

# Memorandum



DATE: February 18, 2011

TO: Jon Van Rhyn, County of San Diego  
Todd Snyder, County of San Diego

SUBJECT: Review of Existing Stormwater  
Permitting Strategies

Cc: Malcolm Walker  
Karen Ashby

Rachel Warren

707 4th Street, Suite 200  
Davis, CA 95616  
530.753.6400  
530.753.7030 fax  
rachelw@lwa.com

## I. PURPOSE

The County of San Diego (County), the incorporated cities of San Diego County, the San Diego Unified Port District, and the San Diego County Regional Airport Authority (collectively Copermitees) are subject to the National Pollutant Discharge Elimination System (NPDES) Municipal Separate Storm Sewer System (MS4) Permit (Order No. R9-2007-0001, NPDES No. CAS0108758) (Permit). This Permit expires January 24, 2012, and a Report of Waste Discharge (ROWD) is due to the San Diego Regional Water Quality Control Board (Regional Board) 210 days prior to the expiration date (June 2011). As part of the ROWD process, the Copermitees are evaluating different strategies and/or approaches that may be used for the renewed permit.

The purpose of this memorandum is to summarize different strategies/approaches used in a select number of stormwater NPDES permits that the Copermitees may consider for the ROWD process. These strategies are characterized as countywide (e.g., County of Orange), regional (e.g., San Francisco Bay Region), and watershed (e.g., Tualatin River Watershed).

This memorandum reviews and summarizes the key aspects of each of these strategies, including an overview of the permitting approach and program management structure. The memo is organized as follows:

- I. Purpose
- II. Review of Stormwater Permitting Strategies
  - a. Countywide Permit: County of Orange, San Diego Region
  - b. Regional Permit: San Francisco Bay Region
  - c. Watershed Permit: Clean Water Services (Oregon)
- III. Summary and Assessment

**II. REVIEW OF STORMWATER PERMITTING STRATEGIES**

NPDES municipal stormwater permits are typically issued at the individual, countywide, regional, or watershed level. As a result, these permits and the resulting management programs vary in terms of the permitting approach and organization, as well as the program management structure and implementation. However, in every case, each local jurisdiction is ultimately responsible for the development and implementation of the stormwater management program within its jurisdiction. Three examples of permitting strategies and programs are discussed below.

**a. Countywide Permit: County of Orange, San Diego Region**

**i. Overview**

The County of Orange, the incorporated cities of Orange County, and the Orange County Flood Control District are subject to the Phase I NPDES MS4 permits for the Santa Ana and San Diego Regions.<sup>1</sup> The County of Orange is the Principal Permittee, and the cities and the Orange County Flood Control District are Copermittees on the permits (all parties are herein collectively referred to as Copermittees). There are 28 Copermittees in the Santa Ana Region and 13 Copermittees in the San Diego Region. The Orange County Stormwater Program Copermittees are listed in **Table 1**.

For the purpose of this memo, the subsequent review and sections focus on the San Diego Region Permit and the overall implementation of the Orange County Stormwater Program.

**Table 1. Orange County Stormwater Program Copermittees**

San Diego Region Permit	Santa Ana Region Permit	
<ul style="list-style-type: none"> <li>• County of Orange</li> <li>• Orange County Flood Control District</li> <li>• City of Aliso Viejo</li> <li>• City of Dana Point</li> <li>• City of Laguna Beach</li> <li>• City of Laguna Hills</li> <li>• City of Laguna Niguel</li> <li>• City of Laguna Woods</li> <li>• City of Lake Forest</li> <li>• City of Mission Viejo</li> <li>• City of Rancho Santa Margarita</li> <li>• City of San Clemente</li> <li>• City of San Juan Capistrano</li> </ul>	<ul style="list-style-type: none"> <li>• County of Orange</li> <li>• Orange County Flood Control District</li> <li>• City of Anaheim</li> <li>• City of Brea</li> <li>• City of Buena Park</li> <li>• City of Costa Mesa</li> <li>• City of Cypress</li> <li>• City of Fountain Valley</li> <li>• City of Fullerton</li> <li>• City of Garden Grove</li> <li>• City of Huntington Beach</li> <li>• City of Irvine</li> <li>• City of Laguna Hills</li> <li>• City of Laguna Woods</li> </ul>	<ul style="list-style-type: none"> <li>• City of La Habra</li> <li>• City of La Palma</li> <li>• City of Lake Forest</li> <li>• City of Los Alamitos</li> <li>• City of Newport Beach</li> <li>• City of Orange</li> <li>• City of Placentia</li> <li>• City of Santa Ana</li> <li>• City of Seal Beach</li> <li>• City of Stanton</li> <li>• City of Tustin</li> <li>• City of Villa Park</li> <li>• City of Westminster</li> <li>• City of Yorba Linda</li> </ul>

<sup>1</sup> Order No. R8-2009-0030, NPDES No. CAS618030 (Santa Ana Region Permit) and Order No. R9-2009-0002, NPDES No. CAS0108740 (San Diego Region Permit)

## *ii. Permitting Approach*

Countywide<sup>2</sup> permits typically address stormwater discharges from all municipalities within a single county boundary including the local county, the incorporated cities within the county (Phase I and/or Phase II), and the Flood Control District.

The San Diego Region Permit is a countywide permit because it was issued to all of the municipal stormwater dischargers within the San Diego Region of Orange County. This particular permit includes requirements for certain program elements to be developed, implemented, and reported on at jurisdictional, countywide, and/or watershed levels (**Figure 1**).

### *Jurisdictional Level*

The San Diego Region Permit requires each Copermittee to develop and implement a Jurisdictional Runoff Management Program (JRMP) within its respective jurisdiction that includes the typical stormwater management program elements:

- Development Planning Component
- Construction Component
- Existing Development Component
  - Municipal (Includes training/education of personnel/contractors)
  - Commercial/Industrial (Includes training/education of owners/operators)
  - Residential (Includes residential education)
  - Retrofitting Existing Development
- Illicit Discharge Detection and Elimination
- Public Participation Component

### *Countywide Level*

The San Diego Region Permit encourages, but does not require, the Copermittees to address some program elements on a countywide basis so that they may be efficiently and cost-effectively developed and implemented (e.g., Regional Residential Education Program, Monitoring). Countywide approaches to residential education and other stormwater-related efforts allow for the leveraging of resources and may promote the distribution of consistent stormwater messages.

### *Watershed Level*

The San Diego Region Permit requires the Permittees to identify the “Lead Watershed Copermittee” for each Watershed Management Area and to develop and implement a Watershed Water Quality Workplan (Watershed Workplan). The intent of the Watershed Workplan is to assess and prioritize water quality problems within a particular watershed. This is accomplished by the stakeholders in each watershed collaboratively developing the Watershed Workplan—a watershed-based management strategy—and implementing it on a watershed and/or jurisdictional basis, as appropriate.

---

<sup>2</sup> These may also be referred to as “Area-wide” permits.

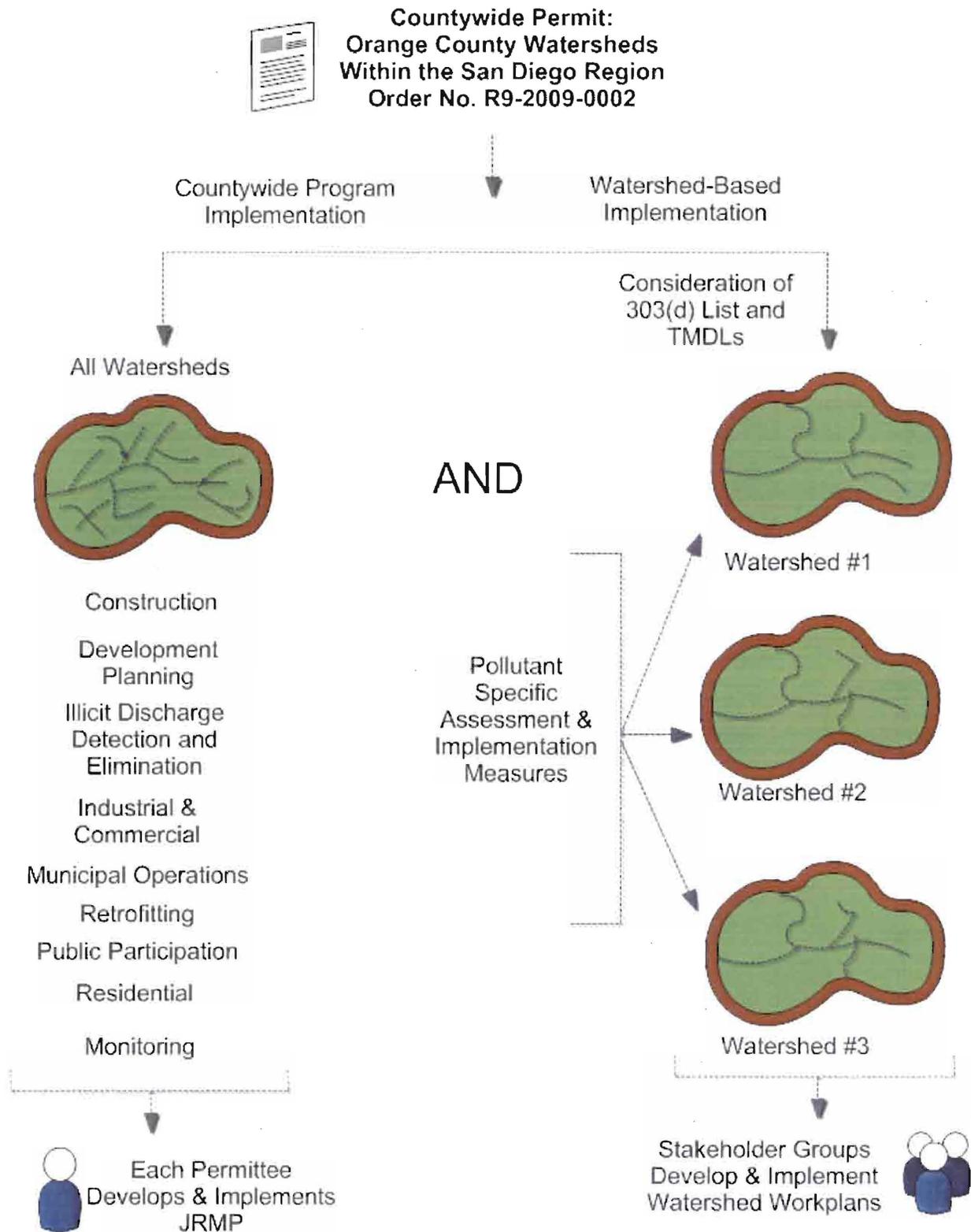


Figure 1. Orange County, San Diego Region Countywide Permitting Approach

*iii. Program Management Structure and Implementation*

A program management framework and Implementation Agreement for the Copermittees has been in place for the Orange County Stormwater Program since the early 1990s. The framework provides a process and structure for the development and implementation of the coordinated Program at the jurisdictional, countywide, and watershed levels (**Figure 2**). The Copermittees entered into an updated NPDES Stormwater Permit Implementation Agreement in 2002 that designates program implementation responsibilities, among other things (**Attachment A**).

The Principal Permittee and Copermittee responsibilities are specified in both permits and reiterated in the Implementation Agreement. The role of the Principal Permittee (the County of Orange) is the same as that for the other Copermittees, with the addition of certain overall countywide program coordination & management responsibilities.

As Principal Permittee, the County of Orange acts as a liaison between the Regional Board and the Copermittees and provides overarching program support, guidance, and tools for the Copermittees to assist them with the development, implementation, and reporting of the program. This allows for a leveraging of resources among the Copermittees and promotes countywide consistency. The Principal Permittee reports to and receives guidance from a Technical Advisory Committee as well as several sub-committees and task forces that have been created to address various permit requirements (e.g., legal authority, monitoring, inspections).

However, the Principal Permittee has no regulatory authority over the Permittees. Each Permittee is responsible for ensuring permit compliance within its jurisdiction. In addition to the countywide and watershed management framework for program development, the Permittees formally identify the departments with responsibility for implementation of each program element within their jurisdictions.

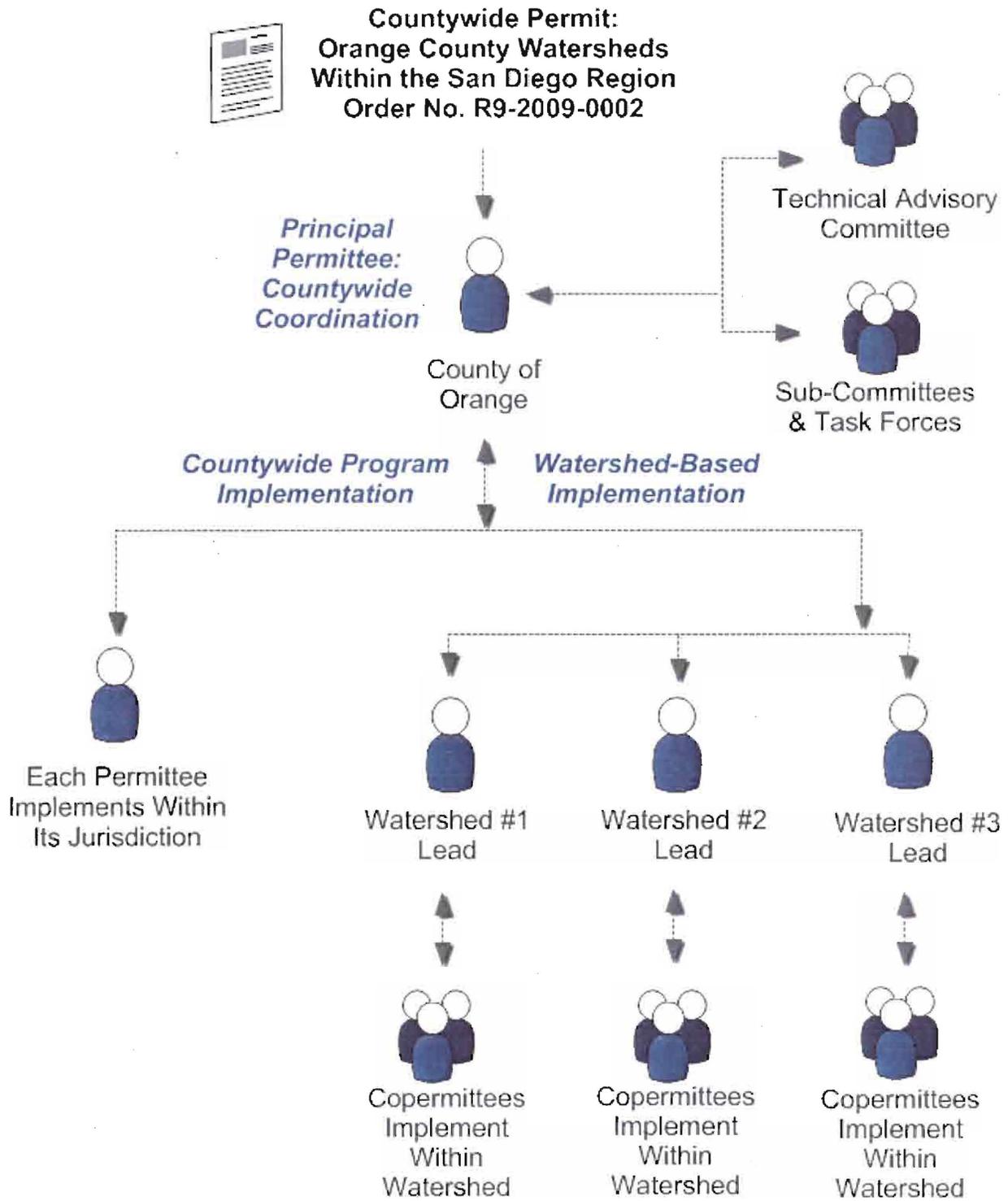


Figure 2. Orange County, San Diego Region Countywide Permit: Program Management Structure

**b. Regional Permit: San Francisco Bay Region****i. Overview**

The following Programs are subject to the Phase I NPDES Municipal Regional Stormwater Permit (Order No. R2-2009-0074, NPDES No. CAS612008) (Bay Area MRP) for the San Francisco Bay Region:

- Alameda Countywide Clean Water Program
- Contra Costa Clean Water Program
- Fairfield-Suisun Urban Runoff Management Program
- San Mateo Countywide Water Pollution Prevention Program
- Santa Clara Valley Urban Runoff Pollution Prevention Program
- Vallejo Sanitation and Flood Control District

The individual permittees operating under these Programs are listed in **Table 2**. The permittees coordinate regionally, through the Bay Area Stormwater Management Agencies Association (BASMAA), and Program-wide (i.e., depending on Program, may be countywide). Each permittee is also responsible for implementing the permit requirements locally within its jurisdiction.

