

**AGENDA
OF THE BOARD OF DIRECTORS OF
BIG BEAR MUNICIPAL WATER DISTRICT
PUBLIC FACILITIES CORPORATION
FOR
MARCH 15, 2012
1:45PM**

- 1. Call to Order**
- 2. Roll Call**
- 3. Approval of Minutes for meeting on June 19, 2003**
- 4. Consider By-law amendments**
- 5. Adjournment**

**MINUTES OF A REGULAR MEETING OF
BIG BEAR MUNICIPAL WATER DISTRICT
PUBLIC FACILITIES CORPORATION
HELD ON THURSDAY, JUNE 19, 2003**

CALL TO ORDER

President Suhay called the Open Session to order at 2:10 P.M. Those in attendance included Vice President Eminger, Director Rounds, Director Stanfield, General Manager Sheila Hamilton, Lake Manager Gene Martin, District Counsel Wayne Lemieux and Board Secretary Rachael Winslow.

CONSIDER APPROVAL OF A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BIG BEAR MUNICIPAL WATER DISTRICT PUBLIC FACILITIES CORPORATION AUTHORIZING THE SALE OF NOT TO EXCEED \$6,100,000 CERTIFICATES OF PARTICIPATION; RATIFYING A REVISED TRUST AGREEMENT, LEASE, SITE LEASE, ASSIGNMENT AGREEMENT AND PRELIMINARY OFFICIAL STATEMENT; APPROVING AN ESCROW AGREEMENT; AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS WITH RESPECT THERETO

Mrs. Hamilton reported that at the meeting of April 17, 2003, the Board approved a resolution authorizing the sale of the certificates of participation and approving the various documents relating to the bond issuance and lease arrangements. She stated that due to the delay in the issuance from the original date, it is now required that the Board adopt a new resolution ratifying the previous action and indicating the new sale date. She noted that the good news about the delay is that interest rates have actually decreased and the District's annual payment has been reduced to about \$390,000 from the anticipated \$405,000 and the District will receive slightly more than \$3 million for the lake improvement project.

Vice President Eminger moved approval of A Resolution Of The Board Of Directors Of The Big Bear Municipal Water District Public Facilities Corporation Authorizing The Sale Of Not To Exceed \$6,100,000 Certificates Of Participation; Ratifying A Revised Trust Agreement, Lease, Site Lease, Assignment Agreement And Preliminary Official Statement; Approving An Escrow Agreement; And Authorizing And Directing Certain Actions With Respect Thereto. Director Rounds seconded the motion and was approved by a vote of 4-0.

PUBLIC FORUM

No comments were made.

ANNOUNCEMENTS

No announcements were made.

DIRECTOR COMMENTS

No comments were made.

ADJOURNMENT

There being no further business, the meeting was adjourned at 2:15 pm.

Rachael Winslow
Secretary to the Board
Big Bear Municipal Water District

(SEAL)

BYLAWS
OF
BIG BEAR MUNICIPAL WATER DISTRICT PUBLIC FACILITIES CORPORATION

ARTICLE ~~I~~1.

~~Name, Organization, and Purpose,
Principal Office, and Seal~~
Preliminary

1.01. Name.

The name of this corporation is Big Bear Municipal Water District Public Facilities Corporation (hereinafter referred to as the "Corporation").

1.02. Organization, Purpose and Use of Funds.

The Corporation is a nonprofit public benefit Corporation organized under the Nonprofit Corporation Law of the State of California to provide financial assistance to the Big Bear Municipal Water District, by acquiring and constructing various public improvements, and the acquisition of land and related facilities for the use, benefit and enjoyment of the public (herein "improvements"). 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 members 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 Big Bear Municipal Water District.

1.03. Principal Office.

The principal office of the Corporation is hereby fixed and located at ~~42169-D Big Bear Boulevard~~ 40524 Lakeview Dr., Big Bear Lake, California 92315. The Board of Directors is hereby granted full power and authority to change ~~said the~~ principal office from one ~~located~~ location to another in the ~~Big Bear Municipal Water~~ District. ~~Any such change shall be noted by the Secretary opposite this section, but shall not be considered an amendment to these Bylaws.~~

1.04. Seal.

The corporate seal of the Corporation shall set forth the name of the Corporation and shall have inscribed thereon the words "Incorporated March 13, 1989."

