

**FIRST AMENDED AND RESTATED BYLAWS**  
**OF**  
**WOODRIDGE MUTUAL WATER AND PROPERTY OWNERS CORPORATION**

**TABLE OF CONTENTS**  
**FIRST AMENDED AND RESTATED BYLAWS**  
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		<b>Page Number</b>
ARTICLE 1	NAME AND LOCATION.....	1
ARTICLE 2	DEFINITIONS.....	1
2.1	Declaration.....	1
2.2	Other Definitions Incorporated by Reference.....	1
ARTICLE 3	MEMBERSHIP AND VOTING.....	1
3.1	Membership.....	1
3.2	Voting.....	1
3.3	Vote of Joint Owners.....	1
3.4	Assignment of Membership Rights.....	2
3.5	Adoption of Election Rules.....	2
3.6	Record Dates.....	2
ARTICLE 4	MEETINGS OF MEMBERS.....	2
4.1	Annual Membership Meeting.....	2
4.2	Special Membership Meetings.....	2
4.3	Notice of Membership Meetings.....	2
4.4	Conduct of Membership Meetings.....	3
4.5	Place of Membership Meetings.....	3
4.6	Quorum.....	3
4.7	Proxies.....	3
4.8	Vote of the Members.....	3
4.9	Disclosure of Voting Results.....	3
4.10	Adjournment.....	3
4.11	Voting by Secret Ballot.....	4
4.12	Voting by Written Ballot.....	4
ARTICLE 5	BOARD OF DIRECTORS; QUALIFICATIONS; TERM OF OFFICE.....	4
5.1	Number of Directors.....	4
5.2	Qualification and Disqualification of Directors.....	4
5.3	Election and Term of Office.....	4
5.4	Removal.....	5
5.5	Vacancies.....	5
5.6	Filling Vacancies.....	5
5.7	Compensation.....	5
ARTICLE 6	NOMINATION AND ELECTION OF DIRECTORS.....	5
6.1	Nomination.....	5
6.2	Election of Directors.....	5
6.3	Uncontested Election of Directors.....	5
ARTICLE 7	MEETINGS OF DIRECTORS.....	6
7.1	Organizational Board Meetings.....	6
7.2	Regular Board Meetings.....	6
7.3	Special Board Meetings.....	6
7.4	Emergency Board Meetings.....	6
7.5	Executive Session.....	6
7.6	Notice to Directors.....	6
7.7	Notice to Members Open Session.....	6

7.8	Notice to Members Executive Session.....	6
7.9	Open Meetings.....	7
7.10	Telephone Participation.....	7
7.11	Quorum of Board of Directors.....	7
7.12	Minutes of Meetings of Directors.....	7
ARTICLE 8	POWERS AND DUTIES OF THE BOARD OF DIRECTORS.....	7
8.1	Powers.....	7
8.2	Duties.....	10
ARTICLE 9	INSURANCE.....	12
9.1	General Provisions and Limitations.....	12
9.2	Named Insured.....	12
9.3	Authority to Negotiate.....	12
9.4	Insurance Generally.....	12
9.5	Public Liability and Property Damage.....	12
9.6	Fire and Casualty Insurance.....	12
9.7	Director and Officer Liability Insurance.....	12
9.8	Fidelity Insurance.....	13
9.9	Additional Insurance.....	13
9.10	Deductible.....	13
ARTICLE 10	OFFICERS AND THEIR DUTIES.....	13
10.1	Enumeration of Officers.....	13
10.2	Election of Officers.....	13
10.3	Term.....	13
10.4	Multiple Offices.....	13
10.5	Special Appointments.....	13
10.6	Resignation and Removal.....	14
10.7	Vacancies.....	14
10.8	President.....	14
10.9	Vice President.....	14
10.10	Secretary.....	14
10.11	Chief Financial Officer.....	14
ARTICLE 11	COMMITTEES.....	14
11.1	Committees of the Board.....	14
11.2	Advisory Committees.....	15
11.3	Compensation of Committee Members.....	15
ARTICLE 12	BOOKS, RECORDS AND FUNDS.....	15
12.1	Access to Association Records.....	15
12.2	Checks, Drafts, and Evidence of Indebtedness.....	15
12.3	Funds and Deposits.....	15
12.4	Fiscal Year.....	15
12.5	Delivery of Documents to Members.....	15
ARTICLE 13	AMENDMENTS.....	16
13.1	Amendment by Members.....	16
13.2	Amendment by Board of Directors.....	16
13.3	Restatements of Bylaws.....	16
ARTICLE 14	MISCELLANEOUS.....	16

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**FIRST AMENDED AND RESTATED BYLAWS  
OF  
WOODRIDGE MUTUAL WATER AND PROPERTY OWNERS CORPORATION**

**ARTICLE 1 NAME AND LOCATION**

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The name of the corporation is Woodridge Mutual Water and Property Owners Corporation ("Association"). Association is a California nonprofit mutual benefit corporation as defined in Corporation Code section 7110, *et seq.* The principal office of the Association is in Shasta County, California, or at such other location as determined by the Board of Directors ("Board").

**ARTICLE 2 DEFINITIONS**

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2.1 Declaration. "Declaration" means the Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Woodridge Lake Estates Subdivision, recorded on December 20, 2023, as Instrument No. 2023-0028531 in the Official Records of Shasta County, California, as such Declaration may be amended.

2.2 Other Definitions Incorporated by Reference. The terms defined in the Declaration shall have the same meaning when used herein unless the context clearly indicates a contrary intention.

**ARTICLE 3 MEMBERSHIP AND VOTING**

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3.1 Membership. Membership in the Association shall include, and shall be limited to, all Owners of any Lot located within the Development. Membership shall be appurtenant to and may not be separated from ownership of a Lot. Upon becoming the Owner of a Lot, each Owner shall automatically be a Member of Association and shall remain a Member until such time as their Lot ownership ceases for any reason. Membership in Association shall not be transferred, encumbered, pledged, alienated, or hypothecated in any way, except upon the transfer or encumbrance of the Lot to which it is appurtenant and then only to the transferee or mortgagee of such Lot. Any attempt to make a prohibited transfer is void. Upon any transfer of title to a Lot, including a transfer upon the death of an Owner, Membership in Association shall pass automatically to the transferee.