BASMAA also includes agencies other than those covered by the Bay Area MRP, specifically:

- The Marin County Stormwater Pollution Prevention Program, subject to Order No. 2003-0005-DWQ (Phase II Permit)
- The Sonoma County Water Agency, a co-permittee with the City of Santa Rosa and the County of Sonoma under the North Coast Regional Board issued Phase I Permit (Order No. R1-2003-0062). Areas of Sonoma County are also subject to the Phase II Permit.
- The California Department of Transportation (Caltrans)
- The City and County of San Francisco (combined sewer system)

Together, BASMAA participants represent more than 90 agencies, including 79 cities and 6 counties, which geographically comprise the majority of the watershed adjacent to San Francisco Bay.

Table 2. San Francisco Bay Region Municipal Regional Stormwater NPDES Programs and Permittees

<b>Alameda Countywide Clean Water Program (Alameda Permittees)</b>	<b>Contra Costa Clean Water Program (Contra Costa Permittees)</b>	<b>Santa Clara Valley Urban Runoff Pollution Prevention Program (Santa Clara Permittees)</b>	<b>San Mateo Countywide Water Pollution Prevention Program (San Mateo Permittees)</b>	<b>Fairfield-Suisun Urban Runoff Management Program (Fairfield-Suisun Permittees)</b>	<b>Vallejo Permittees</b>
<ul style="list-style-type: none"> <li>• City of Alameda</li> <li>• City of Albany</li> <li>• City of Berkeley</li> <li>• City of Dublin</li> <li>• City of Emeryville</li> <li>• City of Fremont</li> <li>• City of Hayward</li> <li>• City of Livermore</li> <li>• City of Newark</li> <li>• City of Oakland</li> <li>• City of Piedmont</li> <li>• City of Pleasanton</li> <li>• City of San Leandro</li> <li>• City of Union City</li> <li>• Alameda County</li> <li>• Alameda County Flood Control and Water Conservation District</li> <li>• Zone 7 of the Alameda County Flood Control and Water Conservation District</li> </ul>	<ul style="list-style-type: none"> <li>• City of Clayton</li> <li>• City of Concord</li> <li>• City of El Cerrito</li> <li>• City of Hercules</li> <li>• City of Lafayette</li> <li>• City of Martinez</li> <li>• City of Orinda</li> <li>• City of Pinole</li> <li>• City of Pittsburg</li> <li>• City of Pleasant Hill</li> <li>• City of Richmond</li> <li>• City of San Pablo</li> <li>• City of San Ramon</li> <li>• City of Walnut Creek</li> <li>• Town of Danville</li> <li>• Town of Moraga</li> <li>• Contra Costa County</li> <li>• Contra Costa County Flood Control and Water Conservation District</li> </ul>	<ul style="list-style-type: none"> <li>• City of Campbell</li> <li>• City of Cupertino</li> <li>• City of Los Altos</li> <li>• City of Milpitas</li> <li>• City of Monte Sereno</li> <li>• City of Mountain View</li> <li>• City of Palo Alto</li> <li>• City of San Jose</li> <li>• City of Santa Clara</li> <li>• City of Saratoga</li> <li>• City of Sunnyvale</li> <li>• Town of Los Altos Hills</li> <li>• Town of Los Gatos</li> <li>• Santa Clara Valley Water District</li> <li>• Santa Clara County</li> </ul>	<ul style="list-style-type: none"> <li>• City of Belmont</li> <li>• Brisbane</li> <li>• Burlingame</li> <li>• Daly City</li> <li>• East Palo Alto</li> <li>• Foster City</li> <li>• Half Moon Bay</li> <li>• Menlo Park</li> <li>• Millbrae</li> <li>• Pacifica</li> <li>• Redwood City</li> <li>• San Bruno</li> <li>• San Carlos</li> <li>• San Mateo</li> <li>• South San Francisco</li> <li>• Town of Atherton</li> <li>• Town of Colma</li> <li>• Town of Hillsborough</li> <li>• Town of Portola Valley</li> <li>• Town of Woodside</li> <li>• San Mateo County Flood Control District</li> <li>• San Mateo County</li> </ul>	<ul style="list-style-type: none"> <li>• City of Fairfield</li> <li>• City of Suisun City</li> </ul>	<ul style="list-style-type: none"> <li>• City of Vallejo</li> <li>• Vallejo Sanitation and Flood Control District</li> </ul>

## *ii. Permitting Approach*

Regional permits address municipal stormwater discharges from multiple counties and the local jurisdictions within those counties. Regional permits often bundle several municipal stormwater permits to allow for more regional consistency, as well as for administrative relief for the regulatory agency overseeing the permits. Such permits may include jurisdictional, countywide, regional, and/or watershed elements.

The Bay Area MRP is a regional permit that was issued to six stormwater Programs (including a total of 76 individual permittees) within the San Francisco Bay Region. This particular permit includes requirements for certain program elements to be developed and implemented at a jurisdictional, Program-wide (i.e., depending on Program, may be countywide), and regional levels (**Figure 3**). These program elements, including pollutant-specific programs, are implemented for all watersheds within the permitted area. Many of the regional efforts are conducted as cooperative efforts through BASMAA.

### *Jurisdictional Level*

At the jurisdictional level, the Bay Area MRP requires implementation of traditional stormwater management program elements. These program elements are generally the same for most permittees, with a few differences specified for particular permittees or Programs. The general program elements are as follows:

- Municipal Operations
- New Development and Redevelopment
- Industrial and Commercial Site Controls
- Illicit Discharge Detection and Elimination
- Construction Site Control
- Public Information and Outreach

The Bay Area MRP notes that some of these jurisdictional requirements may be developed and/or implemented collaboratively at either a Program-wide or regional level so that the permittees can leverage their resources and promote consistency within the Bay Area. They include the following:

- New Development and Redevelopment (i.e., training)
- Industrial and Commercial Site Controls
- Construction
- Public Information and Outreach (i.e., advertising campaigns, surveys, and media relations)

In addition, the Bay Area MRP requires pollutant-specific and water quality monitoring programs that may be developed or coordinated at the Program-wide or regional level. The local jurisdictions, though, are responsible for the implementation of the program within their respective jurisdictions. These pollutant-specific and water quality monitoring requirements are as follows:

- Water Quality Monitoring
- Pollutant-Specific Programs
  - Pesticides Toxicity Control

- Trash Load Reduction
- Mercury Controls
- Polychlorinated Biphenyl (PCBs) Controls
- Copper Controls
- Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides, and Selenium

#### *Countywide or Program-Wide Level*

Although the stormwater Programs (including some Countywide Programs) were consolidated with the issuance of the Bay Area MRP, these Programs still meet and maintain their sub-committees to assist with the development, implementation, and coordination of the stormwater program within their respective jurisdictions. Program-wide coordination also provides a mechanism to review guidance and tools developed at the regional level through BASMAA and provide and/or tailor these materials to the local jurisdictions.

#### *Regional Level*

BASMAA was started in response to the issuance of the municipal NPDES permits to provide a way for the Bay Area municipalities to coordinate regionally, promote consistency within the region, and to leverage their resources in the development and implementation of their stormwater programs. Some of the permit requirements, such as the C.10 requirements for Trash and C.3 requirements for New Development, are coordinated through BASMAA at the regional level so that a consistent program can be developed and implemented.

BASMAA consists of a Board representing the seven municipal programs and several committees that report to the Board, including, but not limited to, the following:

- Monitoring Committee
- New Development Committee
- Public Information/Participation Committee
- Operational Permits Committee

BASMAA also allows the Bay Area municipalities to work collaboratively to address other regional stormwater-related issues, such as:

- Working with the regional air quality district in linking air quality to water quality;
- Working to strengthen the integration of storm water and wastewater;
- Working with trade associations to develop practical industrial/commercial water quality programs; and
- Working with rural-focused agencies and programs in the upper watersheds.