ARTICLE ~~II~~
No Members

~~2.01~~**1.05. No Members.**

~~Pursuant to Section 5310 of the Government Code, the Bylaws of a nonprofit corporation may provide that the corporation shall have no members.~~ The Corporation shall have no members.

ARTICLE III.
Directors

32.01. Powers.

Subject to limitation of the Articles of Incorporation, or the Bylaws, and of the California Nonprofit Corporation 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. No Director shall be responsible for any error in judgment or for anything that he or she may do or refrain from doing in good faith. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared the Directors shall have the following powers, to wit:

First: To select and remove all the other officers, agents and employees of the Corporation, prescribe such powers and duties for them as may not be inconsistent with law or the Articles of Incorporation or Bylaws, fix their compensation and require from them 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 or the Articles of Incorporation or Bylaws, as they 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, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefor.

32.02. Number and Qualification of Directors.

The authorized number of Directors shall be five (5) until changed by amendment of the Articles of Incorporation or by amendment of the Bylaws.

32.03. Selection and Term of Office.

~~Directors of the Corporation shall be designated by the members of the Board of Directors of the Big Bear Municipal Water District. Each member of the Board of Directors of Big Bear Municipal Water District shall designate one Director is the *ex officio* board of directors of the Corporation, which may be him or herself or another person. Unless a vacancy in the office occurs as herein provided, each Director shall hold office for the same term as the member of the Board of Directors of Big Bear Municipal Water District appointing that Director or until a successor has been designated and has accepted the office. The member of the Board of Directors of Big Bear Municipal Water District appointing a Director of the Corporation may, with or without cause, remove that Director of the Corporation from office.~~

32.04. Vacancies.

Subject to the provisions of Section 5226 of the California Nonprofit Corporation Law, any Director may resign, effective upon giving written notice to the President, the Secretary, or the Board, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be selected before such time, to take office when the resignation becomes effective.

The Board of Directors may remove a Director for failing to attend three consecutive meetings of the Board ~~of Directors~~.

A vacancy or vacancies in the Board ~~of Directors~~ shall be deemed to exist in case of the death, resignation, or removal of ~~any~~ Director, or if the authorized number of Directors is increased.

Vacancies in the Board shall be filled in the same manner as the Director whose office is vacant was selected. Each Director so selected shall hold office until the expiration of the term of the replaced Director and until a successor has been selected and has accepted the office.

32.05. Organization and Annual Meetings.

The Board of Directors shall hold an annual meeting for the purpose of organization, selection of Directors and officers, and the transaction of other business. Annual meetings of the Board shall be held without call or notice on the ~~first third~~ Thursday of March at 12:45 o'clock p.m., local time; provided, however, should said day fall upon a ~~Saturday, Sunday, or~~ holiday observed by the Corporation at its principal office, then said meeting shall be held at the same time on the next day thereafter ensuing which is a full business day.

32.06. Regular Meetings.

The Board of Directors ~~by resolution may provide for the shall~~ holding of regular meetings and may fix the time and place of holding such meetings. ~~Notice of regular meetings need not be given and special meetings in accordance with the Ralph M. Brown Act.~~

~~3.07. Special Meetings, Notice of Waiver.~~

~~A special meeting of the Board of Directors shall be held whenever called by the President, or by a majority of the Directors. Written notice of each such meeting shall be delivered personally or by mail to each Director to be received at least twenty four (24) hours before the time of such meeting. The call and notice shall be posted at least twenty four (24) hours prior to the special meeting in a location that is freely accessible to the members of the public.~~

~~Notice shall also be given to the Board of Directors of the Big Bear Municipal Water District. The call and notice shall signify the time and place of the special meeting and the business to be transacted. No other business shall be considered at such meetings by the Board of Directors. Notice of adjournment of a meeting need not be given to absent Directors if the time and place are fixed at the meeting adjourned.~~

~~The transactions of any meeting of the Board of Directors, however called and notice, and wherever held, shall be as valid as though had at a meeting held after regular call and notice, if a quorum be present; provided, however, that before the meeting, each of the Directors not present signs a written waiver of notice and files said written waiver of notice with the Secretary; and provided further, that notice be given to each local newspaper of general circulation, radio or television station requesting notice in writing pursuant to Government Code Section 54956. All waivers shall be filed with the corporate records and made a part of the minutes of the meeting.~~

~~3.08. Adjourned Meeting, 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 quorum 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 twenty four (24) hours after the time of the adjournment. When a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all purposes.~~

~~3.092.07.~~ Quorum.