3.2 Voting. Members shall be entitled to cast one (1) vote per measure or open Director position(s) for each Lot owned. The vote at any meeting of the Members may be by voice vote or by ballot as determined by the Board. In any election of Directors where the number of candidates does not exceed the number of Directors to be elected, the election of Directors may be accomplished in accordance with Section 6.3.

3.3 Vote of Joint Owners. In the event, more than one (1) person or entity owns a given Lot, the vote for such Lot shall be exercised as the Owners among themselves shall determine, but in no event, shall more than one (1) vote be cast with respect to any Lot. If the joint Owners of a Lot are unable to agree among themselves as to how their vote or votes are to be cast, such vote shall be cast in accordance with the decision of a majority of such Owners. If there is no such majority, the vote for the Lot shall not be cast either in favor of or opposed to the issue or issues, which are the subject of the vote, but the member shall be counted for purposes of determining whether the quorum requirements applicable to the vote or meeting have been met. If any Owner casts a vote representing a certain Lot and no written objection is received by the Secretary prior to the close of voting, it will be conclusively presumed for all purposes such Owner was acting with the authority and consent of the other Owners of the Lot.

3.4 Assignment of Membership Rights. The terms Contract Purchaser and Contract Seller as used herein are defined in Section 1.12 of the Declaration. A Member who is a Contract Seller and under contract to sell their Lot to a Contract Purchaser shall be entitled to assign to such Contract Purchaser their rights and privileges of membership in Association and shall be deemed to have assigned to a Contract Purchaser who has assumed occupancy of the Member's Residence all rights of use and enjoyment of the Common Area. No assignment of any membership rights or privileges to a non-resident Contract Purchaser shall be binding, however, until the Board has been notified thereof in writing. Notwithstanding any assignment, until fee title to the Lot has been transferred and recorded, a Contract Seller shall remain liable for all assessments, fines, and other charges imposed by the Board and for compliance with the Governing Documents by all Residents of their Lot. Any Member who has leased or rented their Lot to another person or persons shall in all events be deemed to have assigned to their tenants all rights of use and enjoyment of the Common Area. It is the express purpose and intent of the provisions of this Section to limit the right of use and enjoyment of the Common Area to Residents of the Development and their guests.

3.5 Adoption of Election Rules. The Board shall adopt Rules governing Association's election procedures, which shall include the minimum requirements specified in Civil Code section 5105, or comparable successor statute, as it may be amended from time to time.

3.6 Record Dates. The record dates for notice of meetings of Members and voting shall be determined pursuant to Corporations Code section 7611.

#### **ARTICLE 4 MEETINGS OF MEMBERS**

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4.1 Annual Membership Meeting. The annual meeting of the Members shall be held at least once per calendar year, in the month of May, or in another month on a date and at a time and place to be designated by the Board, upon written notice to all the Members.

4.2 Special Membership Meetings. Special meetings of the Members may be called for any lawful purpose at any time by the President or by the Board or pursuant to the written request of Members entitled to cast at least five percent (5%) of the Total Voting Power.

4.3 Notice of Membership Meetings.

4.3.1 Written Notice. Written notice of each meeting of the Members shall be given by or at the direction of the Secretary or other person authorized to give notice of a meeting. Written notice shall be mailed by first-class mail, postage prepaid, or hand-delivered at least ten (10) days but not more than ninety (90) days before such meeting, to each Member who, on the record date for notice of the meeting, is entitled to vote at such meeting, except in the case of a special meeting called pursuant to a written request of Members, notice of such special meeting shall be mailed or otherwise delivered within twenty (20) days after receipt of such written request by the Board, and the date of such special meeting shall be set by the Board and shall be not sooner than thirty-five (35) days nor later than one-hundred and fifty (150) days after the date of the Board's receipt of such written request.

4.3.2 Notice Content. Notice of meetings shall be addressed or otherwise delivered to the Member's address last appearing on the books of Association or supplied by such Member to Association for notice. Notice of any meeting of Members shall specify the date, hour, and place of the meeting, and the general nature of those matters which the Board intends to present for action by the Members.

4.3.3 Special Meetings. With respect to special meetings, only those matters referred to in such notice may be transacted. With respect to regular meetings, and notwithstanding

the foregoing, any proper matter may be presented at the meeting for action by the Members, except if the meeting is attended by less than one-third (1/3) of the Total Voting Power of Association, the Members may act only on matters the general nature of which has been set forth in the notice of such meeting.

4.4 Conduct of Membership Meetings. All meetings of Members shall be conducted in accordance with a recognized system of parliamentary procedure, such as Robert's Rules of Order, or such parliamentary procedures as the Association may employ. A reasonable time limit for all Members to speak at a meeting of the Members shall be established by the Board.

4.5 Place of Membership Meetings. Annual and special meetings shall be held at a location within the Development, or the Board may designate a place located as close as reasonably practicable to the Development, as designated by the Board.

4.6 Quorum. The following quorum requirements must be satisfied in order to take valid action at any membership meeting:

4.6.1 Election of Directors. In any Member vote to elect one or more Directors, the number of valid ballots received shall constitute a quorum.

4.6.2 Assessment Votes. As provided by Civil Code section 5605, notwithstanding any other provision in the Governing Documents, for purposes of voting on a Special Assessment or an increase in the Regular Assessment must be approved by the Members, a quorum shall mean more than fifty percent (50%) of the Members.

4.6.3 Other Member Votes. For all other votes or elections by the Members, including removal of one or more Directors, a quorum shall mean twenty-five percent (25%) of the Members entitled to vote in the vote or election.