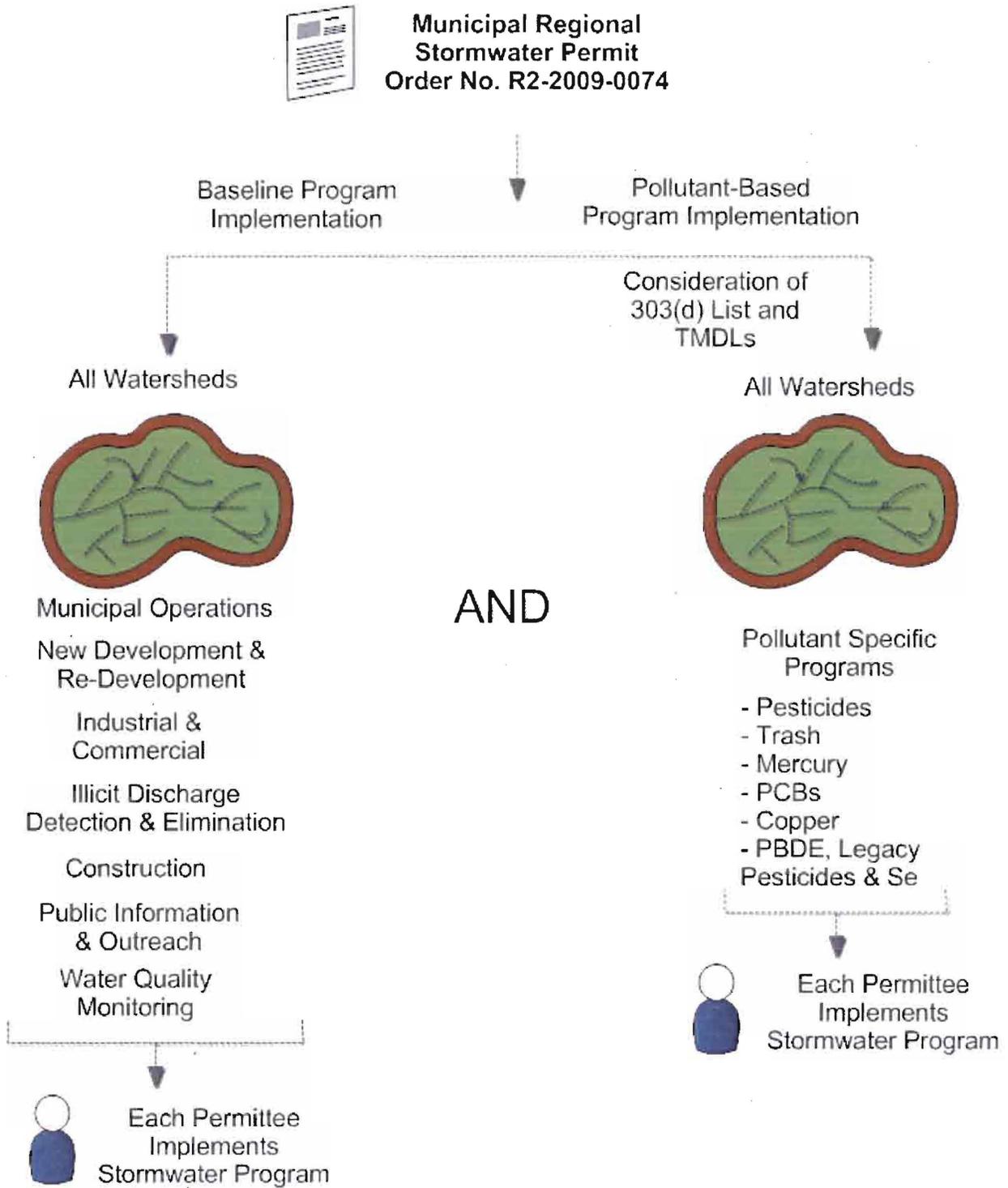


Figure 3. Bay Area Regional Permitting Approach

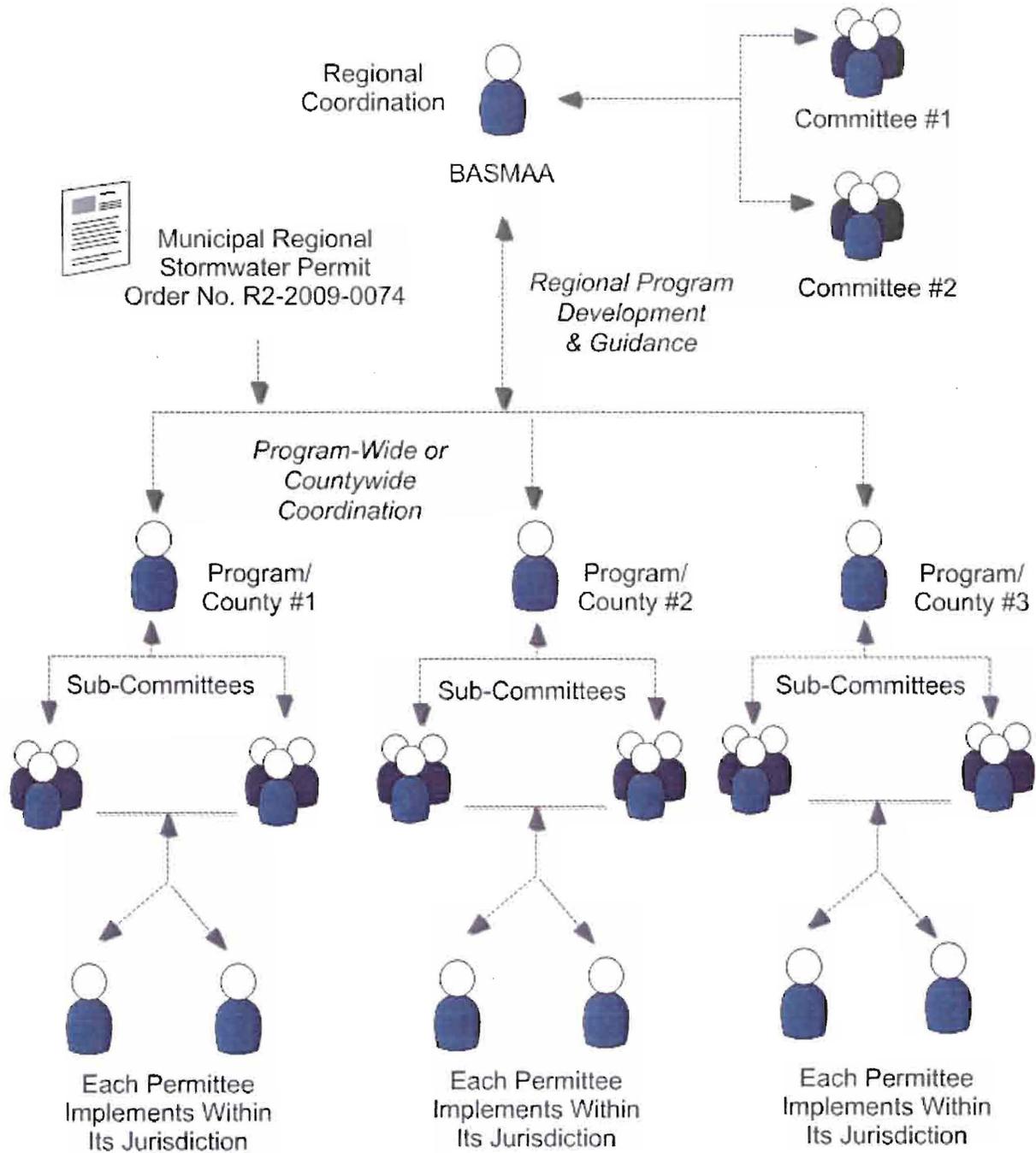


Figure 4. Bay Area Regional Permit: Program Management Structure

## c. **Watershed Permit: Clean Water Services (Oregon)**

### i. **Overview**

The third permit strategy evaluated is for the Tualatin River Watershed in Oregon. Clean Water Services (CWS) is a water resources management public utility for the Tualatin River watershed that is responsible for, among other things, wastewater and stormwater services, flood management projects, and water quality and stream enhancement projects. CWS is the sole permittee of the NPDES permit<sup>3</sup> (CWS Permit) for this watershed that was re-issued by the Oregon Department of Environmental Quality (Oregon DEQ) on July 27, 2005.<sup>4</sup> The implementers of the Stormwater Management Plan (SWMP) associated with this permit are CWS (referred to as “District” in the SWMP), Washington County, and the cities of Banks, Beaverton, Cornelius, Durham, Forest Grove, Hillsboro, King City, North Plains, Sherwood, Tigard, and Tualatin (together referred to as “Co-Implementers”).

The Tualatin River watershed lies within the Willamette Basin in the northwest portion of Oregon, west of Portland. This watershed drains 712 square miles and ranges from densely populated areas to agricultural areas to the forests of Oregon’s Coast Range Mountains.<sup>5</sup> The watershed is primarily located within Washington County (**Attachment C**). The close correlation that exists between the watershed and political boundaries is a unique feature of the Tualatin River watershed.

### ii. **Permitting Approach**

Over the past two decades, EPA has promoted watershed permitting approaches and developed technical guidance for such approaches.<sup>6</sup> Watershed permitting approaches prioritize watershed protection and enhancement. Watershed-specific issues are identified and assessed prior to determining how to best address stormwater discharges from multiple point and non-point sources within a watershed. Watershed permits may include watershed, regional, and/or jurisdictional elements. EPA has identified three primary types of watershed permitting approaches:

1. Coordination of individual permits – Within a defined watershed or geographic area, individual permits are preserved, but they may contain essentially the same requirements.
2. Municipal permit that integrates multiple programmatic requirements – Within a defined watershed or geographic area, multiple programs (e.g., stormwater, wastewater) are addressed.
3. Multisource watershed-based permit – Within a defined watershed or geographic area, point source dischargers of concern are addressed; may also be used to address non-point sources.

---

<sup>3</sup> Oregon Department of Environmental Quality, NPDES Watershed-Based Waste Discharge Permit, Permit Nos. 101141, 101142, 101143, 101144 & MS4, July 27, 2005.

<sup>4</sup> This permit is currently being renegotiated and will be reissued within the next year or so.

<sup>5</sup> [http://www.trwc.org/tualatin\\_info.html](http://www.trwc.org/tualatin_info.html)

<sup>6</sup> <http://cfpub.epa.gov/npdes/wqbasedpermitting/wspermitting.cfm>

The CWS Permit is an example of the second type of watershed permit because it addresses stormwater discharges from all MS4s as well as other point and non-point sources within the Tualatin River watershed. The regulated discharges are from the Co-Implementers' collective service area, including the stormwater service area of CWS and the urban growth boundary of Washington County.<sup>7</sup>

This watershed permit consolidated the permitted point sources within the watershed, naming one responsible entity (CWS). The CWS Permit includes requirements for baseline stormwater program elements to be developed and implemented throughout the watershed by CWS on behalf of the Co-Implementers (**Figure 5**). These baseline stormwater program elements, although implemented on a watershed basis, mirror those outlined in the San Diego Region Permit and the Bay Area MRP. Thus, the primary difference between the California permits discussed herein and the CWS Permit is that the California permits define a specific baseline program, whereas the Oregon DEQ allows the CWS to define, develop, and implement a baseline program based on a watershed assessment.

#### *Watershed and Jurisdictional Levels*

The stormwater program includes the following program elements that are implemented by CWS on behalf of the other Co-Implementers or by the Co-Implementers themselves, depending on the intergovernmental agreement in place (see "Program Management Structure and Implementation"):

- Best Management Practices (BMPs)
  - Construction Site Stormwater
  - Operation and Maintenance Activities
  - Structural and Source Control Measures
  - Illicit & Non-Stormwater Discharges
  - Landfills, Hazardous Waste Sites, and Industrial Facilities
  - Public Education and Outreach
- Monitoring Program
  - In-Stream Water Quality Monitoring
  - Biological and Physical Monitoring
  - MS4 Stormwater Runoff Monitoring

The stormwater program also includes elements addressing Stormwater Pollutant Loads, TMDLs, and Pollutant Load Reduction Benchmarks for TMDL pollutants, as well as an evaluation and adaptive management strategy.

---

<sup>7</sup> As stated in the Clean Water Services permit, "Four individual permits for the operation of publicly owned sewage treatment works (POTWs), one municipal separate storm sewage system (MS4) permit and individual storm water permits for the Durham and Rock Creek Advanced Wastewater Treatment Facilities in the Tualatin River watershed have been integrated and consolidated into this document."

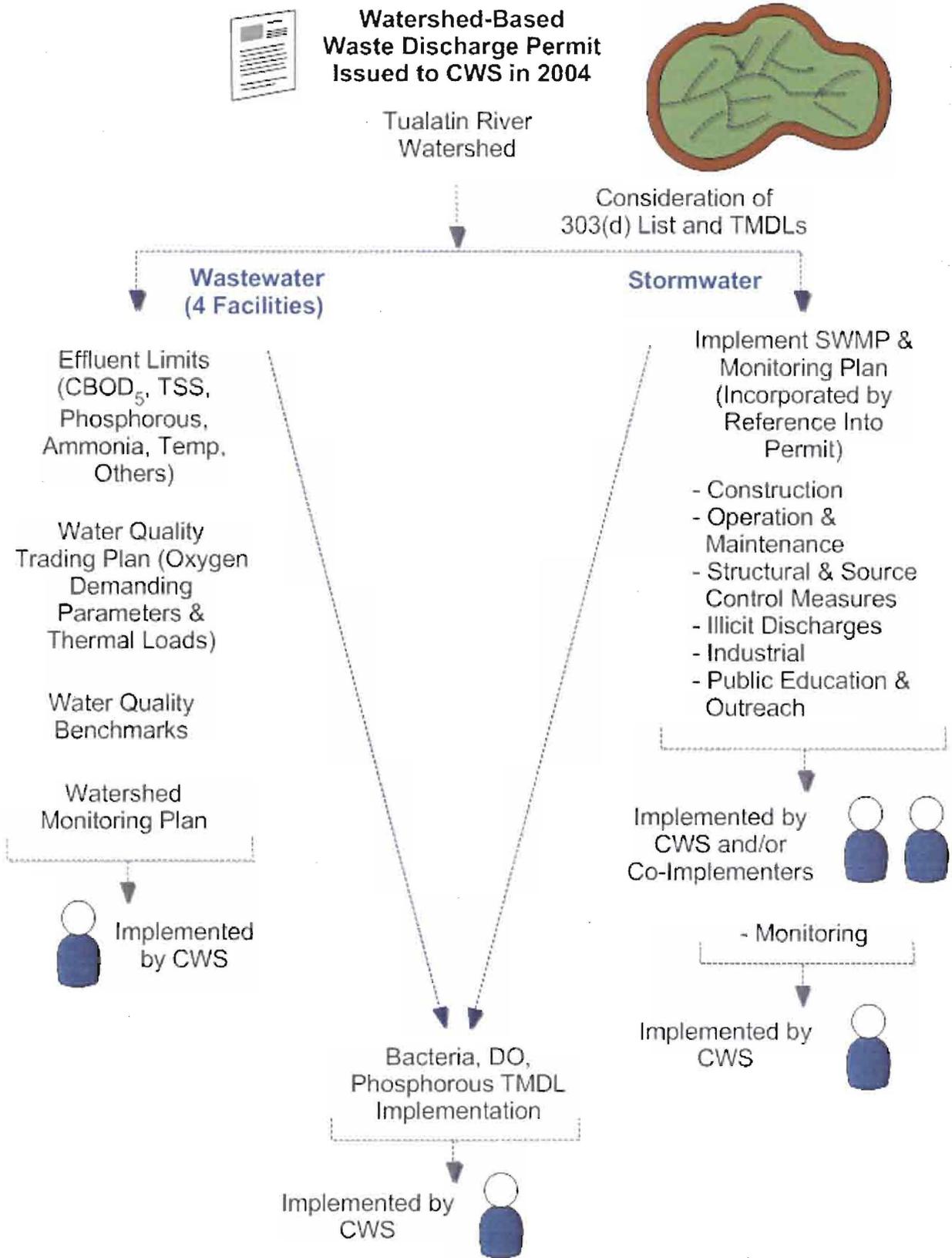


Figure 5. Tualatin River Watershed Permitting Approach

### III. SUMMARY AND ASSESSMENT

A summary of the stormwater permit strategies reviewed in this memorandum, along with an assessment of their respective advantages and disadvantages, is provided in **Table 3**.

**Table 3. Summary and Assessment of Stormwater Permit Strategies**

Permitting Strategy	Countywide Permit	Regional Permit	Watershed-Based Permit
<b>Permitted Region</b>	County of Orange, San Diego Region, California	San Francisco Bay Region, California	Tualatin River Watershed, Oregon
<b>Permit No.</b>	Order No. R9-2009-0002, NPDES Permit No. CAS0108740	Order No. R2-2009-0074, NPDES Permit No. CAS612008	101141, 101142, 101143, 101144 & MS4 (Oregon DEQ)
<b>Number of Permittees or Participants</b>	13 in San Diego Permit (41 total in Program)	76 in Bay Area MRP (~90 total in BASMAA)	One (1) Permittee 13 Co-Implementers
<b>Summary of Permit Strategy</b>	<ul style="list-style-type: none"> <li>Establishes comprehensive baseline program implementation requirements for jurisdictions within one county</li> <li>Requires additional modifications/enhancements for watersheds based on pollutants of concern</li> </ul>	<ul style="list-style-type: none"> <li>Establishes detailed baseline program implementation requirements for jurisdictions within multiple counties and/or programs</li> <li>Requires pollutant-specific programs to be implemented in each jurisdiction</li> </ul>	<ul style="list-style-type: none"> <li>Consolidates all point source discharges within a watershed into one permit</li> <li>Requires development of jurisdictional program based on watershed priorities</li> </ul>
<b>Permit &amp; SWMP</b>	<ul style="list-style-type: none"> <li>Permittees required to develop JRMP, Watershed Workplans</li> </ul>	<ul style="list-style-type: none"> <li>Permit is prescriptive; Permittees are not required to develop a SWMP</li> </ul>	<ul style="list-style-type: none"> <li>Permit allows Permittee to develop program within the SWMP based on the watershed assessment</li> </ul>
<b>Advantages</b>	<ul style="list-style-type: none"> <li>Principal Permittee provides for strong countywide consistency and leveraging of resources in baseline program implementation</li> </ul>	<ul style="list-style-type: none"> <li>Clear delineation of jurisdictional responsibilities</li> <li>Establishes comprehensive approach to stormwater management across the region</li> </ul>	<ul style="list-style-type: none"> <li>Allows jurisdictions to prioritize resources based on local watershed issues</li> <li>One central agency (utility) responsible for implementation for multiple dischargers</li> <li>Provides for water quality trading opportunities</li> </ul>
<b>Disadvantages</b>	<ul style="list-style-type: none"> <li>Compliance primarily assessed at the jurisdictional level; therefore, jurisdictions focus more on jurisdictional implementation, less on watershed implementation.</li> <li>Overlapping reporting requirements for program elements</li> </ul>	<ul style="list-style-type: none"> <li>Requires extensive, time-consuming coordination for regional efforts</li> <li>Oriented to regional, Bay Area issues, not local, watershed-specific issues</li> </ul>	<ul style="list-style-type: none"> <li>Small geographical area is addressed relative to other strategy types</li> <li>Requires a central agency (utility) with broad responsibilities to implement</li> </ul>







EXHIBIT 2.II

PROGRAM IMPLEMENTATION AGREEMENT

1 AMENDMENT AND RESTATEMENT OF NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM  
2 STORMWATER PERMIT IMPLEMENTATION AGREEMENT  
3

