



Yucaipa Valley Water District

FINANCING CORPORATION

12770 Second Street, Yucaipa, California 92399

Notice and Agenda of a Yucaipa Valley Water District Financing Corporation Meeting

Tuesday, January 16, 2018 at 5:30 p.m.

Yucaipa Valley Water District Administration Building
12770 Second Street, Yucaipa, California 92399

I. CALL TO ORDER

II. ROLL CALL

III. PUBLIC COMMENTS At this time, members of the public may address the Board of Directors on matters within its jurisdiction. To provide comments on specific agenda items, please complete a speaker's request form and provide the completed form to the Board Secretary prior to the board meeting

IV. CONSENT CALENDAR

- A. Minutes from the Yucaipa Valley Water District Financing Corporation Meeting – December 5, 2017

V. DISCUSSION ITEMS

- A. Consideration of Adopting Amended Bylaws for the Yucaipa Valley Water District Financing Corporation [[Financing Corporation Memorandum No. 18-01 - Page 4 of 13](#)]

RECOMMENDATION: That the Board adopts the amended bylaws.

- B. Selection of Officers of the Yucaipa Valley Water District Financing Corporation [[Financing Corporation Memorandum No. 18-02 - Page 13 of 13](#)]

RECOMMENDATION: That the Board selects of reaffirms the officers of the Financing Corporation.

VI. BOARD MEMBER COMMENTS

VII. ADJOURNMENT

Any person who requires accommodation to participate in this meeting should contact the District office at (909) 797-5117, at least 48 hours prior to the meeting to request a disability-related modification or accommodation.

Materials that are provided to the Board of Directors after the meeting packet is compiled and distributed will be made available for public review during normal business hours at the District office located at 12770 Second Street, Yucaipa. Meeting materials are also available on the District's website at www.yvwd.dst.ca.us

YUCAIPA VALLEY WATER DISTRICT FINANCING CORPORATION

MEETING MINUTES

December 5, 2017

Directors Present:

Jay Bogh, President
Lonni Granlund, Vice President
Bruce Granlund, Director
Tom Shalhoub, Director

Staff Present:

Joseph Zoba, Executive Director
Allison Edmisten, Chief Financial Officer
Matthew Porras, Management Analyst
Kathryn Hallberg, Management Analyst
Mike Kostelecky, Operations Manager
Kevin Lee, Senior Plant Operator

Directors Absent:

Chris Mann, Director

Consulting Staff Present:

David Wysocki, Aklufi & Wysocki

Others Present:

Linda Shelton, Customer
Eric Lee, Customer

The meeting of the Board of Directors of the Yucaipa Valley Water District Financing Corporation was called to order by President Jay Bogh at 5:50 p.m. on Tuesday, December 5, 2017, at the Yucaipa Valley Water District Administration Building, 12770 Second Street, Yucaipa, California.

CALL TO ORDER

The roll was called. Director Jay Bogh, Director Lonni Granlund, Director Bruce Granlund, and Director Tom Shalhoub were present. Director Chris Mann was absent.

ROLL CALL

There were no requests to speak from the audience.

PUBLIC COMMENTS

Director Lonni Granlund moved and Director Bruce Granlund seconded a motion to approve the consent calendar as presented.

CONSENT CALENDAR

A. YVWD Financing Corporation Meeting - January 7, 2015

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Bruce Granlund - Yes
Director Lonni Granlund - Yes
Director Chris Mann - Absent
Director Tom Shalhoub - Yes

Executive Director Joseph Zoba distributed a redlined version of the proposed changes to Section 3.5 of the bylaws of the Financing Corporation. The proposed changes will be discussed at the Financing Corporation meeting in January 2018.

No action was taken by the Board of Directors.

There were no comments by Directors.

There were no announcements.

There being no further business, the meeting was adjourned at 5:55 p.m.