4.7 Proxies. Written authorizations giving another person the right to vote on behalf of the assigning Member, otherwise known as proxies, are not permitted.

4.8 Vote of the Members. If a quorum is present, in person or by ballot, the affirmative vote of a majority of the voting power so present and voting on any matter ("Simple Majority") shall constitute the act of the Members, unless the approval of a greater number or proportion of Members is required by any provision of the Governing Documents or of the law. The Members present at a meeting may continue to transact business until adjournment of the meeting notwithstanding the withdrawal of enough members to leave less than a quorum. Other than adjournment, any other action requiring a vote of the Members must be approved by at least a majority of the voting power required to constitute a quorum, or by such greater number as required by law or by the Governing Documents. With respect to the election of Directors, there shall be no quorum requirement, as explained in Section 4.6.

4.9 Disclosure of Voting Results. For a period of sixty (60) days following the conclusion of a meeting or vote by ballot of the Members, Association shall, upon written request from a Member, inform the Member of the result of any vote of the Members taken at such meeting or by ballot, including the number of memberships voting for, the number of memberships voting against, and the number of memberships abstaining or withheld from voting in a vote. If the matter voted on was the election of Directors, general notice of the tabulated results of the election shall be provided in accordance with Civil Code section 5120(b) within fifteen (15) days of the election.

4.10 Adjournment. Whether a quorum is present, any meeting of Members may be adjourned from time to time to be reconvened on a later date, subject to Section 4.6, by the vote of a majority of the

Members present at such meeting; however, in the absence of a quorum, no business other than adjournment may be transacted.

4.11 Voting by Secret Ballot. Pursuant to Civil Code sections 5105 through 5125 or comparable successor statutes, secret ballots shall be specifically required for Membership action and election regarding (a) Assessments legally requiring a vote, (b) selection of Directors, (c) removal of Directors, (d) amendments to the Governing Documents, (e) assessment increases requiring a member vote, and (f) grants of exclusive use of Common Area property pursuant to Civil Code section 4600. Other matters requiring a Membership vote may be done at a meeting, by secret ballot or written ballot.

4.12 Voting by Written Ballot. Any action which may be taken at a regular or special meeting, except elections required by California law to be conducted by secret ballot in accordance with the procedures set forth in Civil Code sections 5105 through 5145, see Section 4.11, may be taken without a meeting of the Members if Association distributes a written ballot, in compliance with Corporations Code section 7513. The determination to seek Member approval for Association actions using written ballots shall be made by the Board.

## **ARTICLE 5 BOARD OF DIRECTORS; QUALIFICATIONS; TERM OF OFFICE**

5.1 Number of Directors. The affairs of the Association shall be managed by or under the direction of a Board, consisting of five (5) Directors.

5.2 Qualification and Disqualification of Directors.

5.2.1 Only Members shall be eligible to be elected or serve on the Board and only one (1) Owner of a particular Lot may serve on the Board at any time.

5.2.2 A person shall be deemed disqualified under the followings circumstances upon being offered the opportunity to engage in Association's internal dispute resolution process: (a) the person is not current in the payment of regular or special assessments and has yet to enter into a payment plan with Association or pay under protect, and (b) the person's past criminal convictions would prevent Association from purchasing fidelity bond coverage required by Civil Code section 5806 or terminate Association's existing fidelity bond coverage if elected to serve on the Board.

5.2.3 Association shall not disqualify a nominee for nonpayment of fines, fines renamed as assessments, collection charges, late charges, or costs levied by a third party.

5.3 Election and Term of Office.

5.3.1 The Directors shall be elected for a term of two (2) years, on a staggered term basis, with two (2) Directors being elected in even numbered years and three (3) Directors elected in odd numbered years.

At the first Director election following adoption of these Bylaws, Members shall elect five (5) Directors. The three (3) candidates receiving the first, second, and third largest number of votes shall be elected to terms of two (2) years and the two (2) candidates receiving the fourth and fifth largest number of votes shall be elected to terms of one (1) year. The Directors elected at the first Director election, shall serve as follows: the three (3) Directors elected to serve two (2) year terms shall continue to serve as Directors until the first even numbered year following their election and the two (2) Directors elected to serve one (1) year terms shall continue to serve as Directors until the first even numbered

year following their election. To establish staggered terms as provided for in this section may result in these Directors serving a term which is shorter or longer than two (2) years.

Unless vacated sooner, each Director shall hold office until the Director's term expires and a successor is elected. There shall be no limit on the number of terms a Director may serve. Each Director shall serve until the expiration of their term and thereafter until a successor is elected, or until the earlier disqualification, death, resignation, or removal of such Director.

5.3.2 Any tie in the number of votes cast for candidates where more than one (1) Director is to be elected shall be decided by random drawing or other method of chance as determined by the Board.

5.4 Removal. A Director may be removed from the Board, with or without cause, by the vote of a Simple Majority of the Members by secret ballot, as required by California law. No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of their term of office.

5.5 Vacancies. A vacancy shall exist on the Board in the event of the disqualification, death, resignation, or removal of any Director, or if the authorized number of Directors is increased, or if the Members fail to elect the full authorized number of Directors. A reduction in the authorized number of Directors shall not cause the removal of a Director prior to the expiration of their term. The Board by a majority vote of the Directors who meet all the qualifications for Directors as set forth in Section 5.2, may declare vacant the office of any Director who fails or ceases to meet any required qualification in effect at the beginning of the Director's current term of office.

5.6 Filling Vacancies. Any vacancy occurring on the Board, except a vacancy created by the removal of a Director, may be filled by approval of the Board, or if the number of Directors, then in office is less than a quorum, by the vote of the majority of the remaining Directors at a meeting of the Board, or by unanimous written consent of the Directors then in office, or by a sole remaining Director. The Director so chosen shall serve the remainder of the term of office of the Director whom they replace. The Members may elect a Director at any time to fill any vacancy not filled by the Directors. If the Board accepts the resignation of a Director tendered to take effect at a future time, the Board, or if the Board fails to act, the Members, may elect a successor to take office when the resignation becomes effective.