4 This AGREEMENT, for purposes of identification numbered D02-048, entered into  
5 this 25th day of June, 2002, by the County of Orange, (herein called  
6 the COUNTY), the Orange County Flood Control District (herein called DISTRICT) and the  
7 cities of Aliso Viejo, Anaheim, Brea, Buena Park, Costa Mesa, Cypress, Dana Point,  
8 Fountain Valley, Fullerton, Garden Grove, Huntington Beach, Irvine, Laguna Beach,  
9 Laguna Hills, Laguna Niguel, Laguna Woods Lake Forest, La Habra, La Palma, Los  
10 Alamitos, Mission Viejo, Newport Beach, Orange, Placentia, Rancho Santa Margarita, San  
11 Clemente, San Juan Capistrano Santa Ana, Seal Beach, Stanton, Tustin, Villa Park,  
12 Westminster, and Yorba Linda (herein called CITIES) restates the agreement provisions  
13 made previously by the COUNTY, DISTRICT and CITIES with respect to compliance with the  
14 National Pollutant Discharge Elimination System (NPDES) municipal stormwater permits  
15 issued for Orange County and amends specified provisions to add three additional  
16 cities, revises participant share calculations and allows participant share  
17 calculations on a countywide and regional basis The COUNTY, DISTRICT and CITIES may  
18 be referred to collectively as PERMITTEES or individually as a PERMITTEE in this  
19 AGREEMENT  
20

21 RECITALS  
22

23 WHEREAS, Congress in 1987 through the Water Quality Act (herein called WQA)  
24 amended Section 402 of the Federal Clean Water Act (33 U.S.C.A 1342(p) to require  
25 the federal Environmental Protection Agency to promulgate regulations for applications  
26 for permits for stormwater discharges; and

1 WHEREAS, these permit regulations will require the control of pollutants from  
2 stormwater discharges by requiring a National Pollutant Discharge Elimination System  
3 permit which would allow the lawful discharge of stormwaters into waters of the United  
4 States; and

5 WHEREAS, these EPA regulations require NPDES permits for discharges from  
6 municipal storm sewers on a system-wide or jurisdiction-wide basis; and

7 WHEREAS, the Legislature, in enacting the Orange County Flood Control Act,  
8 created the Orange County Flood Control District to provide for the control of flood  
9 and storm waters; and

10 WHEREAS, the powers granted to the DISTRICT include carrying on technical and  
11 other investigations, examinations, or tests of all kinds, making measurements,  
12 collecting data, and making analyses, studies, and inspections pertaining to water  
13 supply, control of floods, use of water, water quality, nuisance, pollution, waste,  
14 and contamination of water, both within and without the DISTRICT; and

15 WHEREAS, the COUNTY, the DISTRICT and the CITIES desire to develop an integrated  
16 stormwater discharge management program with the objective of improving water quality  
17 in the County of Orange; and

18 WHEREAS, the California State Water Resources Control Board (CSWRCB) as designee  
19 of the EPA has delegated authority to the Regional Water Quality Control Boards-Santa  
20 Ana Region (RWQCB-SAR) and San Diego Region (RWQCB-SDR) (collectively, the RWQCBs) for  
21 administration of the NPDES stormwater permit application process within the  
22 boundaries of their Regions; and

23 WHEREAS, the COUNTY, DISTRICT and CITIES have been designated as PERMITTEES by  
24 the RWQCBs; and

25 WHEREAS, the COUNTY has been designated as the Principal PERMITTEE on the  
26 permits; and

1           WHEREAS, cooperation between the CITIES, the COUNTY and the DISTRICT to jointly  
2 file applications for NPDES Stormwater permits and implement common programs to the  
3 extent feasible, is in the best interests of the CITIES, the COUNTY and the District;  
4 and

5           WHEREAS, the COUNTY is willing to share the expertise of its staff with the  
6 CITIES so that they can join in seeking and implementing certain requirements of the  
7 NPDES Stormwater permits; and

8           WHEREAS, the PERMITTEES approved a Stormwater Permit Implementation Agreement to  
9 memorialize program cooperation based on the above recitals on December 18, 1990 which  
10 was subsequently amended on October 26, 1993 by Amendment No 1 (the December 18 1990  
Agreement as Amended by Amendment No 1 will be referred to collectively hereinafter  
12 as the ORIGINAL AGREEMENT); and

13           WHEREAS Section X of the ORIGINAL AGREEMENT provided that the ORIGINAL  
14 AGREEMENT may be amended by consent of a majority of the PERMITTEES which represent a  
15 majority of the percentage contributions as described in Section IV of the ORIGINAL  
16 AGREEMENT and

17           WHEREAS, Section VI of the ORIGINAL AGREEMENT states that any city which becomes  
18 signatory to this ORIGINAL AGREEMENT after the applications for the initial NPDES  
19 stormwater permits have been approved shall comply with all of the provisions of the  
20 ORIGINAL AGREEMENT; and,

21           WHEREAS pursuant to Sections VI and X of the ORIGINAL AGREEMENT, the PERMITTEES  
22 approved Amendment No 1 to the ORIGINAL AGREEMENT (herein called AMENDMENT NO 1) on  
23 October 26 1993 to add two newly incorporated cities, provide participant share  
24 calculations based on thirty-three PERMITTEES and establish a Technical Advisory  
Committee; and

25           WHEREAS, the PERMITTEES now desire to restate those provisions in the ORIGINAL  
26 AGREEMENT that remain unchanged and amend specified provisions to add three additional

1 cities, revise participant share calculations and allow participant share calculations  
2 on a countywide and regional basis

3 NOW THEREFORE: The PERMITTEES hereto do mutually agree to add the cities of  
4 Aliso Viejo, Laguna Woods and Rancho Santa Margarita as PERMITTEES under this  
5 AGREEMENT, to restate those provisions in the ORIGINAL AGREEMENT that remain unchanged  
6 and amend Sections II, III.A., III.B., III.C., IV, VIII, IX, XI and XV in their  
7 entirety as follows:

8 I. FILING STATUS

9 The COUNTY, DISTRICT and CITIES will file the applications for stormwater  
10 permits as PERMITTEES. The COUNTY, the DISTRICT and each individual City  
11 will be a PERMITTEE.

12 II. INCORPORATION OF FEDERAL GUIDELINES

13 The terms of all applicable Federal and State water quality regulations  
14 and guidelines under the Clean Water Act and Water Quality Act, as  
15 presently written or as changed during the life of this agreement are  
16 hereby incorporated by reference and made a part of this AGREEMENT and  
17 take precedence over any inconsistent terms of this AGREEMENT.

18 III. DELEGATION OF RESPONSIBILITIES

19 The responsibilities of each of the parties shall be as follows:

20 A. The COUNTY, on a cost-shared basis, shall administer system  
21 compliance by:

22 1 Preparing implementation and annual operating budgets. The  
23 budget year shall coincide with the fiscal year of the COUNTY,  
24 July 1 - June 30.

25 a. The participants shall be permitted to review and  
26 approve the annual operating budget and work plan for  
the forthcoming year. Criteria for approval shall be

1 affirmative responses from a majority of the PERMITTEES  
2 which represent a majority of the percentage  
3 contribution as described in Section IV. The COUNTY and  
4 the DISTRICT will represent one voting PERMITTEE with  
5 their percentage contribution equal to the total of the  
6 COUNTY and the DISTRICT as described in Section IV. The  
7 review period shall be from January 1 to January 31 of  
8 each year with approval of the final budget to be  
9 completed by February 15.

10 b. The annual operating budget shall not be exceeded  
11 without prior consent of the majority of the PERMITTEES  
12 which represent a majority of the percentage  
13 contribution.

14 2 Consulting with the city managers and any committees  
15 established by the city managers when preparing budgets and  
16 major program elements.

17 3 Preparing compliance reports to the Regional Board and  
18 providing copies to the PERMITTEES

19 4 Preparing a model system-wide Best Management Practices (BMP)  
20 Program report

21 5 Monitoring the implementation and ensuring the effectiveness  
22 of system-wide BMPs. This will include field reconnaissance to  
23 evaluate structural and procedural BMPs. An annual report to  
24 the RWQCBs will be prepared presenting the results of these  
25 evaluations.

26 6. The COUNTY as Principal PERMITTEE may retain the services of  
professional consultants and may fund, or contribute to

1 funding technical and/or economic studies conducted by  
 2 professional organizations such as the American Public Works  
 3 Association

4 B The DISTRICT shall to the maximum extent practicable, and on a  
 5 cost-shared basis except as set forth in subparagraph 4 below:

- 6 1. Perform the water quality and hydrographic monitoring for  
 7 permit compliance
- 8 2 Administer the water pollution control program by enforcing  
 9 the Orange County Water Quality Ordinance
- 10 3 Develop uniform criteria for annual inspection of drainage  
 11 facilities
- 12 4 Perform inspections, at no cost to the CITIES or the COUNTY,  
 13 on those facilities owned by the DISTRICT and on municipal  
 14 separate storm sewers in unincorporated County. Contracts for  
 15 such inspections within CITIES may be undertaken at the sole  
 16 expense of the requesting city.

17 C The CITIES shall, to the maximum extent practicable, and at no cost  
 18 to COUNTY or DISTRICT:

- 19 1 Implement a facility inspection program in accordance with the  
 20 uniform criteria developed by the DISTRICT, for all municipal  
 21 separate storm sewers as defined by the stormwater permit and  
 22 within the jurisdictional boundaries of that city
- 23 2. Submit to the COUNTY stormwater drain maps with periodic  
 24 revisions which reflect the modifications that were made to  
 25 the storm drain system
- 26 3 Prepare watershed characterizations, including
  - a. Zoning designations, and

- 1                   b     Identification of areas where hazardous materials  
2                                   presently are or are suspected to have been stored,  
3                                   manufactured, or disposed. This shall include sites at  
4                                   which a hazardous material spill has occurred.
- 5                   4.     Review, approve, and implement system-wide BMPs  
6                   5.     Eliminate, or have eliminated, illegal/illicit connections to  
7                                   the storm drain system.  
8                   6     Identify the legal authority for control of discharges to the  
9                                   storm drain system.  
10                  7.     Provide to the COUNTY annual reports (on forms provided by the  
11                                   COUNTY) and any other information needed to satisfy annual  
12                                   reporting requirements of the RWQCBs.  
13                  8.     Adopt and enforce, or name DISTRICT as enforcer of a water  
14                                   pollution control ordinance, which prohibits non-NPDES  
15                                   permitted discharges to the municipal separate storm sewer  
16                                   system.
- 17                  D     The COUNTY shall, to the maximum extent practicable and at no cost  
18                                   to the CITIES or the DISTRICT, undertake in the unincorporated areas  
19                                   of the COUNTY all activities required above of the CITIES that are  
20                                   not responsibilities of the DISTRICT as outlined in Section III B.
- 21                  E.     The PERMITTEES hereby establish a Technical Advisory Committee  
22                                   (herein called COMMITTEE) consisting of five members chosen by the  
23                                   Orange County City Engineers Association, and one member  
24                                   representing the COUNTY The COMMITTEE shall prepare by-laws for the  
25                                   Technical Advisory Committee and submit same to PERMITTEES for  
26                                   approval The COMMITTEE will act in an advisory role to the

1 PERMITTEES and implement policy previously established by the  
 2 PERMITTEES.

3  
 4 IV. PROGRAM COSTS

5 The responsibilities for payment of all shared costs of equipment,  
 6 services, contracted analytical services, and the cost of the Regional  
 7 Board permits, shall be distributed among the COUNTY, DISTRICT, and CITIES  
 8 as follows:

<u>Participants</u>	<u>Percentage Contribution</u>
DISTRICT	10
CITIES + COUNTY	90

9  
 10  
 11  
 12  
 13 The individual percentage contributions from each city and the COUNTY  
 14 shall be functions of their respective areas and population relative to  
 15 those of the entire County. Each area shall be calculated as one half of  
 16 the sum of the area and population fractions, multiplied by 90%. Excluded  
 17 are national forests, state parks, airports, landfills, oceans, harbors,  
 18 tidal bays and military installations (Exhibit A-1). The contribution of  
 19 the COUNTY shall be calculated from unincorporated areas and their  
 20 respective populations.

21  
 22 Share in percent for City #1 =  $\{(X_1/X_{tot}) + (Y_1/Y_{tot})\}/2 \times (90)$

23 X = area

24 Y = population

25 tot = total population or area

26 90 = total percentage excluding Flood Control District contribution

2 The percentage share shall be calculated by the COUNTY Public Facilities  
3 and Resources Department Environmental Resources Section from population  
4 and area data. These calculations shall be completed by January 1 of each  
5 year and shall be included in the annual budget proposal. The annual  
6 budget proposal shall be recomputed for the thirty-six PERMITTEES based on  
7 the following percentage share computation methods:

8 A. Countywide costs as provided in Exhibit B-1.

9 B. Regional costs specific to only one RWQCB permit as provided in  
10 Exhibits B-2A and B-2B.

11 C. In the event of a regulatory directive issued to PERMITTEES, the COUNTY  
12 shall provide immediate notice to the affected PERMITTEES and meet and  
13 confer with them with respect to responding to the directive and  
14 funding the immediate response

15 Amended calculations and computation method for fiscal year 2002-03 are  
16 provided in Exhibits B-1, B-2A and B-2B, which are made a part hereof

17  
18 If at any time during a given fiscal year the program costs exceed the sum  
19 of the deposits, the COUNTY shall submit invoices to the CITIES to recover  
20 the deficit, following the approval process described in Section  
21 III.A.1.b above. The share for each city shall be prorated according to  
22 the formula above. Each city shall pay the invoice within 45 days of the  
23 billing date

24  
25 The COUNTY shall prepare a fiscal year end accounting within 60 days of  
26 the end of the fiscal year. If the fiscal year end accounting results in  
costs (net of interest earnings) exceeding the sum of the deposits, the

1 COUNTY shall invoice each city for its prorated share of the excess cost  
2 Each city shall pay the billing within 45 days of the date of the invoice.  
3 If the fiscal year end accounting results in the sum of the deposits  
4 exceeding costs (net of interest earnings), the excess deposits will carry  
5 forward to reduce the billings for the following year.

6  
7 The COUNTY shall invoice each city for its annual deposit at the beginning  
8 (July 1 of each fiscal year. Each city shall pay the deposit within 45  
9 days of the date of the invoice. Each city's deposit shall be based on  
10 their prorated share of the approved annual budget, reduced for any  
11 surplus identified in the prior fiscal year end accounting

12  
13 Interest earned on the CITIES' deposits will not be paid to the CITIES,  
14 but will be credited against the CITIES' share of the program costs.

15  
16 Upon termination of the program a final accounting shall be performed by  
17 the COUNTY. If costs (net of interest earnings) exceed the sum of the  
18 deposits, the COUNTY shall invoice each city for its prorated share of the  
19 excess. Each city shall pay the invoice within 45 days of the date of the  
20 invoice. If the sum of the deposits exceeds the costs, the COUNTY shall  
21 reimburse to each city its prorated share of the excess, within 45 days of  
22 the final accounting. Interest earnings are used to offset the CITIES'  
23 share of program costs and will not be refunded to the CITIES.