A majority of the authorized number of Directors shall be necessary to constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present, shall be regarded as the act of the Board of Directors unless a greater number be required by law or by the Articles of Incorporation.

~~3.102.08.~~ Fees and Compensation.

Directors shall receive no compensation or expenses for their services as Directors.

~~**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.~~

~~**3.12. Conduct of Meetings.**~~

~~The President or, in his absence, the Vice President, or a Chairman chosen by a majority of the Directors present, shall preside.~~

ARTICLE IV~~3~~.
Officers

~~4.01. Officers.~~

The officers of the Corporation shall be a President, a Vice President, a Secretary and a Treasurer. The Corporation may also have, at the discretion of the Board of Directors, one or more additional Vice President, one or more Assistant Secretary, one or more Assistant Treasurer, and such other officers as may be appointed by the Board of Directors. ~~One person may hold two or more offices, except the offices of President and Secretary or President and Treasurer may not be combined. The President, Vice President, Secretary and Treasurer of the Big Bear Municipal Water District are the *ex officio* President, Vice President, Secretary and Treasurer of this corporation.~~

~~**4.02. 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 otherwise be disqualified to serve, or the officer's successor shall be elected and qualified.~~

~~**4.03. 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.~~

43.024. 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 members and meetings of the Board of Directors.

43.035. Vice President.

In the absence or disability of the President, the Vice Presidents in order of their rank as fixed by the Board of Directors or, if not ranked, the Vice President designated by the Board of Directors, 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 them respectively by the Board of Directors or by the Bylaws.

43.046. Secretary.

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

43.057. Treasurer.

The Treasurer 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 member or Directors.

The Treasurer 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.

43.068. 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~~4.
Miscellaneous**

54.01. Execution of Documents.

The Board of Directors may authorize any officer or officer's 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.

54.02. 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 the members at all reasonable times during office hours.

54.03. Annual Report.

The annual report referred to in Section 6321 of the Nonprofit Corporation Law of the State of California is expressly dispensed with.

54.04. Fiscal Year.

The fiscal year of the Corporation shall begin July 1 and end June 30 of ~~each the~~ next year, except the first fiscal year which shall run from date of incorporation to June 30, 1989.

54.05. 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 Big Bear Municipal Water District.

54.06. Construction and Definitions.

Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the Nonprofit Corporation Law of the State of California 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 Nonprofit Corporation Law of the State of California, the provisions of that law shall prevail. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes a Corporation as well as a natural person.