5.7 Compensation. No Director shall receive compensation for any service they may render to the Association as a Director. However, upon approval by the Board, any Director may be reimbursed for the reasonable expenses incurred in the performance of their duties.

## **ARTICLE 6 NOMINATION AND ELECTION OF DIRECTORS**

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6.1 Nomination. The Board may adopt nomination procedures, including Civil Code sections 5105 through 5115 for the nomination of eligible candidates. Such procedures shall include, without limitation, a mechanism for any eligible Member to self-nominate as a candidate for the Board.

6.2 Election of Directors. Director elections shall be conducted by secret ballot in accordance with the procedures set forth in Civil Code sections 5100 through 5135. There shall be no quorum requirement for the election of Directors, as provided in Section 4.6. The candidates receiving the largest number of votes shall be elected. There shall be no cumulative voting in Director elections.

6.3 Uncontested Election of Directors. If after the close of nominations, the number of Members nominated for the Board is equal to or less than the number of Directors to be elected, the Board

may use acclamation, using the procedures required by Civil Code section 5103, provided Association has held a regular election for the directors in the last three years. The three-year time period shall be calculated from the date ballots were due in the last full election to the start of voting for the proposed election. If the number of Directors so elected is less than the number of vacancies, the incoming Board shall fill the vacancy as provided for in Section 5.6.

## **ARTICLE 7 MEETINGS OF DIRECTORS**

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7.1 Organizational Board Meetings. After each annual meeting of the Members, the Board shall hold a meeting for the purpose of organization, election of officers, and transaction of other business, as appropriate.

7.2 Regular Board Meetings. Regular meetings of the Board shall be held at least quarterly, at a place within the Development, or a location as close as reasonably practicable to the Development, on a day and at a time as determined by resolution of the Board, or upon proper notice which conforms to the provisions of Section 7.6.

7.3 Special Board Meetings. Special meetings of the Board shall be held when called by the President of Association or by any two (2) Directors.

7.4 Emergency Board Meetings. The President or any two (2) Directors may call an emergency meeting of the Board. An "emergency meeting" is defined as a meeting held to address circumstances, which could not have been reasonably foreseen, requiring immediate attention, and possible action by the Board, which of necessity make it impracticable to provide notice to Members.

7.5 Executive Session. The Board may meet in executive session to confer with legal counsel or to discuss and vote upon personnel matters, Member discipline, litigation in which Association is or may become involved, and matters relating to formation of contracts between Association and others. In any matter relating to the discipline of a Member, the Board shall meet in executive session, and the Member and other persons whose participation is necessary or appropriate shall be entitled to attend the executive session, as determined by the Board. The Board shall also meet in executive session with Members to discuss a Member's request to pay unpaid Assessments pursuant to a payment plan. Notwithstanding the preceding, the Board shall not in any way be obligated to accept or agree to any such payment plan.

7.6 Notice to Directors. Notice of Board meetings may be provided to Directors by first-class mail not less than four (4) days prior to the meeting or by: (a) personal delivery, (b) telephone or voice messaging system, or (c) email, not less than forty-eight (48) hours prior to the meeting. In the event of an emergency meeting as provided in Section 7.4, strict adherence to the notice requirements of this Section shall not be required if a reasonable effort to give notice to each Director is made, in consideration of the nature and circumstances of the emergency.

7.7 Notice to Members Open Session. Except for emergency meetings, see Section 7.4, and executive session meetings see Section 7.8, at least four (4) days prior, written notice of the day, time, and place of each meeting of the Board, whether regular or special, shall be given to Members by posting it in a location(s) designated by the Board and by mail to Owners who requested individual notice of Board meetings. Notice of Board meetings may also be given by: (a) mailing or delivery to each Residence; (b) by newsletter; (c) by other means of communication reasonably designed to provide prior notice of such meetings; or (d) with the consent of the member, by email. The notice shall contain an agenda for the meeting.

7.8 Notice to Members Executive Session. Except for emergency meetings, see Section 7.4, if a meeting is held in executive session, Association shall give notice of the day, time, and place of the

meeting at least two (2) days prior to the meeting by posting it in a location(s) designed by the Board and by mail to Owners who requested individual notice of Board meetings. Notice of Board meetings may also be given by: (a) mailing or delivery to each Residence; (b) by newsletter; (c) by other means of communication reasonably designed to provide prior notice of such meetings; or (d) with the consent of the member, by email. The notice shall contain an agenda for the meeting.

7.9 Open Meetings. Regular and special meetings of the Board shall be open to Members of the Association, except when the Board meets in executive session, see Section 7.5. A reasonable time limit for Members to speak to the Board shall be established by the Board, which may limit Member commentary to a specific portion of the meeting.

7.10 Telephone Participation. Directors may participate in regular or special Board meetings by conference call, electronic video communications, or other communication equipment to the extent permitted by law, including, without limitation, Corporations Code section 7211(a)(6) if notice to the Members of the meeting is required pursuant to Section 7.6.

7.11 Quorum of Board of Directors. A Quorum of the Board of Directors shall mean a majority of the number of Directors then in office. Every act or decision done or made by a majority of the Directors present at a duly held meeting when a quorum is present shall be regarded as the act of the Board. Business may continue to be conducted even if the withdrawal of enough Directors leaves less than a quorum if a quorum was established at the beginning of the meeting. In accordance with Corporations Code section 7211(a)(7), at any time there are unfilled vacancies on the Board, the Quorum of the Board of Directors shall not be less than two (2) Directors for any Board action other than for the action of a sole remaining Director to fill vacancies under Section 5.6.