DISCUSSION ITEMS:

DM 17-01

CONSIDERATION OF
AMENDING THE
BYLAWS OF THE
YUCAIPA VALLEY
WATER DISTRICT
FINANCING
CORPORATION
DIRECTORS
COMMENTS

ANNOUNCEMENTS

ADJOURNMENT

Prepared By:

Approved By:

Joseph Zoba, Executive Director

Thomas Shalhoub, Secretary



Director Memorandum 18-01

Date: January 16, 2018

Prepared By: Joseph B. Zoba, Executive Director

Subject: Consideration of Adopting Amended Bylaws for the Yucaipa Valley Water District Financing Corporation

Recommendation: That the Board adopts the amended bylaws.

Section 3.5 of the Bylaws of the Yucaipa Valley Water District Financing Corporation requires the Board of Directors to hold an annual meeting in the month of June at 7:00 p.m.

The District staff is recommending an amendment to the bylaws such that the regular meeting will be held on the same day as a regular business meeting of the Yucaipa Valley Water District in January at 5:30 p.m.

**BYLAWS OF THE
YUCAIPA VALLEY WATER DISTRICT FINANCING CORPORATION**

ARTICLE I - NAME, ORGANIZATION AND PURPOSE, PRINCIPAL OFFICE

Section 1.1 Name. The name of this corporation is YUCAIPA VALLEY WATER DISTRICT FINANCING CORPORATION (hereinafter referred to as the "Corporation").

Section 1.2 Organization, Purpose and Use of Funds. The Corporation is a nonprofit public benefit corporation organized under Article 2 of Chapter 1 of Part 2 of Division 2 of Title 1 of the Corporation Code of the State of California (the "Law") to provide assistance to public agencies in the State of California, in the financing, refinancing, acquiring, constructing and rehabilitating of facilities, land and equipment, and in the sale or leasing of facilities, land and equipment (collectively, the "Facilities") for the use, benefit and enjoyment of the public served by such agencies or any other purpose incidental thereto. The activities of the Corporation shall be limited to the activities described in its Articles of Incorporation. No gains, profits or dividends shall be distributed to any of the Directors or officers of the Corporation; and no part of the net earnings, funds or assets of the Corporation shall inure to the benefit of any Director or any other person, firm or corporation excepting only the Yucaipa Valley Water District (the "District") as described herein.

Section 1.3 Principal Office. The principal office of the Corporation is hereby fixed and located at the offices of the Yucaipa Valley Water District, 12770 Second Street, P.O. Box 730, Yucaipa, California 92399-0730. The Board of Directors is hereby granted full power and authority to change said principal office from one location to another. Any such change shall be noted by the Secretary opposite this section, but shall not be considered an amendment to these Bylaws.

ARTICLE II - NO MEMBERS

Section 2.1 No Members. Pursuant to Section 5310 of the Law, the bylaws of a nonprofit corporation may provide that the corporation shall have no members. The Corporation shall have no members.

ARTICLE III - DIRECTORS

Section 3.1 Powers. Subject to limitation of the Articles of Incorporation, the Bylaws, and the Law, and subject to the duties of Directors as prescribed by the Bylaws, all powers of the Corporation shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be controlled by, the Board of Directors. Except as provided in Section 5233 of the Law, a Director performing duties pursuant to Section 5231(a) and (b) of the Law shall be liable based upon any alleged failure to discharge the person's obligations as a Director, including, without limiting the generality of the foregoing, any actions or omissions which exceed or defeat a public or charitable purpose to which the Corporation or assets held by the Corporation are dedicated. 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 officers, agents and employees of the Corporation, prescribe such powers and duties for such officers, agents and employees as may not be inconsistent with law or the Articles of Incorporation or Bylaws, fix their compensation and require from such officers, agents and employees security for faithful service;

Second - To conduct, manage and control the affairs and business of the Corporation and to make such rules and regulations therefor not inconsistent with law, the Articles of Incorporation or Bylaws, as the Directors may deem best; and

Third - To borrow money and incur indebtedness for the purposes of the Corporation, and to cause to be executed and delivered therefor, in the name of the Corporation or otherwise, promissory notes, bonds, certificates of participation,

debentures, deeds of trust, mortgages, pledges, hypothecation or other evidences of debt and securities therefor.

Section 3.2 Number of Directors. The authorized number of Directors shall be five until changed by amendment of the Articles of Incorporation or by amendment of the Bylaws.