24  
25 Each city and the COUNTY shall bear the financial responsibility for  
26 implementing the Program, within its jurisdictional boundaries, as  
outlined in Section III. C. and D.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

V. LIFE OF THE AGREEMENT

The life of the AGREEMENT shall be indefinite or as long as the WQA mandates compliance

VI. ADDITIONAL PARTIES

Any city which becomes signatory to this AGREEMENT after the applications for the initial NPDES stormwater permits have been approved and any city which becomes incorporated shall become a PERMITTEE on the NPDES stormwater permit issued by its respective RWQCB and shall comply with all of the provisions of this AGREEMENT. The date of initiation, for determining participant costs for newly incorporated CITIES shall be the date of incorporation, and for a city signing after NPDES stormwater permit approval it shall be the date of the initial application for the NPDES Stormwater permit. The costs for adding the additional parties to the program, including additional permit and processing fees, shall be paid by the added party. Monies to be reimbursed to the existing PERMITTEES shall be credited to their respective annual program operating fees for the following budget year.

VII WITHDRAWAL FROM THE AGREEMENT

A participant may withdraw from the AGREEMENT 60 days subsequent to written notice to the COUNTY. The COUNTY will notify the remaining PERMITTEES within 10 business days of receipt of the withdrawal notice. The withdrawing participant shall agree to file for a separate permit and to comply with all of the requirements established by the RWQCB(s). In addition, withdrawal shall constitute forfeiture of the withdrawing participant's deposit for the budget year of withdrawal. The withdrawing participant shall be responsible for all lawfully assessed penalties as a

1 consequence of withdrawal. The cost allocations to the remaining members  
2 will be recalculated in the following budget year.

3 VIII NON-COMPLIANCE WITH PERMIT REQUIREMENTS

4 Any PERMITTEE found in non-compliance with the conditions of the permit  
5 within their jurisdictional responsibilities shall be solely liable for  
6 any lawfully assessed penalties, pursuant to Section 13385 of the Water  
7 Code and the Federal Clean Water Act. Common penalties shall be calculated  
8 according to the formula outlined in Section IV.

9 IX. LEGAL ACTION/ COSTS/ ATTORNEY FEES

10 Where any legal action is necessary to enforce any provision hereof for  
11 damages by reason of an alleged breach of any provisions of this  
12 AGREEMENT, the prevailing party shall be entitled to receive from the  
13 losing party all litigation and collection expenses, administrative costs,  
14 witness fees and court costs including reasonable attorneys fees

15 X AMENDMENTS TO THE AGREEMENT

16 This AGREEMENT may be amended by consent of a majority of the PERMITTEES  
17 which represent a majority of the percentage contributions as described in  
18 Section IV. The COUNTY and the DISTRICT will represent one voting  
19 PERMITTEE with a percentage contribution equal to the sum of the  
20 individual contributions of the COUNTY and DISTRICT as described in  
21 Section IV. No amendment to this AGREEMENT shall be effective unless it is  
22 in writing and signed by the duly authorized representatives of the  
23 majority of PERMITTEES

24 XI AUTHORIZED SIGNATORIES

25 The County Director of the Public Facilities and Resources Department and  
26 the respective City Managers, shall be authorized to execute the  
application(s) for NPDES municipal stormwater permit(s) and take all other

1 procedural steps necessary to file the application(s) for NPDES municipal  
2 stormwater permit(s).

3 XII. NOTICES

4 All notices shall be deemed duly given if delivered by hand; or three (3)  
5 days after deposit in the U.S Mail, postage prepaid

6 XIII. GOVERNING LAW

7 This AGREEMENT will be governed and construed in accordance with laws of  
8 the State of California. If any provision or provisions of this AGREEMENT  
9 shall be held to be invalid, illegal or unenforceable, the validity,  
10 legality and enforceability of the remaining provisions shall not in any way  
11 be affected or impaired hereby.

12 XIV. CONSENT TO BREACH NOT WAIVER

13 No term or provision hereof shall be deemed waived and no breach excused,  
14 unless such waiver or consent shall be in writing and signed by the  
15 PERMITTEE to have waived or consented. Any consent by any PERMITTEE to, or  
16 waiver of, a breach by the other, whether express or implied, shall not  
17 constitute a consent to, waiver of or excuse for any other different or  
18 subsequent breach.

19 XV. APPLICABILITY OF PRIOR AGREEMENTS

20 This document restates and amends the provisions in prior agreements and  
21 constitutes the entire AGREEMENT between the PERMITTEES with respect to  
22 the subject matter; all prior agreements, representations, statements,  
23 negotiations and undertakings are superseded hereby.

24 XVI. EXECUTION OF THE AGREEMENT

25 This AGREEMENT may be executed in counterparts and the signed counterparts  
26 shall constitute a single instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates

opposite their respective signatures:

ORANGE COUNTY FLOOD CONTROL DISTRICT  
A body corporate and politic

BY Cynthia P. Coad  
Chairman of the Board of Supervisors

COUNTY OF ORANGE  
A body corporate and politic

BY Cynthia P. Coad  
Chairman of the Board of Supervisors

Date 06-25-02

SIGNED AND CERTIFIED THAT A COPY OF  
THIS AGREEMENT HAS BEEN DELIVERED TO  
THE CHAIRMAN OF THE BOARD

Date: 06-25-02

BY Darlene J. Bloom   
DARLENE J. BLOOM 6/25/02  
Clerk of the Board of Supervisors of  
Orange County, California

APPROVED AS TO FORM  
COUNTY COUNSEL  
ORANGE COUNTY, CALIFORNIA

By G. K. Hunt  
Geoffrey K. Hunt, Deputy

Date: 6/12/02

///  
///  
///

1 CITY OF ANAHEIM

2

3

4 Date: 6-18-02, 2002

By: *T. Or Doley*  
Mayor

5

6

7 ATTEST:

APPROVED AS TO FORM:  
JACK L. WHITE, CITY ATTORNEY

8

9 *Sheryl Schneider*  
City Clerk

*A. Kott*  
By: ALISON M. KOTT, DEPUTY CITY ATTORNEY

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

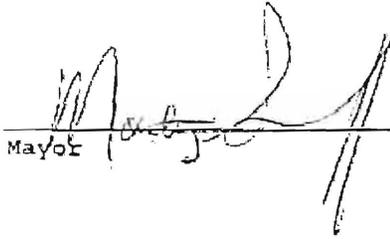
26

1 CITY OF BREA

2

3

4 |Date: 6/19, 2002

By:   
Mayor

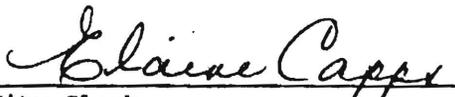
5

6

7 ATTEST

APPROVED AS TO FORM:

8

9   
City Clerk

  
City

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 | CITY OF BUENA PARK

2

3

4 | Date: June 25, 2002

By: Ratsy Marshall  
Mayor

5

6

7 ATTEST:

APPROVED AS TO FORM

8

9 | Shelby Ryan  
City Clerk

Tom Baner  
City Attorney

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 | CITY OF COSTA MESA

2

3

4 | Date: June 18, 2002

By: *W. W. Brown*  
Mayor

5

6

7 | ATTEST:

APPROVED AS TO FORM:

8

9 | *Deputy* *Lute Delaney, Acting* *Linda Nguyen, DCA*  
City Clerk City Attorney

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 CITY OF CYPRESS

2

3

4 Date: July 10, 2002

BY: *Lydia Sanchez*  
Mayor

5

6

7 ATTEST:

APPROVED AS TO FORM:

8

9 *Jill B. Ingram-Houston*  
City Clerk

*W. W. [Signature]*  
City Attorney

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 CITY OF DANA POINT

2

3

4 Date: June 25, 2002

By: Joe Snyder

Mayor

5

6

7 ATTEST:

APPROVED AS TO FORM:

8

9 Cathy Cattlett  
City Clerk

Mark R. Anderson  
City Attorney

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 CITY OF FOUNTAIN VALLEY

2

3

4 Date: June 4, 2002

By: Lawrence Cook  
Mayor

5

6

7 ATTEST:

APPROVED AS TO FORM:

8

9 Jane Iwien  
City Clerk - Deputy

Alan Green  
City Attorney

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 CITY OF FULLERTON

2

3

4 Date: June 19, 2002

By: *Don Bankhead*  
Mayor

5

6

7 ATTEST:

APPROVED AS TO FORM:

8

9 *Audrey H. Cohen*  
City Clerk

*Kendrick Hill Beard*  
City Attorney

10

11

APPROVED AS TO CONTENT:

12

13

*Robert Hols*  
Director of Engineering

14

15

16

17

18

19

20

21

22

23

24

25

26

1 | CITY OF GARDEN GROVE

2

3 | Date: June 24, 2002

By:   
Mayor

5

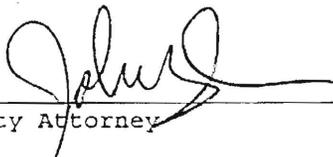
6

7 ATTEST

APPROVED AS TO FORM:

8



  
City Attorney

9

| city clerk

City Attorney

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 CITY OF HUNTINGTON BEACH

2

3

4 Date: June 21, 2002

By: Debbie Cook

Mayor

5

6

7 ATTEST:

APPROVED AS TO FORM

8

9 Tommy Brochuway  
City Clerk 6/24/02

10 Pat Dunn 6-7-02  
City Attorney 6-6-02

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

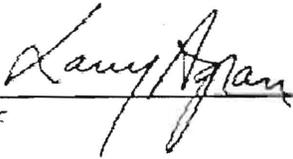
26

1 CITY OF IRVINE

2

3

4 Date: June 27, 2002, 2002

By:   
Mayor

5

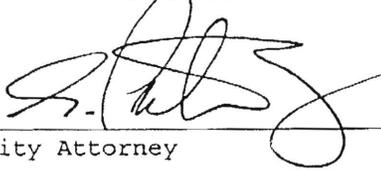
6

7 ATTEST:

APPROVED AS TO FORM:

8

9   
City Clerk

  
City Attorney

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

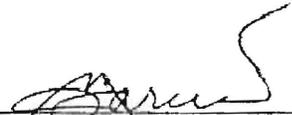
26

1 | CITY OF LA HABRA

2

3

4 | Date: 6-17, 2002

By:   
Mayor Pro Tem

5

6

7 ATTEST:

APPROVED AS TO FORM:

8

  
City Clerk

  
City Attorney

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 CITY OF LA PALMA

2

3

4

Date: 7/8, 2002

By: *Vault Walker*

5

6

7

ATTEST:

APPROVED AS TO FORM:

8

*Ayanna Zorkayeva*  
City Clerk  
*Deputy City Clerk*

*[Signature]*  
City Attorney

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

CITY OF LAGUNA BEACH

2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

Date: 7/16 2002

By: *Kenneth Kane*  
City Manager

ATTEST:

APPROVED AS TO FORM:

*Terina R. Ballinger*  
City Clerk

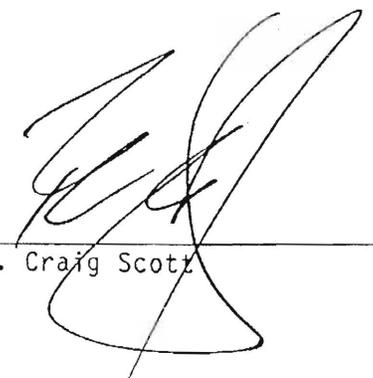
\_\_\_\_\_  
City Attorney



CITY OF LAGUNA HILLS

2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

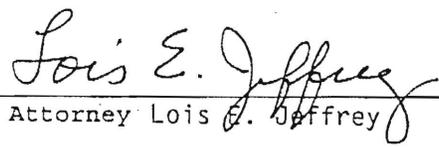
Date: June 11, 2002

By:   
Mayor R. Craig Scott

ATTEST:

APPROVED AS TO FORM:

  
City Clerk Mary A. Carlson

  
City Attorney Lois E. Jeffrey

1 CITY OF LAGUNA NIGUEL

2

3

4

Date: June 27, 2002

By: Joseph M. Brown  
Mayor

5

6

7

ATTEST:

APPROVED AS TO FORM:

8

[Signature]  
City Clerk

[Signature]  
City Attorney  
6/20/02

9

10

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 CITY OF LAGUNA WOODS

2

3

4

Date: 6-20-02, 2002

By:

Jan M. Laughlin  
Mayor

5

6

7

ATTEST:

APPROVED AS TO FORM:

8

9

Clerk

Julie Biggs  
City Attorney

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 CITY OF LAKE FOREST

2

3

4 Date: \_\_\_\_\_, 2002

By: Richard T. Dixon  
Richard T. Dixon, Mayor

5

6

7 ATTEST:

APPROVED AS TO FORM:

8

9 Sherry A.F. Weitz  
Sherry A.F. Weitz, City Clerk

Thomas W. Allen  
Thomas W. Allen, City Attorney

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 CITY OF LOS ALAMITOS

2

3

4

Date: June 24, 2002

By: 

Mayor Ronald Bates

5

6

7 ATTEST:

APPROVED AS TO FORM:

8

9

  
City Clerk C. D. Cordova

  
City Attorney Fred Galante

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

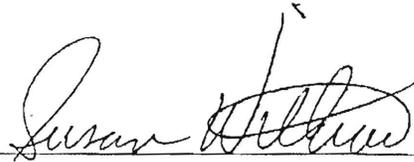
26

1 | CITY OF MISSION VIEJO

2

3

4 | Date: 7-2-02, 2002

BY:   
Mayor

5

6

7 | ATTEST:

APPROVED AS TO FORM:

8

9   
City Clerk

  
City Attorney

10

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 CITY OF NEWPORT BEACH

2

3

4 Date: June 25, 2002

By: Toel W. Regey  
Mayor

5

6

7 ATTEST:



APPROVED AS TO FORM:

8

9 Lorraine M. Harkless  
City Clerk

[Signature]  
City Attorney

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

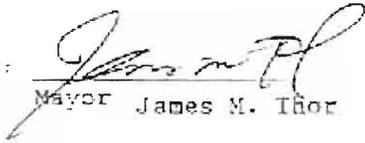
26

1 CITY OF RANCHO SANTA MARGARITA

2

3

4 Date: June 20, 2002

By:   
Mayor James M. Thor

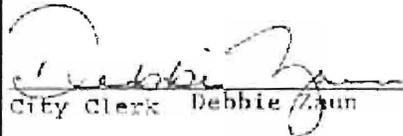
5

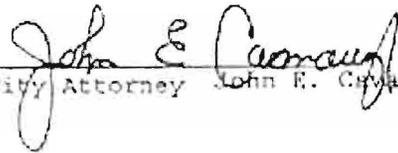
6

7 ATTEST:

APPROVED AS TO FORM:

8

  
City Clerk Debbie Zaun

  
City Attorney John E. Cavanaugh

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

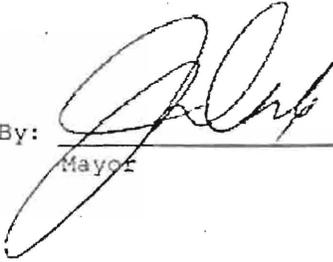
26

1 CITY OF SAN CLEMENTE

2

3

4 Date: JUNE 19, 2002

By: 

Mayor

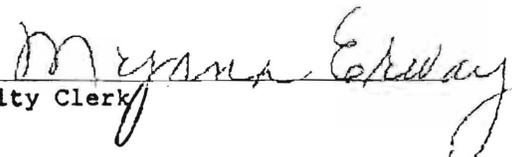
5

6

7 ATTEST:

APPROVED AS TO FORM:

8

9   
City Clerk

/s/ Jeff Oderman

City Attorney

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 CITY OF SAN JUAN CAPISTRANO

2

3

4 Date: \_\_\_\_\_, 2002

By: Diane Balzate  
Mayor

5

6

7 ATTEST:

APPROVED AS TO FORM:

8

9 [Signature]  
City Clerk

[Signature]  
City Attorney

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 CITY OF SANTA ANA

2

3

4 Date: July 1, 2002

By: *Manuel Velasco*  
Mayor

5

6

7 ATTEST:

APPROVED AS TO FORM:

8

9 *Patricia Healy*  
City Clerk

*[Signature]*  
City Attorney

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 CITY OF SEAL BEACH

2

3

4 Date: JUNE 24, 2002

By: John H. Leshm  
Mayor

5

6

7 ATTEST:

APPROVED AS TO FORM:

8

9 [Signature]  
City Clerk

City Attorney

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 CITY OF STANTON

2

3

4 Date: June 25, 2002

By: Bruce Insler  
Mayor

5

6

7 ATTEST:

APPROVED AS TO FORM:

8

9 Brenda Green  
City Clerk

Ralph D. Hansen  
City Attorney

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

CITY OF TUSTIN

2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

Date: 7-1-02, 2002

By: *Jeffrey M. St...*  
Mayor

ATTEST

APPROVED AS TO FORM:

*Tamela Stoker*  
City Clerk

*Lois E. Jeffrey*  
City Attorney

1 CITY OF VILLA PARK

2

3

4 Date: June 27, 2002 2002

By: [Signature]  
Mayor

5

6

7 ATTEST:

APPROVED AS TO FORM:

8

9 [Signature]  
City Clerk

[Signature]  
City Attorney

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 CITY OF WESTMINSTER

2

3

4 Date: JUNE 24, 2002

By: Margie L. Rice  
Mayor

5

6

7 ATTEST:

APPROVED AS TO FORM:

8

9 Marian Contreras  
City Clerk

[Signature]  
City Attorney

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

CITY OF YORBA LINDA

Date: June 18, 2002

ATTEST:

Kathie M. Mendoza  
City Clerk

By: Allen Castellano  
Mayor Allen Castellano

APPROVED AS TO FORM:

Sonia L. Carrul  
City Attorney  
Best, Best & Krieger, LLP

## EXHIBIT

## LAND AREA DEDUCTED FROM JURISDICTIONS

<u>Landfills</u>	<u>Area sq miles</u>	<u>Jurisdiction</u>
Olinda	0.89	County
Santiago	0.25	County
Prima Descheca	2.34	County
Bee Canyon	1.13	County
Coyote Canyon	1.09	County
<u>State Parks</u>		
Alamitos State Beach	0.002	Seal Beach
Bolsa Chica State Beach	0.27	Huntington Beach
Chino Hills State Park	4.09	County
Corona Del Mar State Beach	0.05	Newport Beach
Crystal Cove State Park	6.30	County
Doheney State Beach	0.40	Dana Point
Huntington State Beach	0.20	Huntington Beach
San Clemente State Beach	0.18	San Clemente
<u>Airports</u>		
Fullerton	0.11	Fullerton
John Wayne	0.78	County
<u>Military facilities</u>		
MCAS Tustin	2.40	Tustin
MCAS El Toro	6.25	County
Los Alamitos Armed Svs. Center	2.07	Los Alamitos
Seal Beach Weapons Station	2.17	Seal Beach
<u>National Forests</u>		
Cleveland National Forest	86.75	County

**EXHIBIT B - 1**  
**Cost Sharing For Region Specific Elements**  
**NPDES Permittee Shares of Revenue**  
**Fiscal Year 2002/2003**

Permittee	Population *	Area (sq. mi.) **	Weighted Average Share of Revenue (%)	Budget Share FY 2002-2003
Aliso Viejo***	40,186	7.15	1.168548686	\$70,114
Anaheim	336,300	49.761	9.005630974	\$540,344
Brea	36,100	10.954	1.399038534	\$83,943
Buena Park	80,100	10.064	2.007224432	\$120,435
Costa Mesa	110,900	15.480	2.898146677	\$173,891
Cypress	47,150	6.925	1.258634332	\$75,519
Dana Point	35,800	6.440	1.046705013	\$62,803
Fountain Valley	55,900	9.553	1.595652357	\$95,740
Fullerton	129,200	22.536	3.723143526	\$223,391
Garden Grove	169,200	17.900	3.981247954	\$238,877
Huntington Beach	193,700	27.283	5.080856025	\$304,855
Irvine	150,100	46.148	5.863460245	\$351,811
La Habra	60,800	7.313	1.498466857	\$89,909
La Palma	15,700	2.014	0.396615551	\$23,797
Laguna Beach	24,150	7.820	0.973824935	\$58,430
Laguna Hills	33,900	6.628	1.031809811	\$81,909
Laguna Niguel	63,200	15.003	2.127750971	\$127,666
Laguna Woods***	16,750	3.050	0.492569562	\$29,554
Lake Forest	78,700	16.795	2.473428382	\$148,407
Los Alamitos	11,750	4.256	0.508566627	\$30,514
Mission Viejo	96,800	17.427	2.828184924	\$169,693
Newport Beach	72,000	27.740	3.244247595	\$194,657
Orange	132,800	23.329	3.839599305	\$230,378
Placentia	47,600	6.606	1.240982586	\$74,460
Rancho Santa Margarita***	48,350	13.060	1.751218729	\$105,074
San Clemente	52,500	17.697	2.170701556	\$130,243
San Juan Capistrano	34,600	14.054	1.814784803	\$96,887
Santa Ana	348,100	27.349	7.460695499	\$447,646
Seal Beach	24,500	10.660	1.197977061	\$71,879
Stanton	38,300	3.131	0.830259739	\$49,816
Tustin	69,200	10.992	1.911061605	\$114,665
Villa Park	6,125	2.088	0.255047196	\$15,303
Westminster	89,900	10.190	2.167659672	\$130,061
Yorba Linda	60,000	19.918	2.45714216	\$147,430
County of Orange	117,634	86.846	8.499136117	\$509,953
OCFCD	0	0.000	10	\$600,006
<b>TOTALS</b>	<b>2,925,775</b>	<b>684.178</b>	<b>100.00000</b>	<b>\$6,000,063</b>

\* Source: State of California, Department of Finance, E-1 City/County Population Estimates with Annual Percent Change January 1, 2000 and 2001, Sacramento, California, May 2001.

\*\* Source: Public Facilities and Resources Department - Geomatics. Area was calculated in miles using the dry land area figures and subtracting areas in each jurisdiction for national forests, state parks, airports, landfills and military installations as determined in the NPDES Implementation Agreement.

\*\*\* Source: County of Orange will cover the program costs until the cities are added onto the Implementation Agreement.





**BYLAWS**

**of**

**BAY AREA STORMWATER MANAGEMENT  
AGENCIES ASSOCIATION**

**January 1, 2009**

TABLE OF CONTENTS

	Page
<b>ARTICLE I</b>	
<b>ORGANIZATION</b> .....	1
Section 1.01 Name .....	1
Section 1.02 Purposes and Limitations.....	1
Section 1.03 Inurement of Net Earnings .....	2
Section 1.04 Distribution of Assets .....	2
<b>ARTICLE II</b>	
<b>OFFICES</b> .....	2
Section 2.01 Principal Office .....	2
Section 2.02 Other Offices .....	2
<b>ARTICLE III</b>	
<b>MEMBERSHIP</b> .....	2
Section 3.01 Members .....	2
Section 3.02 Affiliated Persons.....	2
<b>ARTICLE IV</b>	
<b>DIRECTORS</b> .....	3
Section 4.01 Powers and Responsibilities.....	3
Section 4.02 Number and Qualification of Directors.....	4
Section 4.03 Restriction on Interested Persons as Directors.....	4
Section 4.04 Election, Designation, and Term of Office of Directors(s)4	4
Section 4.05 Vacancies; Removal; Resignation of Directors.....	4
Section 4.06 Place of Directors' Meetings.....	5
Section 4.07 Annual Meeting of Directors .....	5
Section 4.08 Other Regular Meetings.....	5
Section 4.09 Special Meetings.....	6
Section 4.10 Waiver of Notice .....	6
Section 4.11 Quorum.....	6
Section 4.12 Adjournments .....	7
Section 4.13 Notice of Adjourned Meeting .....	7
Section 4.14 Action Without a Meeting.....	7
Section 4.15 Reimbursement of Directors.....	7
<b>ARTICLE V</b>	
<b>OFFICERS</b> .....	7
Section 5.01 Offices of the Corporation .....	7
Section 5.02 Election of Officers .....	7
Section 5.03 Additional Officers .....	7

Section 5.04	Removal and Resignation of Officers .....	8
Section 5.05	Vacancies in Office .....	8
Section 5.06	Chair of the Board .....	8
Section 5.07	Vice-Chair .....	9
Section 5.08	Secretary .....	9
Section 5.09	Chief Financial Officer/Treasurer .....	9
<b>ARTICLE VI</b>		
<b>COMMITTEES</b> .....		
Section 6.01	Committees of the Board.....	10
Section 6.02	Meetings and Action of Committees .....	11
<b>ARTICLE VII</b>		
<b>INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND</b>		
<b>OTHER AGENTS</b> .....		
Section 7.01	Agents, Proceedings, and Expenses.....	11
Section 7.02	Actions Other Than By the Corporation.....	11
Section 7.03	Actions By the Corporation .....	11
Section 7.04	Successful Defense By Agent.....	12
Section 7.05	Required Approval .....	12
Section 7.06	Advance of Expenses .....	12
Section 7.07	Other Contractual Rights .....	13
Section 7.08	Limitations.....	13
Section 7.09	Insurance .....	13
<b>ARTICLE VIII</b>		
<b>EXECUTIVE DIRECTORS</b> .....		
Section 8.01	Employment .....	13
Section 8.02	Duties .....	13
<b>ARTICLE IX</b>		
<b>RECORDS AND REPORTS</b> .....		
Section 9.01	Records and Reports .....	14
Section 9.02	Maintenance and Inspection of Articles and Bylaws.....	14
Section 9.03	Inspection by Directors .....	14
Section 9.04	Annual Report.....	14
Section 9.05	Annual Statement of Certain Transactions and Indemnifications .....	15
<b>ARTICLE X</b>		
<b>CONFLICTS OF INTEREST</b> .....		
Section 10.01	Disqualifying Financial Interest .....	16
Section 10.02	Prior Board of Directors Approval.....	16
Section 10.03	Board of Directors Ratification .....	16
Section 10.04	Disqualifying Non-Financial Interest.....	17
Section 10.05	Procedure of Disqualification .....	17

Section 10.06 No Invalidation of Action..... 17

**ARTICLE XI**

**GENERAL CORPORATE MATTERS ..... 17**

Section 11.01 Construction and Definitions..... 17

Section 11.02 Amendment of Bylaws..... 17

Section 11.03 Authority to Bind Corporation..... 18

Section 11.04 Amendments to Articles..... 18

**CERTIFICATE OF ADOPTION ..... 19**

**BYLAWS  
OF  
BAY AREA STORMWATER MANAGEMENT AGENCIES ASSOCIATION,  
a California Nonprofit Public Benefit Corporation**

**ARTICLE I  
ORGANIZATION**

Section 1.01 **Name**. The name of the Corporation is BAY AREA STORMWATER MANAGEMENT AGENCIES ASSOCIATION (the ACorporation@).

Section 1.02 **Purposes and Limitations**. The Corporation is a nonprofit public benefit corporation organized under the Nonprofit Public Benefit Corporation Law. The Corporation is organized and operated exclusively for charitable, educational and/or scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue law). The primary purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under such law relating to stormwater management.

The specific purposes for which the Corporation is formed are:

- (a) To promote the social welfare by facilitating information sharing, cooperation and education concerning stormwater management issues;
- (b) To promote the social welfare by facilitating the development of more efficient and effective stormwater products, programs and procedures.
- (c) To establish such committees, bureaus and offices as are necessary and incidental to the activities of the Corporation;
- (d) To conduct and carry on such other related activities as may be necessary, desirable or incidental to the attainment of its tax-exempt purposes;
- (e) To solicit and collect money for any of the exempt purposes of the Corporation, to expend, contribute and disburse any funds and otherwise to handle and deal with or dispose of any funds collected or monies received, for any or all of the purposes of the Corporation, and
- (f) To exercise all powers that are or may hereafter be conferred upon a corporation by the laws of the State of California, and to do any and all such other acts and things, including the making and performing of any contracts necessary, desirable or appropriate to carry out or accomplish any of the tax exempt objectives or purposes of the Corporation, except as prohibited by the Articles of Incorporation and the Bylaws of the Corporation.

Notwithstanding any of the above statements of purposes and powers, the Corporation shall not, except to an insubstantial degree, engage in any activities, or exercise

any powers that are not in furtherance of the primary and specific purposes of the Corporation and the Corporation shall not carry on any other activities prohibited by a corporation exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue Law).

Section 1.03 **Inurement of Net Earnings**. No part of the net earnings of the Corporation shall inure to the benefit of any director, officer or other private person, as defined for purposes of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue Law).

Section 1.04 **Distribution of Assets**. Upon the dissolution or winding up of the Corporation, the Corporation's assets remaining after payment, or provision for payment, of all debts and liabilities of the Corporation shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue Law), or shall be distributed to the federal government or to a state or local government, for a public purpose.

## ARTICLE II OFFICES

Section 2.01 **Principal Office**. The principal office for the transaction of the activities and affairs of the Corporation ("principal executive office") is fixed and located at 437 Encina Avenue, Menlo Park, California 94025. The Board of Directors may change the principal executive office from one location to another. Any change of this location shall be noted by the Secretary of the Corporation on these Bylaws opposite this section, or this section may be amended to state the new location.