7.12 Minutes of Meetings of Directors. Any matter discussed in an executive session shall be generally noted in the minutes of the next Board meeting which is open to the members. To protect and preserve the confidential nature of executive sessions, minutes of executive sessions shall not be subject to inspection by the Members or others. Within thirty (30) days after the date of a meeting of the Board, the Board shall make available to the Members: (a) minutes as adopted by the Board, (b) draft minutes, or (c) a summary of the minutes. Copies of the minutes, proposed minutes, or a summary of minutes shall be provided to any Member upon request and upon reimbursement of the Association's costs in providing such copies. The Board may, but shall not be required to, post the minutes of its meetings on a website or in a location designated by the Board.

## **ARTICLE 8 POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

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8.1 Powers. In addition to such other powers as may be set forth in the Governing Documents or provided by law, the Board of Directors shall have the power to establish, negotiate, impose, or determine the following:

8.1.1 Rules and Regulations. Adopt, publish, amend, repeal, and enforce Rules and regulations (all of which shall be in writing) governing the administration, management, operation, use, and occupancy of the Development, including, without limitation, the use of the Common Area and facilities, the personal conduct of Members and their tenants and guests within the Development, and any other matter which is within the jurisdiction of Association. The procedure for the adoption and modification of Rules by the Board shall be in accordance with Civil Code sections 4340-4370, or successor statute.

8.1.2 Contracts. Authorize any officer or officers to enter any contract in the name of, or on behalf of the Association. Unless expressly authorized by resolution of the Board, no officer shall have any power or authority to bind Association or to render Association liable

for any purpose or on any account. No contract with any person or entity to supply or furnish Association with goods or services shall be for a term more than three (3) years except upon the prior affirmative vote or written consent of a Simple Majority, with the following exceptions: (a) management contract, or (b) A contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission.

8.1.3 Determination of Director Qualifications. After notice to the Member and an opportunity for a hearing by the Board, determine whether a Member is not eligible to serve on or be a candidate for the Board pursuant to Section 5.2.3 and California law.

8.1.4 Sanctions; Hearings; Continuing Violations. Impose any of the following sanctions, and conduct hearings, as indicated below:

8.1.4.1 Fines. Establish and impose fines as Enforcement Assessments under Section 9.8 of the Declaration, for infractions of any provision of the Governing Documents in accordance with a schedule of fines adopted by the Board.

8.1.4.2 Suspension. Suspend a Member's privileges, including the right to use the recreational facilities, if any: (a) when a Member is in default on the payment of any Assessment or other charge levied by Association, or (b) for a violation of the Governing Documents.

8.1.4.3 Continuing Violations. In the case of continuing violations, the Board may deem such continuing violation to constitute two (2) or more separate and distinct violations of the same Governing Document provision and may impose separate and successive sanctions for each violation.

8.1.4.4 Hearing. Before any discipline is imposed upon a Member, the Board shall hold an executive session meeting to consider the matter.

8.1.4.5 Hearing Notice. At least ten (10) days prior to any Board meeting where discipline may be imposed on a Member, the Board shall provide written notice of the meeting to the Member by either personal delivery or first-class mail. The notice shall contain at least: (a) the date, time, and place of the meeting, (b) the nature of the alleged violation for which the Member may be disciplined, and (c) state the Member has a right to attend the meeting and may address the Board at the meeting.

8.1.4.6 Decision Notice. If the Board imposes discipline upon a Member, the Board shall provide the Member with written notice of the disciplinary action, by either personal delivery or first-class mail, within fifteen (15) days following the action.

8.1.5 Manager. Engage the services of a manager or management company as either an employee or an independent contractor and engage such other employees or independent contractors as the Board may deem necessary, and to prescribe their duties.

8.1.6 Professional Advisors. Consult with, seek the advice of, and reasonably rely on the advice of attorneys, accountants, and other professionals in carrying out its authority and responsibility under the Governing Documents and the law, and to pay for such professional services.

8.1.7 Investment of Reserve Funds. Invest Association reserve funds in prudent investments subject to the provisions of Section 8.2.7.

8.1.8 Entry for Repairs. Enter any Lot or Residence, whenever such entry is necessary, in the Board's sole discretion, in connection with the performance of any maintenance, repair, construction, or replacement for which Association is responsible, or is authorized to perform, including without limitation the authorization provided in Section 3.3 of the Declaration. Although under no obligation to do so, the Board, in its complete and sole discretion, may enter or may authorize Association's agents to enter any Lot or Residence to effect emergency repairs where such repairs are necessary for safety reasons or to prevent or discontinue damage to the entered Lot or Residence, any other Lot or Residence, or the Common Area. Such entry shall be made with as little inconvenience to the Residents as practicable and only upon reasonable advance written notice of not less than twenty-four (24) hours, except in emergency situations.

8.1.9 Property Taxes. Pay all real property taxes and assessments levied, if any, upon any property within the Development to the extent not separately assessed to the Owners. Such taxes and assessments may be contested or compromised by the Association if any such taxes are paid or a bond ensuring the payment is posted.

8.1.10 Association Property. Subject to the provisions of the Declaration, including any required approval of Members to acquire, own, hold, convey, transfer, dedicate, or otherwise dispose of real or personal property consistent with the purposes and powers of Association and the management, administration, and operation of the Development or the business and affairs of Association, and grant and convey easements, licenses, and rights-of-way in, over, upon, or under the Common Area.

8.1.11 Indemnification of Agents. Indemnify and hold harmless, to the maximum extent permitted by California law, each person who is or at any time was a director, officer, employee, or agent of Association or member of any committee appointed by the Board from and against any and all claims, liabilities, expenses, judgments, fines, settlements, and other amounts, as those terms are defined by California law, actually and reasonably incurred by any such person, and to which any such person shall become subject by reason of their being a director, officer, employee, or agent of Association or member of any committee appointed by the Board.

8.1.12 Bank Accounts. Open bank accounts and designate signatories upon such bank accounts, subject to any restrictions set forth in the Governing Documents.