Section 3.3 Selection and Term of Office. The initial Directors of the Corporation shall be the members of the Board of Directors of the District as initially set forth in the Articles of Incorporation. Except as hereinafter provided and in accordance with Section 5220(d) of the Law, each Director shall hold office for a term concurrent with the term of such Director as a member of the Board of Directors of the District. Unless a vacancy in the office occurs as herein provided, the Director appointed shall hold office until the expiration of the term of such Director and until a successor has been designated and has accepted the office. Notwithstanding anything contained herein, no Director of the Corporation may be removed from office so long as such Director continues to serve on the Board of Directors of the District.

Section 3.4 Vacancies. Subject to the provisions of Section 5226 of the Law, any Director may resign effective upon giving written notice to the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation. No such resignation shall be effective, however, unless and until such Director shall have resigned from the Board of Directors of the District.

A vacancy or vacancies in the Board of Directors shall be deemed to exist in case of the death, resignation, loss of requisite District office, expiration of a Director's term, removal of any Director or if the authorized number of Directors is increased.

Vacancies in the Board shall be filled by the Director of the District succeeding the Director whose office is vacant.

Section 3.5 Organization and Annual Meetings. The Board of Directors shall hold an annual meeting for the purpose of organization, selection of officers, and the transaction of other business. Subject to Section 3.11 hereof, annual meetings of the Board

shall be held on the date of a regularly scheduled meeting of the Board of Directors of the Yucaipa Valley Water District in the month of January of each year at 5:30 p.m., local time.

Section 3.6 Regular Meetings. The Board of Directors by resolution may provide for the holding of regular meetings and may fix the time and place of holding such meetings.

Section 3.7 Special Meetings; Notice Waiver. A special meeting of the Board of Directors shall be held whenever called in accordance with Section 5211(a)(2) of the Law and Section 3.11 hereof.

Section 3.8 Adjourned Meetings; Notice of Adjournment. The Board of Directors may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment. Less than a majority may so adjourn from time to time. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special or adjourned special meeting was held within 24 hours after the time of the adjournment. When a regular or adjourned regular meeting is adjourned as provided in this Section 3.8, the resulting adjourned regular meeting is a regular meeting for all purposes.

Section 3.9 Majority. Every act or decision done or made by a majority of the total number of Directors of the Board shall be regarded as the act of the Board of Directors unless a greater number is required by law or by the Articles of Incorporation.

Section 3.10 Fees and Compensation. Directors shall receive no compensation or expenses from the Corporation for services as Directors of the Corporation.

Section 3.11 Ralph M. Brown Act. Notwithstanding any of the provisions of these Bylaws to the contrary, all meetings of Directors shall be subject to the Ralph M. Brown Act, commencing at Section 54950 of the Government Code of the State of California.

Section 3.12 Conduct of Meetings. The President or, in the absence of the President, the Vice President, or, in the absence of the Vice President, a Chairman chosen by a majority of the Directors present, shall preside.

Section 3.13 Quorum. A majority of the number of Directors authorized hereunder constitutes a quorum of the Board of Directors for the transaction of business.

ARTICLE IV - OFFICERS

Section 4.1 Officers. The officers of the Corporation shall be a President, a Vice President, a Secretary, a Chief Financial Officer and an Executive Director. The Corporation may also have, at the discretion of the Board of Directors, one or more additional Vice Presidents, one or more Assistant Secretaries, one or more Assistant Chief Financial Officers, and such other officers as may be appointed by the Board of Directors. One person may hold two or more offices, except that the offices of President and Secretary or President and Chief Financial Officer may not be combined.

Section 4.2 Election. The officers shall be chosen annually by the Board of Directors and each shall hold office until the officer shall resign, be removed, or be otherwise disqualified to serve, or the officer's successor shall be elected and qualified.

Section 4.3 Removal and Resignation. Any officer may resign, or may be removed, with or without cause, by the Board of Directors at any time. Vacancies caused by death, resignation or removal of any officer may be filled by appointment by the Board of Directors, or by the President until such appointment by the Board of Directors.