**ARTICLE VI.
Amendments**

6-014.07. 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 of the Big Bear Municipal Water District.

~~~~~

**BYLAWS**  
**OF**  
**BIG BEAR MUNICIPAL WATER DISTRICT PUBLIC FACILITIES CORPORATION**

**ARTICLE 1.**  
**Preliminary**

**1.01. Name.**

The name of this corporation is Big Bear Municipal Water District Public Facilities Corporation (hereinafter referred to as the "Corporation").

**1.02. Organization, Purpose and Use of Funds.**

The Corporation is a nonprofit public benefit Corporation organized under the Nonprofit Corporation Law of the State of California to provide financial assistance to the Big Bear Municipal Water District, by acquiring and constructing various public improvements, and the acquisition of land and related facilities for the use, benefit and enjoyment of the public (herein "improvements"). 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 members 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 Big Bear Municipal Water District.

**1.03. Principal Office.**

The principal office of the Corporation is hereby fixed and located at 40524 Lakeview Dr., Big Bear Lake, California 92315. The Board is granted full power and authority to change the principal office from one location to another in the District.

**1.04. Seal.**

The corporate seal of the Corporation shall set forth the name of the Corporation and shall have inscribed thereon the words "Incorporated March 13, 1989."

**1.05. No Members.**

The Corporation shall have no members.

**ARTICLE 2.**  
**Directors**

**2.01. Powers.**

Subject to limitation of the Articles of Incorporation, or the Bylaws, and of the California Nonprofit Corporation 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. No Director shall be responsible for any error in judgment or for anything that he or she may do or

refrain from doing in good faith. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared the Directors shall have the following powers, to wit:

First: To select and remove all the other officers, agents and employees of the Corporation, prescribe such powers and duties for them as may not be inconsistent with law or the Articles of Incorporation or Bylaws, fix their compensation and require from them 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 or the Articles of Incorporation or Bylaws, as they 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, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefor.

#### **2.02. Number and Qualification of Directors.**

The authorized number of Directors shall be five (5) until changed by amendment of the Articles of Incorporation or by amendment of the Bylaws.

#### **2.03. Selection and Term of Office.**

The Board of Directors of Big Bear Municipal Water District is the *ex officio* board of directors of the Corporation.

#### **2.04. Vacancies.**

Subject to the provisions of Section 5226 of the California Nonprofit Corporation Law, a Director may resign, effective upon giving written notice to the President, the Secretary, or the Board, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be selected before such time, to take office when the resignation becomes effective.

The Board of Directors may remove a Director for failing to attend three consecutive meetings of the Board.

A vacancy or vacancies in the Board shall be deemed to exist in case of the death, resignation, or removal of a Director, or if the authorized number of Directors is increased.

Vacancies in the Board shall be filled in the same manner as the Director whose office is vacant was selected. Each Director so selected shall hold office until the expiration of the term of the replaced Director and until a successor has been selected and has accepted the office.

#### **2.05. Organization and Annual Meetings.**

The Board of Directors shall hold an annual meeting for the purpose of organization, selection of Directors and officers, and the transaction of other business. Annual meetings of the Board shall be held without call or notice on the third Thursday of March at 12:45 o'clock p.m., local time; provided, however, should said day fall upon a holiday observed

by the Corporation at its principal office, then said meeting shall be held at the same time on the next day thereafter ensuing which is a full business day.

**2.06. Meetings.**

The Board of Directors shall hold regular and special meetings in accordance with the Ralph M. Brown Act.

**2.07. Quorum.**

A majority of the authorized number of Directors shall be necessary to constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present, shall be regarded as the act of the Board of Directors unless a greater number be required by law or by the Articles of Incorporation.

**2.08. Fees and Compensation.**

Directors shall receive no compensation or expenses for their services as Directors.

**ARTICLE 3.  
Officers**

**3.01. Officers.**

The officers of the Corporation shall be a President, a Vice President, a Secretary and a Treasurer. The Corporation may also have, at the discretion of the Board of Directors, one or more additional Vice President, one or more Assistant Secretary, one or more Assistant Treasurer, and such other officers as may be appointed by the Board of Directors. The President, Vice President, Secretary and Treasurer of the Big Bear Municipal Water District are the *ex officio* President, Vice President, Secretary and Treasurer of this corporation.

**3.02. 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 members and meetings of the Board of Directors.

**3.03. Vice President.**

In the absence or disability of the President, the Vice Presidents in order of their rank as fixed by the Board of Directors or, if not ranked, the Vice President designated by the Board of Directors, 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 them respectively by the Board of Directors or by the Bylaws.

**3.04. Secretary.**

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

meetings, the number of members present or represented at members' meetings, and the proceedings thereof.

**3.05. Treasurer.**

The Treasurer 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 member or Directors.

The Treasurer 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.

**3.06. 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 4.  
Miscellaneous**

**4.01. Execution of Documents.**

The Board of Directors may authorize any officer or officer's 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.

**4.02. 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 the members at all reasonable times during office hours.

**4.03. Annual Report.**

The annual report referred to in Section 6321 of the Nonprofit Corporation Law of the State of California is expressly dispensed with.

**4.04. Fiscal Year.**

The fiscal year of the Corporation shall begin July 1 and end June 30 of the next year, except the first fiscal year which shall run from date of incorporation to June 30, 1989.

**4.05. 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 Big Bear Municipal Water District.

**4.06. Construction and Definitions.**

Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the Nonprofit Corporation Law of the State of California 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 Nonprofit Corporation Law of the State of California, the provisions of that law shall prevail. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes a Corporation as well as a natural person.

**4.07. 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 of the Big Bear Municipal Water District.

~~~~~