8.1.13 Borrowing. The Board shall have the power to borrow money in the name of the Association.

8.1.14 Mutual Water Company. The Board on behalf of the Association shall sell, distribute, supply, or deliver water for domestic use within the meaning and intent of Sections 14300 through 14303, and Sections 14310 through 14318, inclusive, of the Corporations Code, to Owners of Lots within the Development and to provide these benefits solely to its Members at cost plus necessary expenses.

8.1.15 Other Powers and Duties. Exercise for Association all powers, duties, and authority vested in or delegated to Association and not reserved to the Members by other provisions of the Governing Documents and undertake any action on behalf of Association

as the Board shall deem necessary or proper in furtherance of the purposes and powers of Association and/or the interests of Association and its Members.

8.1.16 Limitation of Powers. The powers of the Board shall be subject to the limitations set forth in the Governing Documents, including, without limitation, those contained in Article 5 of the Declaration.

8.2 Duties. In addition to such other duties as may be set forth in the Governing Documents or provided by law, the Board of Directors shall have the duty to establish, negotiate, impose, or determine the following:

8.2.1 Enforcement of Governing Documents. Enforce the provisions of the Governing Documents, as more particularly set forth in the Declaration, and perform all acts required of the Board under the Governing Documents or required by law.

8.2.2 Records and Minutes. Cause to be kept complete records of its acts and the corporate affairs, including an accurate and current record of the Members, books and records of account, and minutes of the proceedings of the Members, the Board, and committees of the Board.

8.2.3 Annual Budget Report. Prepare and distribute to the Members annually, not less than thirty (30) days nor more than ninety (90) days prior to the end of each fiscal year, an annual budget report as required by Civil Code section 5300.

8.2.4 Annual Policy Statement. Prepare and distribute to the Members annually, not less than thirty (30) days nor more than ninety (90) days prior to the end of each fiscal year, an annual policy statement as required by Civil Code section 5305.

8.2.5 Reserve Study. Cause to be conducted, at least once every three (3) years, a reasonably competent and diligent visual inspection of the accessible areas of the major components which Association is obligated to repair, replace, restore, or maintain as part of a study of the reserve account requirements of the Development if the current replacement value of such major components is equal to or greater than one-half (1/2) of the gross budget of Association for the fiscal year, excluding Association's reserve account for the year. The Board shall review the reserve study or cause it to be reviewed annually and shall consider and implement necessary adjustments to the Board's analysis of the reserve-account requirements because of the review. The reserve study required by this Section shall include the minimum requirements specified in Civil Code sections 5500 through 5560.

8.2.6 Reserve Funds. Not expend funds designated as reserve funds for any purpose other than the maintenance, restoration, repair, or replacement of, or litigation involving the maintenance, restoration, repair, or replacement of, major components which Association is obligated to maintain, restore, repair, or replace and for which the reserve fund was established. The Board may, however, authorize a temporary transfer of money from a reserve fund to Association's general operating fund to meet short term cash flow requirements or other expenses, so long as the Board has made a written finding, recorded in the Board's minutes, explaining the reasons the transfer is needed and describing when and how the money will be repaid to the reserve fund, and any such transferred funds shall be restored to the reserve fund within one (1) year of the date of the initial transfer, except as otherwise provided by law. The Board shall exercise prudent fiscal management in maintaining the integrity of the reserve account. Transfers of funds from Association's

reserve accounts shall not be authorized without prior written approval from the Board unless the amount of the transfer is the lesser of ten thousand dollars (\$10,000.00) or five percent (5%) of estimated income in the annual operating budget.

8.2.7 Investment of Reserve Funds. Manage and invest Association reserve funds in a prudent manner designed to achieve the primary objective of preserving principal while realizing a reasonable return and to assure the availability of funds as they are needed based upon the most recent reserve fund study obtained by the Board as provided in these Bylaws and by law. Reserve funds shall not be invested in stocks or other high-risk investment options.

8.2.8 Monthly Review of Accounts. Review Association's operating and reserve accounts at least in accordance with the following minimum requirements:

8.2.8.1 Board Review. On a monthly basis the Board shall review: (a) current reconciliation of Association's operating accounts, (b) reserve accounts, (c) current year's actual reserve revenues and expenses compared to the current year's budget, (d) latest account statements prepared by the financial institutions where Association has its operating and reserve accounts, (e) income and expense statement for Association's operating and reserve accounts, and (f) check registers, monthly general ledger, and delinquent assessment receivable reports.

As used in this subsection, the term "reserve accounts" shall mean monies the Board has identified in its annual budget for use to defray the future costs of repair or replacement of, or additions to, those major components, which Association is obligated to maintain, restore, repair, or replace.

8.2.8.2 Committee Review. The review requirements of this Section may be met when every Director, or a subcommittee of the Board consisting of the Treasurer, and at least one other Director, reviews the documents and statements described in Section 8.2.8.1, independent of a Board meeting, so long as the review is ratified at the Board meeting after the review, and ratification is reflected in the minutes of the Board meeting.

8.2.9 Annual Report. Cause an annual report to be prepared not later than one hundred twenty (120) days after the close of Association's fiscal year. Such annual report shall comply with Corporations Code section 8321. If Association's gross income in a fiscal year exceeds seventy-five thousand dollars (\$75,000.00), it shall distribute to all Members within one hundred twenty (120) days after the close of such fiscal year a review of the financial statements of Association prepared in accordance with generally accepted accounting principles by a licensee of the California State Board of Accountancy.

8.2.10 Notification of Assessment Increases. Provide notice to each Member, by first-class mail, of any increase in the Regular Assessments or Special Assessments not less than thirty (30) nor more than sixty (60) days prior to such increased Regular Assessment or Special Assessment becoming due.

8.2.11 Collection of Assessments. Collect assessments levied by the Association by foreclosing the lien against any property for which assessments are not paid as required in the Declaration and/or by bringing an action at law against the Owner personally obligated to pay the same.

8.2.12 Certificate of Payment of Assessments. Issue, or cause an appropriate officer to issue, upon demand by any proper person, a certificate setting forth whether any assessment has been paid. A reasonable charge may be made by the Board for the issuance of such certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.

