROVISIONS OF LAW

Section 13.01: Prevailing Law. The provisions of California State law (Constitution, Government Code, initiatives, and referendums), shall prevail in all cases, these Bylaws notwithstanding.

ARTICLE 14. AMENDMENTS

Section 14.01: Amendment of Bylaws. The Board may amend these Bylaws at any regular or special meeting by majority vote and resolution, provided that no such amendment shall be adopted unless at least seven days prior written notice thereof has been given to all Board members. Notice of amendments shall be provided in the agenda for the meeting.

ARTICLE 15. Web Site

Section 15.01: District Web Site. The District will maintain a web site available to all members of the public, in conformance with California Government Code Section 53087.8.

Section 15.02: The website shall contain:

1. Contact Information, including the District's mailing address and each director's e-mail address and telephone number.
2. The current agenda.
3. Financial Transaction Reports.
4. Enterprise System Catalog listing any software used by the District.

Section 15.03: Additionally, the website shall meet two specific formatting guidelines:

1. Anything posted on the web site called "open data" shall be machine readable and searchable.
2. Accessibility for visitors with disabilities.

This section was added December 12, 2020 by Resolution 2020-003

APPENDIX A: GOVERNING STATE LAW

Applicable sections of California state law may be inserted here for reference.

Section APPA01: California law: <http://www.leginfo.ca.gov/cgi-bin/calawquery?codesection=gov&codebody=&hits=20>

Section APPA02: Government Code: <http://www.leginfo.ca.gov/cgi-bin/calawquery?codesection=gov&codebody=&hits=20>

Section APPA03: Public Contract Code: <http://www.leginfo.ca.gov/cgi-bin/calawquery?codesection=pcc&codebody=&hits=20>

Section APPA04: Elections Code: <http://www.leginfo.ca.gov/cgi-bin/calawquery?codesection=pcc&codebody=&hits=20>

Section APPA05: Revenue and Taxation Code: <http://www.leginfo.ca.gov/cgi-bin/calawquery?codesection=rtc&codebody=&hits=20>

APPENDIX B

LAWS AND REGULATIONS REQUIRING INTERPRETATION

It would be unduly burdensome, impractical, or impossible to strictly adhere to the following laws and regulations. The District will at all times endeavor to comply with the spirit if not the letter of these items.

Section APPC01: Senate Bill 35 and California Government Code **61040**. [----] A member of the board of directors shall not be the general manager, the district treasurer, or any other compensated employee of the district, [----]

(We emphasize “compensated employee” in interpreting this section. The Chair, acting as general manager, and the Board Member, acting as Secretary-Treasurer, are uncompensated volunteers.)

Section APPC02: Senate Bill 35 and California Government Code **61043**. [----] A board of directors may create additional offices and elect members to those offices, provided that no member of a board of directors shall hold more than one office.

(We interpret this section to mean that we can define our officers to best serve the needs of the District. We have created the position of Secretary-Treasurer, which is one job, not two.)

Section APPC03: California Government Code **26909**. [----] The county auditor shall either make or contract with a certified public accountant or public accountant to make an annual audit of the accounts and records of every special district within the county for which an audit by a certified public accountant or public accountant is not otherwise provided. In each case, the minimum requirements of the audit shall be prescribed by the Controller and shall conform to generally accepted auditing standards.

(The County has not implemented this provision. YACSD therefore contracts with a CPA and conforms to generally accepted auditing standards. See Section 7.13 of these bylaws.)

