

BY-LAWS OF BAY VILLAGE HOMEOWNERS ASSOCIATION

ARTICLE 1

NAME AND LOCATION

The name of the association is the BAY VILLAGE HOMEOWNERS ASSOCIATION, hereinafter referred to as the "Association." The principal mailing address of the association shall be P.O. Box 986, Watsonville CA 95077.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to BAY VILLAGE HOMEOWNERS ASSOCIATION, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions, and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot that is part of the property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 4. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the office of the county Recorder of Santa Cruz County.

Section 5. "Member" shall mean and refer to **Titled Property Owners** only.

Section 6. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties.

ARTICLE III

MEETINGS OF MEMBERS

Section 1. Annual Meeting. Regular Annual Meetings of the members shall be held on the first Saturday of November each year, at a time designated by the Board of Directors.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of 25% of the **Titled Property Owners.**

Section 3. Notice of Meetings. Notice of each Annual and/or Special meeting of the members shall be given by, or at the direction of, the person authorized to call the meeting. Such notice shall be given in one written notice prior to the meeting, to each member entitled to vote thereat. Such notice shall specify the place, and hour of the meeting, and, in the case of a Special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast votes shall constitute a Quorum, except as otherwise provided in the Declaration or these By-Laws.

ARTICLE IV

BOARD OF DIRECTORS SELECTION, TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of eleven (11) Directors, who must be members of the Association.

Section 2. Terms of Office. At the Annual meeting, the members shall elect Directors to replace those whose terms have expired, for a term of two (2) years.

Section 3. Removal. Any Director may be removed from the board with sufficient cause, by a majority vote of the members of the Board. In the event of death, resignation or removal of a Director, the successor shall be selected by the remaining members of the Board, and shall serve for the unexpired term of the predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he or she may render to the Association. However, any Director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties and authorized by the Board of Directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairperson who shall be a member of the Board of Directors and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors sixty (60) days prior to each annual meeting of the members. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Persons nominated must be members of Bay Village.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election, the members may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provision of the Declaration. The persons receiving the largest number of votes shall be elected.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly as may be fixed from time to time by resolution of the Board.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any three (3) Directors, after not less than three (3) days' notice to each director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

- A. May suspend the voting rights of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association.
- B. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by the other provisions of these by-laws or the Declarations.
- C. Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors.
- D. May engage an independent contractor, or others as they deem necessary, and prescribe their duties. Such engagements shall be for no longer than one (1) year contract, subject to renewal.
- E. Elect officers of the Association as herein provided.

Section 2. Duties. It shall be the duties of the Board of Directors to:

- A. As more fully provided in the Declaration to:
 - 1) At least thirty (30) days in advance of July 1 of each year, the Board should vote on whether to charge an assessment to the members (homeowners).
 - 2) If the Board votes to charge an assessment, the Board shall send an Annual Assessment Notice to each homeowner no later than the first weekday in July, which Annual Assessment Notice shall specify a due date of thirty (30) days from the date the Annual Assessment Notice is mailed, and homeowners, from whom payment is not received by the thirtieth (30th) day after mailing, shall be assessed a late fee of 10%. The Board shall verify that the late charge is consistent with current California Statute (Civil Code Section 1355(e) or current statute) prior to sending the Annual Assessment Notice.
 - 3) To each homeowner that has not submitted payment by the end of the thirty (30) day period specified in the Annual Assessment Notice, the Board shall send a Second Notice within two weeks after the expiration of that thirty (30) day period, specifying that payment is delinquent and must be paid no later than thirty (30) days from the date the Second Notice was mailed or interest at 10% per annum on the amount due shall begin to accrue thirty (30) days from the date the Second Notice was mailed. The Board shall verify that such

interest charge is consistent with the California Statute (Civil Code Section 1366(e) or successor statute) prior to sending the Second Notice.