8.2.13 Supervision. Supervise officers, agents, personnel, and employees of Association.

8.2.14 Water and Other Utilities. Acquire, provide, and pay for utility services as necessary for the Common Area and facilities.

## **ARTICLE 9 INSURANCE**

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9.1 General Provisions and Limitations. Association, through its Board, shall obtain insurance as referenced in Section 6.7 of the Declaration. All insurance policies shall be subject to and, where applicable, shall contain the following provisions and limitations.

9.2 Named Insured. Unless otherwise provided in this Section, the named insured shall be Association.

9.3 Authority to Negotiate. Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Board.

9.4 Insurance Generally. Association shall purchase, obtain, and maintain the following types of insurance, if and to the extent they are available.

9.5 Public Liability and Property Damage. A policy of comprehensive public liability insurance insuring Association, each of the Directors, officers, committee members, manager, and Owners and occupants of Lots, against any liability incident to the ownership or use of the Common Areas and including, if obtainable, a cross-liability or severability of interest endorsement insuring each insured against liability to each other insured. The limits of such insurance shall not be less than One Million Dollars (\$1,000,000) covering all claims for death, personal injury, and property damage arising out of a single occurrence. Such insurance shall include coverage against liability for non-owned and hired automobiles, liability for property of others, and any other liability or risk customarily covered with respect to projects similar in construction, location, and use.

9.6 Fire and Casualty Insurance. If necessary, a policy of fire and casualty insurance naming Association, as insured party, and containing the standard extended coverage and replacement cost endorsements and such other or special endorsements as will afford protection and insure, for the insurable, current replacement cost (excluding foundations and excavation, but without deduction for depreciation) as determined annually by the insurance carrier, for all Common Areas and the personal property of Association for or against the following risks: (a) loss or damage by fire or other risks covered by the standard extended coverage endorsement; loss or damage from theft, vandalism, or malicious mischief; and such other risks, perils, or coverage as the Board may determine. Such policy or the endorsements made a part thereof shall, if and to the extent available, provides the insurer issuing the policy agrees to abide by the decision of Association as to whether repair, reconstruct, or restore all or any damaged or destroyed portions of the Common Facilities.

9.7 Director and Officer Liability Insurance. Association shall obtain and maintain a policy of Directors, officers, and committee members errors and omissions insurance naming the Directors, officers, and committee members as insured parties. The limits of such insurance shall not be less than One Million

Dollars (\$1,000,000.00); or, as may be required under California law, including but not limited to Civil Code section 5800.

9.8 Fidelity Insurance. Association shall maintain fidelity insurance coverage for its Directors, officers, and employees in an amount equal to or more than the combined amount of the reserves of Association and total Assessments for three (3) months. Association's fidelity insurance shall also include computer fraud and funds transfer fraud. If Association uses a managing agent or management company, Association's fidelity insurance coverage shall additionally include dishonest acts by persons and entities and its employees.

9.9 Additional Insurance. Association may also purchase such additional insurance and bonds as it may, from time to time, determine to be necessary or desirable, including, without limitation, demolition insurance, flood insurance, or workers' compensation insurance. The Board may purchase and maintain such insurance on personal property owned by Association, and any other insurance.

9.10 Deductible. Policies under this Article shall contain a deductible. The amount of the deductible for any insurance coverage maintained by Association shall be established in the reasonable discretion of the Board.

If a loss is found to be the result of the conduct of an Owner, or their tenant, guest, or invitee of an Owner, the Owner shall be charged with the deductible as a Reimbursement Assessment pursuant to Article 6 of the Declaration. Before such Reimbursement Assessment may be imposed on an Owner who is responsible for the loss, the Owner shall be entitled to notice and hearing in accordance with Section 8.1.4 and Civil Code section 5855.

If a loss is not the result of the conduct of a particular Owner, or a particular guest, tenant, or invitee of an Owner, or if responsibility cannot be determined, the cost of the deductible shall be funded by Association and, if necessary, the deductible shall be recovered by levy of a Special Assessment pursuant to Article 6 of the Declaration.

## **ARTICLE 10 OFFICERS AND THEIR DUTIES**

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10.1 Enumeration of Officers. The officers of Association shall be President, Vice-President, Secretary, and Chief Financial Officer, who shall be Directors, and such other officers as the Board of Directors may, from time to time, by resolution appoint.

10.2 Election of Officers. The Board of Directors shall elect the officers. The election of officers shall take place at the first meeting of the Board of Directors following their election.

10.3 Term. The Board shall annually elect the officers of this Association, and each shall hold office for approximately one (1) year, corresponding to the date of the annual meeting, unless they shall sooner resign, be removed by the Board, or otherwise be disqualified to serve. If an officer fails, for any reason set forth in the preceding sentence, to hold office for one (1) year, their successor shall hold office for the remaining term of their predecessor.

10.4 Multiple Offices. The offices of Vice President and Chief Financial Officer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except in the case of special officers created pursuant to Section 10.5.

10.5 Special Appointments. The Board may delegate its duties in accordance with Corporations Code section 7210 which permits the Board to delegate Board functions to any person or persons, to any management company, or to a committee of the Board provided the activities and affairs of the corporation

shall be managed and all corporate powers shall be vested and exercised under the ultimate direction of the Board.

10.6 Resignation and Removal. Any officer may be removed from office, with or without cause, by the Board. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

10.7 Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such a vacancy shall serve for the remainder of the term of the officer they replace, subject to the Board's right to remove an officer.

10.8 President. The President shall be the Chief Executive Officer of Association and shall, subject to control of the Board, have general supervision, direction, and control of the affairs and the other officers and the employees and agents of Association. The President shall preside at all meetings of the Members and at all meetings of the Board, shall have the general powers and duties of management usually vested in the office of the President of an Association, and shall have such other powers and duties as may be prescribed by the Board and the Bylaws, subject, however, to any limitations contained in the Declaration.

