

AUDUBON HILLS SERVICE DISTRICT

Article I

Purpose of the District

Section 1.

To provide for maintenance and improvement of the roads within the Audubon Hills CSD as noted in the legal description and map (see attachment).

Section 2.

To provide any of the other services authorized by the Government Code upon finding that a need exists and that such services can be feasibly financed.

Article II

Meetings

Section 1. Regular meetings

~~Regular meetings shall be held starting with the third Thursday of January and every two months thereafter on the third Thursday of the month. The location and time of the regular monthly meeting shall be announced on the posted agenda and in the local newspaper.~~

Regular meetings shall be held on the second Tuesday of each month or any other such day as the board may decide. The location and time of the regular monthly meeting shall be announced on the posted agenda on the bulletin board at the entrance to Audubon Hills, on the website, and be sent either by e-mail or regular mail to the residents of Audubon Hills .

Section 2. Special meetings.

Special meetings of the Board of Directors, for any purpose(s), may be called at any time by the President or the Vice President, or by any three members of the Board. Notice of the special meeting shall be given to each Board member and officer at least seventy-two hours and with public notice in advance of the scheduled special meeting. Notice of any special meeting shall specify in addition to the place, date and hour of such meeting, the nature of the business to be transacted.

Article III

Section 1. Directors' Powers

Subject to the limitations of the laws governing community service districts, all District powers shall be exercised by or under the authority of, and the business affairs of the District shall be controlled by, the Board of Directors. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Directors shall have the following powers, to wit:

First, to select and remove all other officers, agents and employees of the District, prescribe such powers and duties for them as may be consistent with law, or the By-Laws.

Second, to conduct, manage and control the affairs and business for the District and to make such rules and regulations that are consistent with California State Law.

Third, to represent the residents of the Service District on District problems as may arise, with various regulatory County Agencies, bodies or departments.

Fourth, to acquire real or personal property of every kind within or without the District by grant, purchase or gift.

Fifth, to hold, use, enjoy, lease or dispose of any of its property.

Sixth, to sue and be sued in all actions and proceedings in all courts and tribunals of competent jurisdiction.

Seventh, to borrow money, incur or assume indebtedness and issue bonds or other evidences of such indebtedness: indebtedness except revenue bonds issued pursuant to Section 61613.1 of the Government Code, which shall in aggregate exceed 20% of the assessed valuation of all real personal property situate within the District.

Eighth, to issue and sell revenue bonds pursuant to the provisions of Chapter VI, Part 1, Division 2, Title 5 of the Government Code and general obligation bonds pursuant to Chapter IV. Commencing with Section 61650 of the Government Code.

Ninth, to levy and cause to be collected, fees and or assessments.

Tenth, to enter into contracts for any and all purposes necessary and convenient for the full exercise of its powers.

Eleventh, to widen, straighten and service all or part of any street within rights of way within said district, subject to the consent of the governing body of the District, county or city in which said improvement is to be made.

Twelfth, to construct and improve bridges, culverts, curbs, gutters, drains and perform work incidental to other purposes specified in maintaining roads.

Thirteenth, to adopt policies binding upon all persons to govern the use of its facilities and properties.

Fourteenth, to perform any and all acts necessary to carry out fully the provisions of the power herein above set forth, and those set forth in the Government Code.

Fifteenth, to develop a road policy.

Sixteenth, to develop a short and long term fiscal policy.

Section 2. Number of Directors.

The authorized number of Directors of the Service District is five. The Directors shall be elected at large and must be a registered voter in and reside in said District.

Section 3. Election and Term of Office.

Directors shall be elected on the First Tuesday after the first Monday in November in odd numbered years, in accordance with Section 61201 of the State Code.

Section 4. Seating of Directors.

All elected Directors shall take office at noon on the last Friday in November following election.

Section 5. Terms of Succeeding Directors.

The term of each Director shall be 4 years.

Section 6. Vacancies.

All vacancies on the Board of Directors will be filled in accordance with Section 23505, Item D, of the California Election Laws.

Section 7. Expenses and Reimbursement of Directors.
Directors will be reimbursed only for actual expenses. Directors will serve without compensation.

Section 8. Quorum.
A majority of the authorized number of Directors shall be necessary to constitute a quorum for the transaction of business.

Article IV

Officers

Section 1. Officers.
The members of the Board of Directors shall serve as officers of the District and shall be designated as President, Vice President and Treasurer. A Director shall not be a general manager or secretary. However, a Director can also be an officer.

Section 2. Compensation.
The Board may at any time appoint or employ, fix the compensation of, and prescribe the authorities and duties of employees, attorneys, or engineers necessary or convenient for the business of the District.

Sections. Performance Bond
Any employee or officer required so to do by the Board shall each give a bond to the District conditioned for the faithful performance of his or her duties as the Board may require.

Section 4. Board Organization.
The Board shall reorganize at the first regular meeting after an election or when new members are appointed or elected to be seated on the Board, or at the Board's discretion.

Sections. President of the Board.
The President of the Board shall, if present, preside at all meetings of the Board and exercise and perform such powers and duties as may be from time to time assigned him by the Board or ex-officio member of all standing committees.

Section 6. Vice President.
In the absence of or disability of the President, the vice-president shall perform all the duties of the president, and when so acting, shall have all the powers of and be subject to all restrictions upon the president. The vice-president shall have such powers and perform such other duties as from time to time may be prescribed her by the Board or by the By-Laws or the statutes governing the community services districts within the State of California.