- 4) To each homeowner that has not submitted payment by the thirtieth (30th) day after the Second Notice was mailed, the Board shall send a Pre-Lien Notice by certified mail. The Pre-Lien Notice must comply with current California Statute, which as 1/1/2009 includes enclosing, with Pre-Lien Notice, the Association's Assessment Information, Statutory Notice Concerning Assessments, and Association's Policies and Procedures for Collection of Delinquent Assessments. The Board shall send the Pre-Lien letter within two weeks after the expiration of the thirty (30) day period specified in the Second Notice.
 - 5) The current Board should prepare a list of the overdue, unresolved assessments for that current year for approval at the January Board meeting. At the January Board meeting, which must be an open, and not closed or executive meeting, the Board shall vote on whether to record a Notice of Delinquent Assessment (Lien) against each property for which the assessment is still delinquent. During the meeting, and in the minutes, the Board shall refer to each such property by parcel number to protect the owner's privacy. If approved by the majority vote of the Board members at the open meeting, the Board shall record the Notice of Delinquent Assessment no later than January 31. The contents of the Notice of Delinquent Assessment, the procedural steps prior to and after recording the Notice of Delinquent Assessment, are governed by California Statute. The Board must verify that it is complying with current, applicable California Statute prior to recording a Notice of Delinquent Assessment. (See also Article IX.)
- B. Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. The Board may make a reasonable charge for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.
- C. Procure and maintain adequate liability insurance for the Association and Board of Directors.
- D. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.
- E. Appoint the following Standing Committee Chairpersons: Architectural Control, Newsletter, Age-Verification, and Nominating Committee.
- F. Appoint Chairpersons for any Special committees they may deem necessary.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this association shall be a President, Vice-President, Secretary, Treasurer and Seven (7) Unit Representatives, who shall at all times be members of the Board of Directors.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Resignation and Removal. Any officer may be removed from office with sufficient 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, the acceptance of such resignation shall not be necessary to make it effective.

Section 4. Vacancies. A vacancy in the Board of Directors may be filled by a majority vote of the Board. The member appointed to such vacancy shall serve for the remainder of the term of the members he or she replaces.

Section 5. Duties. The duties of the officers are as follows:

PRESIDENT

The President shall preside at all meetings of the Board of Directors (using the guidelines of Robert's Rules of Order), and at the Annual meeting; shall see that orders and resolutions of the Board are carried out; may co-sign all checks; and shall be an ex-officio member of all Standing Committees and Special Committees.

VICE-PRESIDENT

The Vice-President shall act in the place of the President in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board.

SECRETARY

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board, and of the Annual Meeting; keep appropriate current records; and shall perform such other duties as required by the Board.

TREASURER

The Treasurer shall be responsible for keeping records of appropriate bank accounts of all monies of the Association, and shall disburse such funds as directed by resolution of the Board of Directors; may sign all checks of the Association and keep proper books of account. The Treasurer will present monthly statements to the Board of Directors at the monthly board meeting. In addition, all checks shall have two (2) signatures, one of which may be the Treasurer, and any duly authorized member of the Board.

ARCHITECTURAL COMMITTEE

The Architectural Committee shall be comprised of several Unit Representatives whose duties shall be to enforce the regulations as stipulated in the Declaration of the Covenants, Conditions, and Restrictions.

ARTICLE IX

ASSESSMENTS

Each member (homeowner) is required to pay the annual assessment. The Assessment becomes delinquent when not paid by the deadline specified in California Civil Code Section 1365.1, or any successor statute. When an assessment is delinquent, the Association may recover additional fees and costs as specified in California Civil Code Section 1366(e) or successor statute, except that the Association charges interest at the rate of 10% per annum instead of the 12% per annum allowed by statute. (See also Paragraph A of Section 2 of Article VII.)

ARTICLE X

REVISIONS OR CHANGES

Section 1. These by-laws may be amended or revised by a vote of a majority of a quorum of members present in person at a regular or special meeting.

Section 2. In the case of any conflict between these by-laws and the Declarations, the Declarations shall control.

Section 3. These by-laws may be amended or revised by a vote of a majority of a quorum of Directors present in person at a regular or special meeting as long as such amendment is not inconsistent with the power of the Directors to amend such by-laws as specified in California Corporations Code Section 7150, or successor statute.

(Bylaws amended and approved October 12, 2017)