Section 2.02 **Other Offices**. The Board of Directors may at any time establish branch or subordinate offices at any place or places, within or without the State of California, where the Corporation is qualified to conduct its activities.

## ARTICLE III MEMBERSHIP

Section 3.01 **Members**. This Corporation shall have no members within the meaning of Section 5056 of the California Corporations Code. Any action which would otherwise require approval by a majority of all members or approval by the members shall require only approval of the Board. All rights which would otherwise vest in the members shall vest in the Board of Directors.

Section 3.02 **Affiliated Persons**. Nothing in this Article III shall limit the right of the Corporation to refer to contributors, advisors, or other persons or entities associated with the Corporation as "members" even though those contributors, advisors, or other persons or entities are not members, and no reference shall constitute that anyone is a

member, within the meaning of Section 5056 of the California Corporations Code. The Corporation may confer by amendment of its Articles of Incorporation or of these Bylaws some or all of the rights of a member, as set forth in the California Nonprofit Corporation Law, upon any person or persons who do not have the right to vote for the election of directors or on a disposition of substantially all of the assets of the Corporation or on a merger or on a dissolution or on changes to the Corporation's Articles of Incorporation or Bylaws, but no such person shall be a member within the meaning of Section 5056 of the California Corporations Code.

#### **ARTICLE IV DIRECTORS**

Section 4.01 **Powers and Responsibilities**. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations in the Articles of Incorporation or these Bylaws, the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised by, or under the direction of, the Board of Directors. The Board of Directors shall be responsible for, among other things, adopting an annual budget, and adopting policies and positions concerning the affairs of the Corporation. The Board of Directors may delegate the management of the activities of the Corporation to an executive director, a management company, or management committees however composed, provided that the activities and affairs of the Corporation shall be managed, and all corporate powers shall be exercised, by, or under the ultimate direction of, the Board of Directors.

Without prejudice to these general powers and subject to the same limitations, the Board of Directors, in addition to the other powers enumerated in these Bylaws, shall have the power to:

- (a) Appoint and remove, subject to any employment agreement and, at the pleasure of the Board of Directors, all officers, agents, and employees of the Corporation; and prescribe powers and duties for them that are consistent with law, with the Articles of Incorporation, and with these Bylaws.
- (b) Change the principal executive office in the State of California from one location to another; cause the Corporation to conduct its activities within or without the State of California; and designate any place within or without the State of California for holding any meeting of Directors.
- (c) Adopt and use a corporate seal and to alter the form of such seal from time to time, as in their judgment they may deem best, provided such seal shall at all times comply with the provisions of law.
- (d) To approve an annual operating budget and capital expenditure budget, to borrow money and incur indebtedness on behalf of the Corporation and cause to be executed and delivered for the Corporation's purposes, in the corporate

name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.

(e) To conduct, manage and control the affairs and activities of the Corporation and to make such rules and regulations therefore not inconsistent with applicable federal and California law, the Articles of Incorporation or the Bylaws as they may deem best.

(f) Pursuant to authority hereinafter granted, to appoint committees and to delegate to such committees powers and authority of the Board of Directors in the management of the activities and affairs of the Corporation, except the power to adopt, amend or repeal Bylaws or Articles, and except as otherwise set forth herein.

Section 4.02 **Number and Qualification of Directors.** The authorized number of Directors shall be no less than seven (7) and no more than eleven (11) until changed by amendment to this Bylaw made pursuant to the provisions of Article X of these Bylaws. Directors need not be residents of the State of California.

Section 4.03 **Restriction on Interested Persons as Directors.** No more than forty-nine percent (49%) of the persons serving on the Board of Directors may be interested persons. An "interested person" is (a) any person compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of the provisions of this Bylaw shall not affect the validity or enforceability of any transaction entered into by the Corporation.

Section 4.04 **Election, Designation, and Term of Office of Director(s).** The Director(s) for the Corporation shall be elected at an annual meeting of the Director(s) by the majority vote of the member(s) of the Board then in office. Each such successor Director shall hold office for one (1) year or until the next annual meeting of Director(s); however, if any such successor Director(s) is/are not elected at an annual meeting, they may be elected at any special meeting of the Board held for that purpose or by unanimous written consent of the Board. Each such Director, including a Director appointed to fill a vacancy or elected at a special Board meeting or by unanimous written consent of the Board, shall hold office until expiration of the term for which appointed or elected and until a successor Director has been elected and qualified. No person shall serve as a Director for more than ten (10) consecutive one (1) year terms.

Section 4.05 **Vacancies; Removal; Resignation of Directors.** A vacancy or vacancies on the Board of Directors shall be deemed to exist on the occurrence of any of the following: (a) the death or resignation of any Director; (b) the declaration by resolution of the Board of Directors of a vacancy in the office of a Director who has been declared of unsound mind by an order of court, convicted of a felony, or found by final order or judgment of any

court to have breached a duty under Article 3 of Chapter 2 of the California Nonprofit Public Benefit Corporation Law; (c) the increase of the authorized number of Directors; or (d) the removal of a Director in accordance with these Bylaws.

A Director may be removed, either with or without cause, by a three-fourths (3/4) vote of all other Directors at the time in office at any regular meeting or special meeting of the Board of Directors. The Board of Directors may set specific attendance guidelines that may cause a Director to be removed for failure to attend Board of Directors' meetings.

Except as provided below, any Director may resign by giving written notice to the Chair of the Board of Directors, the Vice-Chair or the Secretary all defined in Article V below, or the Board of Directors of the Corporation. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a Director's resignation is effective at a future time, the Board of Directors may elect a successor to take office as of the date when the resignation becomes effective. Except on notice to the Attorney General of State of California, no Director may resign if the Corporation would be left without a duly elected Director or Directors.

Vacancies on the Board of Directors may be filled by a majority of the Directors then in office, whether or not less than a quorum, or by a sole remaining Director.

No reduction of the authorized number of Directors shall have the effect of removing any Director from office before that Director's term of office has expired.

Section 4.06 **Place of Directors' Meetings.** Meetings of the Board shall be held at any place, within or without the State of California, that has been designated by resolution of the Board of Directors or in the notice of the meeting or, if not so designated, at the principal executive office of the Corporation. Any meeting may be held by conference telephone, or similar communication equipment, as long as all Directors participating in the meeting can hear one another. All such Directors shall be deemed to be present in person at such a meeting.

Section 4.07 **Annual Meeting of Directors.** The Board of Directors shall hold an annual meeting on the third Thursday of the month of January of each year. Each such annual meeting shall be held for purposes of organization, the election of officers, and the transaction of other business. Notice of the time and place of this meeting shall be required.

Section 4.08 **Other Regular Meetings.** Other regular meetings of the Board of Directors shall be held monthly at such time and place as the Board of Directors may fix from time to time. The time and place of such meetings will be stated in the minutes of the previous meeting of the Board of Directors.

Section 4.09 **Special Meetings.** Special meetings of the Board of Directors for any purpose may be called at any time by the Chair of the Board of Directors, the Vice-Chair or any two (2) Directors.

Notice of the time and place of special meetings shall be given to each Director by one of the following methods: (a) by personal delivery of written notice; (b) by first-class mail postage prepaid, (c) by telephone, either directly to the Director or to a person at such Director's office who would reasonably be expected to communicate that notice promptly to such Director; (d) by electronic mail (e-mail), either directly to the Director or to a person at such Director's office who would reasonably be expected to communicate that notice promptly to such Director; or (e) by fax, either directly to the Director or to a person at such Director's office who would reasonably be expected to communicate that notice promptly to such Director. All such notices shall be given or sent to the Director's address or telephone number as shown on the records of the Corporation.

Notice sent by first-class mail shall be deposited in the United States mail at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, e-mail or fax shall be delivered, telephoned, e-mailed or faxed at least forty-eight (48) hours before the time set for the meeting.

The notice shall state the time of the meeting, and the place if the place is other than the principal executive office of the Corporation. The notice need not specify the purpose of the meeting.

Section 4.10 **Waiver of Notice.** Notice of a meeting need not be given to any Director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any Director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to that Director.

Section 4.11 **Quorum.** A majority of the authorized number of Directors shall constitute a quorum for the transaction of any business, except to adjourn. Every action taken or decision made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be the act of the Board of Directors, subject to the provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to (a) approval of contracts or transactions in which a Director has a direct or indirect material financial interest; (b) approval of certain transactions between corporations having common directorships; (c) creation of, and appointments to, committees of the Board of Directors, and (d) indemnification of Directors. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of Directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

Section 4.12 **Adjournment**. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

Section 4.13 **Notice of Adjourned Meeting**. Notice of the time and place of holding an adjourned meeting need not be given unless the original meeting is adjourned for more than twenty-four (24) hours. If the original meeting is adjourned for more than twenty (24) hours, notice of any adjournment to another time and place shall be given, before the time of the adjourned meeting, to the Directors who were not present at the time of the adjournment.

Section 4.14 **Action Without a Meeting**. Pursuant to Section 5211(b) of the California Corporations Code, any action required or permitted to be taken by the Board of Directors may be taken without a meeting if each and every member of the Board of Directors consents in writing to the action; provided, however, that the consent of any Director who has a material financial interest in a transaction to which the Corporation is a party and who is an "interested director," as defined in Section 5233 of the California Corporations Code or any provision herein, shall not be required for approval of that transaction. Such action by written consent shall have the same force and effect as any other validly approved action of the Board of Directors. All such consents shall be filed with the minutes of the proceedings of the Board of Directors.

Section 4.15 **Reimbursement of Directors**. Directors and members of committees may receive such reimbursement of expenses, as may be fixed or determined by resolution of the Board of Directors to be just and reasonable as to the Corporation at the time that such resolution is adopted.

## ARTICLE V OFFICERS

Section 5.01 **Officers of the Corporation**. The officers of the Corporation shall consist of a Chair, a Vice-Chair, a Secretary, and a Chief Financial Officer. The Corporation may also have, at the discretion of the Board of Directors, such other officers as may be appointed in accordance with Section 5.03 of these Bylaws. Any number of offices may be held by the same person, except that neither the Secretary nor the Chief Financial Officer may serve concurrently as the Chair or Vice-Chair of the Board of Directors.

Section 5.02 **Election of Officers**. The officers of the Corporation, except such officers as may be appointed under Section 5.03 of these Bylaws, shall be chosen annually by the Board of Directors from among the Board members. Officers shall serve one (1) year terms. Officers may serve no more than three (3) consecutive one (1) year terms and may be elected to serve again after a one (1) year break in service.

Section 5.03 **Additional Officers**. The Board of Directors may appoint and may authorize the Chair of the Board of Directors, or other officer, to appoint any other

officers that the Corporation may require. Each officer so appointed shall have the title, hold office for the period, have the authority, and perform the duties specified in the Bylaws or determined by the Board of Directors.

Section 5.04 **Removal and Resignation of Officers**. Without prejudice to any rights of an officer under any contract of employment, any officer may be removed with or without cause by the Board of Directors and also, if the officer was not chosen by the Board of Directors, by any officer on whom the Board may confer that power of removal.

Any officer may resign at any time by giving written notice to the Corporation. The resignation shall take effect as of the date the notice is received or at any later time specified in the notice and, unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

Section 5.05 **Vacancies in Office**. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to that office, provided, however, that vacancies need not be filled on an annual basis.

Section 5.06 **Chair of the Board**. Subject to the control of the Board of Directors, the Chair of the Board of Directors shall direct, and control the activities and affairs of the Board and its officers. The Chair of the Board of Directors shall have such other powers and duties as the Board of Directors or these Bylaws may prescribe. In the absence of an executive director, retained either as an employee of the Corporation or as an administrative services contractor of the Corporation, the Chair shall serve as the chief executive officer and direct and control the Corporation's activities and affairs. The Chair shall be given the necessary authority and held responsible for the administration of the Corporation in all its activities and subject only to such policies as may be adopted and such orders as may be issued by the Board of Directors or by any of its committees to which it has delegated power for such action. The Chair shall act as the "duly authorized representative" of the Board of Directors in all matters in which the Board of Directors has not formally designated some other person for that specific purpose. Without prejudice to such general powers as above described, but subject to the limitations, authority and duties of the Chair are hereby expressly declared to be:

- (1) To carry out all policies established by the Board of Directors, and to advise on the formation of those policies;
- (2) To attend meetings of the Board of Directors and its committees;
- (3) To prepare plans for the achievement of the Corporation's long-range objectives and goals as adopted by the Board of Directors;

- (4) To promote effective and economical working relationships with other organizations;
- (5) To represent the Corporation to the public; and
- (6) To perform any other duty that may be necessary in the best interest of the Corporation.

Section 5.07 **Vice-Chair**. If the Chair is absent or disabled, the Vice-Chair shall perform all duties of the Chair. When so acting, the Vice-Chair shall have all powers of, and be subject to, all restrictions on the Chair. The Vice-Chair shall have such other powers and perform such other duties as the Board of Directors or these Bylaws may prescribe.

Section 5.08 **Secretary**. The Secretary shall keep or cause to be kept, at the Corporation's principal executive office or such other place as the Board of Directors may direct, a book of minutes of all meetings, proceedings, and actions of the Board of Directors. The minutes of meetings shall include the time and place that the meeting was held, whether the meeting was annual, regular, or special, and, if special, how authorized, the notice given, and the names of those present at Board and committee meetings. The Secretary shall keep or cause to be kept, at the principal executive office in the State of California, a copy of the Articles of Incorporation and Bylaws, as amended to date.

The Secretary shall give, or cause to be given, notice of all meetings of the Board of Directors and of committees of the Board of Directors required by these Bylaws to be given. The Secretary shall keep the corporate seal in safe custody and shall have such other powers and perform such other duties as the Board of Directors of these Bylaws may prescribe.

Section 5.09 **Chief Financial Officer/Treasurer**. The Chief Financial Officer ("CFO") shall cause to be kept and maintained, adequate and correct books and accounts of the Corporation's properties and transactions. As part of this responsibility, the CFO may appoint a Treasurer who shall keep and maintain adequate and correct books and accounts of the Corporation's properties and transactions. If the CFO does not appoint a Treasurer, then the CFO shall have the responsibilities enumerated herein for the Treasurer. The Treasurer shall send or cause to be given to the Directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board of Directors. The books of account shall be open to inspection by any Director at all reasonable times.

The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name of, and to the credit of, the Corporation with such depositories as the Board of Directors may designate; shall disburse the Corporation's funds as the Board of Directors may order; shall render to the Chair of the Board of Directors, and the Board of Directors, when requested, an account of all transactions as Treasurer and of the financial condition of the Corporation; and shall have such other powers and perform such other duties as the Board of Directors, the CFO or these Bylaws may prescribe.

The Board of Directors may elect to secure in the name of the Corporation and the CFO and the Treasurer a bond in the amount and with the surety or sureties specified by the Board of Directors for faithful performance of the duties of the office and for restoration to the Corporation of all of its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the CFO and Treasurer upon their death, resignation, retirement, or removal from office.