10.9 Vice President. In the absence or disability of the President, the Vice President shall perform all the duties of the President, and when so acting, shall have all of the powers of, and be subject to all of the restrictions upon, the President. The Vice President shall have such other powers and perform such other duties as, from time to time, may be prescribed by the Board.

10.10 Secretary. The Secretary shall keep or cause to be kept, at the principal office or such other place as the Board may prescribe, a current register showing names of Members and their addresses; a book of minutes of all meetings of Directors, Members, and Committees of the Board setting forth the time and place of holding of such meetings, whether regular or special, and if special, how authorized, the notice thereof given; the names of those present at Directors or Committee meetings; the number of memberships and votes present or represented at Members meetings; and all the proceedings thereof. The Secretary shall give, or cause to be given, notice of all meetings of the Members and of the Board required by the Bylaws or by law to be given and shall maintain a proper record of the giving of such notice, and shall keep the books, records, and documents of Association in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board or the Bylaws.

10.11 Chief Financial Officer. The Chief Financial Officer, also known as the treasurer, shall be responsible for the receipt and deposit in appropriate accounts of all monies of Association and shall cause disbursement of such funds as directed by resolution of the Board; may sign all checks and promissory notes of Association; shall cause to be kept proper books of account; shall cause an annual review of Association's books and financial statements to be made by a public accountant at the completion of any fiscal year for which such review is required by law or as determined by the Board; shall assist the Board in preparation of an annual budget and a statement of income and expenditures to be presented to the Members of Association as provided by law; and shall have such other powers and perform such other duties as may be prescribed by the Board.

## **ARTICLE 11 COMMITTEES**

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11.1 Committees of the Board. Any "Committee of the Board", a committee consisting only of Directors, as referred to in Corporations Code section 7212, shall consist of at least two (2) Directors and

shall have such powers and duties as the Board shall determine, subject to the limitations of Corporations Code section 7212.

11.2 Advisory Committees. The Board may appoint advisory committees consisting of at least two (2) members who are Residents or Members. Directors may be members of committees created pursuant to this Section provided fewer than a majority of Directors then in office serve on any one such committee. Such committees shall report on their activities to the Board from time to time as directed by the Board and shall operate under the supervision of and at the direction of the Board. No advisory committee shall have the authority to enter contracts or otherwise act on behalf of the Association. The Board of Directors shall have the right at any time, in its complete discretion, to disband any advisory committee or remove any member thereof.

11.3 Compensation of Committee Members. No committee member shall receive compensation for any service they may render to the Association as a committee member. However, upon approval by the Board, any committee member may be reimbursed for their reasonable expenses actually incurred in the performance of their duties.

## **ARTICLE 12 BOOKS, RECORDS AND FUNDS**

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12.1 Access to Association Records. Association records shall, to the extent required by California law, be available for inspection by any Member. The Governing Documents shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost. The Board may adopt and publish reasonable Rules establishing procedures relating to a Member's inspection and obtaining copies of Association records.

12.2 Checks, Drafts, and Evidence of Indebtedness. All checks, drafts, or other orders for payment of money and all notes or other evidence of indebtedness, issued in the name of Association shall be signed in any manner specified by the Board; provided, however, the signatures of at least two (2) Directors, is required for withdrawal of funds from Association's reserve account.

12.3 Funds and Deposits. Any funds of the Association shall be deposited to the credit of Association in such banks or other depositories as the Board shall, from time to time, determine.

12.4 Fiscal Year. The fiscal year of the Association shall run from January 1 through December 31 of each year, unless otherwise determined by resolution of the Board.

12.5 Delivery of Documents to Members. All notices and documents distributed by Association to the Members shall be delivered by one (1) or more of the following methods:

12.5.1 Personal delivery.

12.5.2 First-class mail, postage prepaid, addressed to a Member at the address shown on the books of Association or otherwise provided by the Member. Delivery is deemed to be complete on deposit into the United States mail.

12.5.3 E-mail, facsimile, or other electronic means if the Member has agreed. If a document is delivered by electronic means, delivery is complete at the time of transmission.

12.5.4 By publication in a periodical circulated to Members of Association.

12.5.5 Any method of delivery provided the Member has agreed.

12.5.6 General Notice if applicable, by posting the document in a prominent location, accessible to all members, or by posting the notice on Association's website, if designated as a location for posting general notices in the annual policy statement prepared pursuant to Civil Code section 5310.

12.5.7 A document may be included in or delivered with a billing statement, newsletter, or other document is delivered by one (1) of the methods provided in this Section.

### **ARTICLE 13 AMENDMENTS**

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13.1 Amendment by Members. Except as otherwise expressly provided herein, these Bylaws may be amended by the affirmative vote representing a majority of a quorum of the Members.

13.2 Amendment by Board of Directors. The Board may adopt amendments to these Bylaws when an amendment is needed to conform to changes in California law when the change is nondiscretionary, provided it has received written advice from Association's attorneys advising, the amendment is in conformance with the change in California law.

13.3 Restatements of Bylaws. The Board of Directors may restate these Bylaws when it has been properly amended pursuant to this Article. Any such restatement shall supersede any prior Bylaws and amendments in their entirety.

### **ARTICLE 14 MISCELLANEOUS**

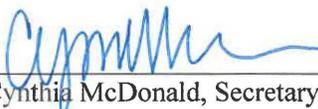
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All references to Code sections shall refer to the California Code sections, unless otherwise specified.

#### **CERTIFICATE OF RESTATEMENT, AMENDMENT, AND ADOPTION**

The undersigned certifies they are the Secretary, and the preceding *First Amended and Restated Bylaws of Woodridge Mutual Water and Property Owners Corporation*, were duly approved by a majority of the Members of Woodridge Mutual Water and Property Owners Corporation, and these Bylaws, now constitute the Bylaws of Association.

Executed: December 15<sup>th</sup>, 2023

  
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Cynthia McDonald, Secretary