Section?. Treasurer.
The Treasurer shall keep and maintain or cause to be maintained, an adequate and correct account of the properties and business transactions of the District, including accounts of

its assets, liabilities, receipts, disbursements, gains, losses, capital, surplus and shares. The Treasurer shall deposit all monies in such depositories as may be designated by the Board. The Treasurer shall disburse funds of the District as may be ordered by the Board and shall render to the President and Directors, whenever they request it, an account of all the transactions of the treasurer and of the financial condition of the District, and shall have such other powers and perform such other duties as may be prescribed by the Board and the By-Laws.

Section 8. Annual Audit.

The Treasurer shall have a recognized auditing firm audit the district's book annually at the end of each fiscal year should the Board of Directors or any other agency deem necessary.

Section 9. Secretary.

The Secretary shall keep or cause to be kept at the principal office, or such other place as the Board may order, a book of minutes of all meetings of directors with the time and place of holding, whether regular or special, and if special how authorized, the notice given and the names of those present. The Secretary shall keep or cause to be kept, a register showing names and addresses of Directors of the Service District. The Secretary shall keep or cause to be kept, records of policies passed by the Board. The Secretary shall give or cause to be given notice of all meetings of the Board required by the By-Laws or the laws of the State of California, and shall keep the seal of the Service District in safe custody and shall have such other powers and perform such other duties as may be prescribed by the Board.

Article V

Miscellaneous

Section 1. Depository of District Money.

The Board shall designate a bank or banks for the depository of the District's money **unless a higher governmental authority is responsible for this duty.**

Section 2. Inspection of District's Records.

All checks, drafts, and other orders for payment of money, notes or other evidences of indebtedness, issued in the name of, or payable to the District, shall be signed or endorsed by two of the three district officers of the Board **unless a higher governmental authority is responsible for this duty.**

The books of account, and minutes of proceedings of the Board of Directors of the executive and other committees of the directors shall be open to inspection upon the verbal or written demand of any person residing within the Audubon Hills Community Service District.

Section 3. Contracts, Etc., How Executed.

The Board of Directors, except as otherwise provided in the bylaws, may authorize any officer or officers, or agent or agents to enter into any contract or execute any instrument in the name of and on behalf of the District, and such authority may be general or confined to specific instances and, unless so authorized by the Board, no officer, agent or

employee shall have any power or authority to bind the District by any contract of engagement or to pledge its credit or to render it liable for any purpose or to any amount.

Section 4. Inspection of By-Laws.

The District shall keep in its principal office for the transaction of business, the original or a copy of the By-Laws as amended or otherwise altered to date, certified by the Secretary which shall be open to inspection by the residents of the District or any other agency at all reasonable times.

Section 5. Public Sessions.

All legislative sessions of the Board shall be public.

Section 6. Recall of Directors.

Every incumbent of the office of Director, whether elected by popular vote for a full term or appointed, may be recalled by the voters in accordance with recall provisions of the election code of the State of California.

Section 7. Seal.

The District may adopt a seal and alter it at pleasure.

Section 8. Contract Bids.

All contracts for the construction of any unit of work, except otherwise provided, estimated to cost in excess of \$1,000.00 shall be let in accordance with section 61626.5 of the government code.

Section 9. Liability for Acts of Employees.

No Director, officer or agent or employee shall be liable for any act of omission of any agent or employee appointed or employed by him unless he had actual notice that the person appointed or employed was inefficient or incompetent to perform the service for which he was appointed or employed or retain the inefficient or incompetent person after notice of the inefficiency or incompetency.

Section 10. Budget Session.

The regular meeting scheduled for *May* is hereby designated to be the budget session of the service District **unless the board, at its sole discretion, may designate another month to accomplish this duty.** At said meeting the Board shall determine what the budget shall be for the next ensuing taxable year and before September 1, submit said budget figures to the auditor of the County of El Dorado for processing.

Section 11. General Expenses.

All expenditures by the District must be approved by a majority of Directors.

Article VI

Elections

Section 1. Election Code Provisions Applicable.

The provisions of the election code relating to the qualification of electors, the manner of voting, the duty elections officers, the canvassing of returns, and all other particulars in respect to the management of general elections so far as they may be applicable shall govern all District elections.

Section 2. Nomination of Directors.

Nominations for the office of director shall be made by petition of not less than 10 or more than 20 registered electors filed with the secretary not earlier than seventy-five days nor later than five P.M. on the fiftieth day before the election. The secretary shall publish notice pursuant to Section 6066 of the Government Code that such petitions may be received. Notice shall be published at least seven days prior to the final date for receiving petitions, to wit, seven days prior to the fiftieth day period.

Sections. Notice of Election.

Notice of each District election shall be published once a week for two successive weeks prior to the election, as set forth in Section 6066 of the Government Code of the State of California.

Section 4. Cancellation of Election.

If on the fiftieth day prior to a general district election only one person has been nominated for each of the positions of Director to be filled at that election, or if no person has been so nominated for any one or more of said officers, any petition signed by five per cent of the voters requesting that the election be held has not been presented to the Board, the election shall not be held. In such case, the publication heretofore provided for shall instead of calling an election, state that no election is to be held and that the Board of Supervisors shall appoint those nominated for the position of Directors, or if no person has been nominated for said position, the Board of Supervisors of El Dorado County will appoint any qualified person or persons.