## ARTICLE VI COMMITTEES

Section 6.01 **Committees of the Board.** The Board of Directors, by motion adopted by a majority of the Directors then in office, provided a quorum is present, may create one or more committees, each consisting of two (2) or more Directors, and other persons that the Directors may appoint to serve at the pleasure of the Board of Directors. Appointments to committees of the Board shall be by majority vote of the Directors then in office. The Board of Directors may appoint one or more Directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee, to the extent provided in the Board motion, shall only have the authority delegated by the Board of Directors, except that no committee, regardless of Board motion, may:

- (1) Fill vacancies on the Board of Directors or on any committee that has the authority of the Board of Directors;
- (2) Fix compensation of the Directors for serving on the Board of Directors or on any committee;
- (3) Amend or repeal Bylaws or adopt new Bylaws;
- (4) Amend or repeal any resolution of the Board of Directors that by its express terms is not so amendable or repealable;
- (5) Create any other committees of the Board of Directors or appoint the members of committees of the Board of Directors;
- (6) Expend corporate funds to support a nominee for Director after more people have been nominated for Director than can be elected; or
- (7) Approve any contract or transaction to which the Corporation is a party and in which one or more of its Directors has a material financial interest, except as special approval is provided for in Section 5233(d)(3) of the California Corporations Code; or
- (8) Take any final action in violation of the California Nonprofit Public Benefit Corporation Law.

Section 6.02 **Meetings and Actions of Committees.** Meetings and actions of committees of the Board of Directors shall be governed by, held, and taken in accordance with, the provisions of these Bylaws concerning meetings and other Board actions, except that the time for regular meetings of such committees and the calling of special meetings of such committees may be determined either by Board motion or, if there is none, by motion of the committee of the Board of Directors. Minutes of each meeting of any committee of the Board of Directors shall be kept and shall be filed with the corporate records. The Board of Directors may adopt rules for the government of any committee, provided they are consistent with these Bylaws or, in the absence of rules adopted by the Board of Directors, the committee may adopt such rules.

**ARTICLE VII  
INDEMNIFICATION OF DIRECTORS, OFFICERS,  
EMPLOYEES AND OTHER AGENTS**

Section 7.01 **Agents, Proceedings, and Expenses.** For the purposes of this Article, "agent" means any person who is or was a Director, officer, employee, or other agent of the Corporation; "proceeding" means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "expense" includes, without limitation, attorneys' fees and any expenses of establishing a right to indemnification under Sections 7.04 or 7.05(b) of this Article VII.

Section 7.02 **Actions Other Than By the Corporation.** The Corporation shall have the power to indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding (other than an action by, or in the right of, the Corporation to procure a judgment in its favor, an action brought under Section 5233 of the California Corporations Code, or an action brought by the Attorney General or a person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust) by reason of the fact that such person is or was an agent of the Corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if that person acted in good faith and in a manner that person reasonably believed to be in the best interests of the Corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of that person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the Corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

Section 7.03 **Actions By the Corporation.** The Corporation shall have the power to indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action by, or in the right of, the Corporation, or brought under Section 5233 of the California Corporations Code, or brought by the Attorney General or a person granted relator status by the Attorney General for breach of duty relating to assets

held in charitable trust, to procure a judgment in its favor by reason of the fact that person is or was an agent of the Corporation, against expenses actually and reasonably incurred by that person in connection with the defense or settlement of that action if that person acted in good faith, in a manner that person believed to be in the best interests of the Corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section 7.03 for any of the following reasons:

- (a) In respect of any claim, issue or matter as to which that person shall have been adjudged to be liable to the Corporation in the performance of that person's duty to the Corporation, unless, and only to the extent that, the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, that person is fairly and reasonably entitled to indemnity for the expenses and then only to the extent that the court shall determine;
- (b) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or
- (c) Of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval unless it is settled with the approval of the Attorney General.

Section 7.04 **Successful Defense By Agent.** To the extent that an agent of the Corporation has been successful on the merits in defense of any proceeding referred to in Sections 7.02 or 7.03 of this Article VII, or in defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

Section 7.05 **Required Approval.** Except as provided in Section 7.04 of this Article VII, any indemnification under this Article VII shall be made by the Corporation only if authorized in the specific case upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Section 7.02 or 7.03 of this Article VII, by any of the following:

- (a) A majority vote of a quorum consisting of Directors who are not parties to the proceeding; or
- (b) The court in which the proceeding is or was pending, upon application made by the Corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by the Corporation.

Section 7.06 **Advance of Expenses.** Expenses incurred in defending any proceeding may be advanced by the Corporation before the final disposition of the proceeding upon receipt of an undertaking by, or on behalf of, the agent to repay the amount of the

advance unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article VII.

Section 7.07 **Other Contractual Rights.** No provision made by a corporation to indemnify its Directors or officers for the defense of any proceeding, whether contained in the Corporation's Articles of Incorporation or Bylaws, a resolution of the Board of Directors, an agreement or otherwise, shall be valid unless consistent with this Article VII. Nothing contained in this Article VII shall affect any right to indemnification to which persons other than Directors and officers of the Corporation may be entitled by contract or otherwise.

Section 7.08 **Limitations.** No indemnification or advance shall be made under this Article VII, except as provided in Sections 7.04 or 7.05(b), in any circumstances where it appears:

(a) That it would be inconsistent with a provision of the Articles of Incorporation, Bylaws, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 7.09 **Insurance.** The Corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, Directors, employees, and other agents, against any liability asserted against or incurred by any officer, Director, employee, or agent in such capacity or arising out of the officer's, Director's, employee's, or agent's status as such. The Corporation may also purchase and maintain insurance on behalf of any agent of the Corporation against any liability asserted against, or incurred by, the agent in such capacity or arising out of the agent's status as such whether or not the Corporation would have the power to indemnify the agent against the liability under the provisions of this Article VII; provided, however, that the Corporation shall have no power to purchase and maintain such insurance to indemnify any agent of the Corporation for a violation of Section 5233 of the California Corporations Code.

## ARTICLE VIII EXECUTIVE DIRECTOR

Section 8.01 **Employment.** The Board may employ an Executive Director who shall be the administrative head of the Corporation.

Section 8.02 **Duties.** The Executive Director shall be responsible to the Board of Directors. The Executive Director shall be given the authority to carry out the policies established by the Board of Directors. The Executive Director shall have, but not be limited to, the following duties:

- (a) Serve as the administrator of all aspects of the day-to-day operations of the Corporation, including operating policies and procedures;
- (b) Make recommendations to the Board for its consideration regarding broad policies of the Corporation;
- (c) Develop the overall program and services to be provided by the Corporation and its clients;
- (d) Be present either personally or through an appointed representative at all Board meetings and be an ex-officio member of all committees; and
- (e) Designate, appoint, or remove employees in accordance with established policies and procedures of the Corporation.

**ARTICLE IX  
RECORDS AND REPORTS**

Section 9.01 **Records and Reports.** The Corporation shall keep:

- (1) Adequate and correct books and records of account;
- (2) Written minutes of the proceedings of its Board of Directors, and committees of the Board of Directors; and
- (3) A record of its members giving their names and addresses and the class of membership held by each.

Section 9.02 **Maintenance and Inspection of Articles and Bylaws.** The Corporation shall keep at its principal executive office the original or a copy of the Articles of Incorporation and Bylaws, as amended to date, which shall be open to inspection by the members of the Board of Directors at all reasonable times during office hours.

Section 9.03 **Inspection by Directors.** Every Director shall have the absolute right at any reasonable time to inspect the Corporation's books, records, documents of every kind and physical properties. The inspection may be made in person or by the Director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

Section 9.04 **Annual Report.** The Board of Directors shall cause to be prepared and distributed to the membership an annual report, to be sent within one hundred twenty (120) days after the end of the Corporation's fiscal year. That report shall contain the following information, in appropriate detail, for the fiscal year:

- (1) The assets and liabilities of the Corporation as of the end of the fiscal year.
- (2) The principal changes in assets and liabilities.
- (3) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes.
- (4) The expenses or disbursements of the Corporation for both general and restricted purposes.
- (5) A statement of the place where the names and addresses of the current members, if any, are located.
- (6) Any information required by Section 9.05 of Article IX of these Bylaws.

The annual report shall be accompanied by any report on it of independent accountants or, if there is no such report, by the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the Corporation's books and records.

This requirement of an annual report shall not apply if the Corporation receives less than Twenty-Five Thousand and No/100 Dollars (\$25,000.00) in gross receipts during the fiscal year, provided, however, that the information specified above for inclusion in an annual report must be furnished annually to all Directors who request it in writing.

Section 9.05 **Annual Statement of Certain Transactions and Indemnifications**. As part of the annual report to the Board of Directors of the Corporation, or as a separate document if no annual report is issued, the Corporation shall annually furnish to each member a statement of any transaction or indemnification of the following kind within one hundred twenty (120) days after the end of the Corporation's fiscal year:

- (1) Any transaction (i) which the Corporation, its parent, or its subsidiary was a party; (ii) in which an "interested person" had a direct or indirect material financial interest; and (iii) which involved more than Fifty Thousand and No/100 Dollars (\$50,000.00), or was one of a number of transactions with the same interested person involving, in the aggregate, more than Fifty Thousand and No/100 Dollars (\$50,000.00). For this purpose, an "interested person" is either of the following:
  - (a) Any Director or officer of the Corporation, its parent, or subsidiary (but mere common directorship shall not be considered such an interest); or

(b) Any holder of more than ten percent (10%) of the voting power of the Corporation, its parent, or its subsidiary. The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the Corporation, the nature of their interest in the transaction and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

(2) Any indemnifications or advances aggregating more than Ten Thousand and No/100 Dollars (\$10,000.00) paid during the fiscal year to any officer or Director of the Corporation under Sections 7.01 through 7.03 of these Bylaws, unless that indemnification has already been approved by the Directors under Section 5238(e)(2) of the California Corporations Code.

## ARTICLE X CONFLICTS OF INTERESTS

Section 10.01 **Disqualifying Financial Interest.** Any member of the Board of Directors must obtain the Board of Directors' approval pursuant to Section 10.02 or Section 10.03 and disqualify himself or herself from making, participating in the making of, or attempting to influence any decisions of the Board of Directors or a committee of the Board of Directors if it is reasonably foreseeable that the decision is one in which the Director has a material financial interest.

Section 10.02 **Prior Board of Directors Approval.** The Board of Directors may approve a proposed transaction in which a Director or Directors may have a material financial interest if after reasonable investigation and prior to consummating the transaction or any part thereof, with knowledge of the material facts concerning the transaction and the Director or Directors' interest in transaction, the Board of Directors determines in good faith by vote of a majority of Directors then in office without counting the vote of the interested Director or Directors, that:

- (a) The proposed transaction is for the Corporation's own benefit;
- (b) The proposed transaction is fair and reasonable as to the Corporation; and
- (c) The Corporation cannot obtain a more advantageous arrangement with reasonable efforts under the circumstances.

Section 10.03 **Board of Directors Ratification.** The Board or Directors may ratify a transaction entered into between the Corporation and a Director or Directors in which the Director or Directors had a material financial interest if at the next meeting of the Board of

Directors, the Board of Directors determines in good faith by vote of a majority of Directors then in office without counting the vote of the interested Director or Directors, that:

- (a) A committee or person authorized by the Board of Directors approved the transaction;
- (b) The Corporation entered into the transaction for its own benefit;
- (c) The transaction was fair and reasonable as to the Corporation at the time the Corporation entered into the transaction; and
- (d) It was not reasonably practicable to obtain approval of the Board of Directors prior to entering into the transaction.

Section 10.04 **Disqualifying Non-Financial Interest**. Any member of the Board of Directors must likewise disqualify himself or herself when there exists a personal non-financial interest which will prevent the member from applying disinterested skill and undivided loyalty to the Corporation in making or participating in the making of decisions.

Section 10.05 **Procedure of Disqualification**. A Director required to disqualify himself or herself pursuant to Sections 10.01 or 10.04, above, shall (1) immediately disclose the interest, (2) withdraw from any participation in the matter, (3) refrain from attempting to influence any other Director, and (4) refrain from voting. The Director may be counted in determining whether a quorum is present.

Section 10.06 **No Invalidation of Action**. No action or decision of the Board of Directors or committee of the Board of Directors shall be invalid because of the participation therein by a Director or Directors in violation of this policy.

## ARTICLE XI GENERAL CORPORATE MATTERS

Section 11.01 **Construction and Definitions**. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

Section 11.02 **Amendment of Bylaws**. New bylaws may be adopted, or these Bylaws may be amended or repealed, in any manner authorized under Section 5150 of the California Corporations Code, or in any other manner permitted by applicable law. Notwithstanding the foregoing, no amendment may extend the term of a Director beyond that for which such Director was elected.

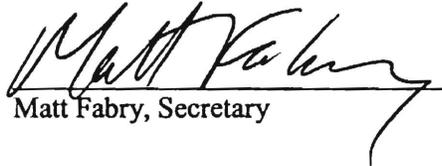
Section 11.03 **Authority to Bind Corporation.** The Board of Directors, except as in these Bylaws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances; and unless so authorized by the Board of Directors no officer, agent or employee 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 in any amount.

Section 11.04 **Amendments of Articles.** The Articles of Incorporation of the Corporation may be amended, repealed or new Articles adopted in any manner authorized under Sections 5810 *et seq.* of the California Corporations Code, or in any manner permitted by applicable law.

**CERTIFICATE OF ADOPTION**

I certify that I am the duly elected and acting Secretary of BAY AREA STORMWATER MANAGEMENT AGENCIES ASSOCIATION, a California non-profit public benefit corporation, that the above Bylaws, consisting of nineteen (19) pages, are the Bylaws of the Corporation as adopted by the Board of Directors of the Corporation on February 26, 2009, and that said Bylaws have not been amended or modified since the date thereof.

Executed on February 26, 2009, at Oakland, California.

  
Matt Fabry, Secretary







Tualatin River Watershed

Base Map

Tualatin River  
Watershed Council  
Atlas Project



LEGEND

- City Limits
- Banks
  - Beaverton
  - Cornelius
  - Durham
  - Forest Grove
  - Gaston
  - Hillsboro
  - King City
  - Lake Oswego
  - North Plains
  - Portland
  - Rivergrove
  - Sherwood
  - Tigard
  - Tualatin
  - West Linn

- Hillsboro Airport
- County Line
- Major Roads
- Tualatin Watershed Boundary
- Streams
- Major Rivers and Lakes

Data Source: Tualatin River Watershed Information System (1996) and Metro (GIS Line 2000)

Note: This information is for general and planning purposes only. It is intended to be used together with the text on the adjacent corresponding page in the Tualatin River Watershed Atlas