Section 4.4 President. The President shall be the executive officer of the Corporation and, subject to the control of the Board of Directors, shall have general supervision, direction and control of the affairs of the Corporation. The President shall preside at all meetings of the Board of Directors.

Section 4.5 Vice President. In the absence 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 the restrictions upon, the President. The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed for the Vice President respectively by the Board of Directors or by the Bylaws.

Section 4.6 Secretary. The Secretary shall keep at the principal office of the Corporation a book of minutes of all meetings of Directors, with the time and place of holding, how called or authorized, the notice thereof given, and the names of those present at Directors' meetings.

Section 4.7 Chief Financial Officer. The Chief Financial Officer shall be the chief financial officer and shall keep and maintain adequate and correct books of account showing the receipts and disbursements of the Corporation, and an account of its cash and other assets, if any. Such books of account shall at all reasonable times be open to inspection by any Director.

The Chief Financial Officer shall deposit all moneys of the Corporation with such depositories as are designated by the Board of Directors, and shall disburse the funds of the Corporation as may be ordered by the Board of Directors, and shall render to the President or the Board of Directors, upon request, statements of the financial condition of the Corporation.

Section 4.8 Executive Director. The Executive Director shall be the chief operating officer of the Corporation, subject to the supervision of the Board of Directors. The Executive Director shall also perform such other duties as may be prescribed by the Board of Directors.

Section 4.9 Subordinate Officers. Subordinate officers shall perform such duties as shall be prescribed from time to time by the Board of Directors or the President.

ARTICLE V - MISCELLANEOUS

Section 5.1 Execution of Documents. The Board of Directors may authorize any officer or officers as agent or agents, to enter into any contract or execute any instrument in

the name of and on behalf of the Corporation and such authority may be general or confined to specific instances; and unless so authorized by the Board of Directors, no officer, agent or other person shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

Section 5.2 Inspection of Bylaws. The Corporation shall keep in its principal office the original or a copy of these Bylaws, as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by members of the public and the Directors at all reasonable times during office hours.

Section 5.3 Annual Report. The Corporation, having no members, hereby expressly dispenses with the annual report referred to in Section 6321 of the Law.

Section 5.4 Fiscal Year. The fiscal year of the Corporation shall begin July 1 of each year and end on the last day of June of the succeeding year, except the first fiscal year which shall run from the date of incorporation to June 30, 2004.

Section 5.5 Dissolution. In the event of dissolution of the Corporation in any manner and for any cause, after the payment or adequate provision for the payment of all of its debts and liabilities, all of the remaining funds, assets and properties of the Corporation shall be paid or distributed to the District.

Section 5.6 Construction and Definitions. Unless the context otherwise requires, the general provisions, rules of construction and definitions contained in the Law shall govern the construction of these Bylaws. If any section, subsection, sentence, clause or phrase of these Bylaws, or the application thereof, is contrary to the Law, the provisions of the Law shall prevail. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, the singular number includes the plural and the plural number includes the singular, and the term "person" includes a corporation as well as a natural person.

ARTICLE VI - AMENDMENTS

Section 6.1 Power of Directors. New Bylaws may be adopted, or these Bylaws may be amended or repealed by the vote of the Board of Directors. No amendment to these Bylaws shall be effective until approved by the Board of Directors.

Version History:

- Original Bylaws: Adopted June 2, 2004.
- Amendment No. 1: Adopted January 16, 2018.



Director Memorandum 18-02

Date: January 16, 2018

Prepared By: Joseph B. Zoba, Executive Director

Subject: Selection of Officers of the Yucaipa Valley Water District Financing Corporation

Recommendation: That the Board selects of reaffirms the officers of the Financing Corporation.

Section 3.5 of the Bylaws of the Yucaipa Valley Water District Financing Corporation requires the Board of Directors to hold an annual meeting for the purpose of organization, selection of officers and the transaction of other business.

Currently, the officers of the Yucaipa Valley Water District Financing Corporation are:

- Director Jay Bogh - President;
- Director Lonni Granlund - Vice President;
- Director Tom Shalhoub - Secretary.

The term of the office will be until the next annual Financing Corporation meeting which is scheduled for January 15, 2019.