

CHANNEL ISLANDS WATERFRONT HOMEOWNERS ASSOCIATION, INC.

BYLAWS

APPROVED AND EFFECTIVE FEBRUARY 8, 1997

ARTICLE I

DEFINITIONS:

A. ASSOCIATION: The term Association shall mean the Channel Islands Waterfront Homeowners Association, Inc., which may also be referred to herein as the Channel Islands Waterfront Homeowners Association and/or CIWHA.

B. OWNER: Any person(s) holding the beneficial interest in any improved or unimproved residential waterfront parcel(s) in Tract 1904 or Tract 2026, all within the City of Oxnard, County of Ventura, State of California. Ownership of a parcel or parcels in the aforementioned tracts confers simultaneous, concurrent, and inseparable membership in the CIWHA, one (1) membership for each parcel owned. Said membership may not be sold, resold, assigned, gifted to another, repudiated, denied, or in any other way separated from ownership. Said membership authorizes a vote in Association affairs only if it is an active membership and current dues and assessments are paid. An owner's right to act on matters authorized by or within the scope of applicable Codes, Covenants, and Restrictions (CC&Rs) and/or laws in effect and applicable to said matters, is paramount and shall not be abridged by virtue of membership status in the Association. Without regard to membership status in the Association, owners are subject to and must comply with the proper exercise of authority by the Association Board of Directors through its Architectural Review Committee, said Committee acting simultaneously as an Instrumentality of the Association and the ownership, subject to and within the applicable Codes, Covenants, and Restrictions of the respective tract.

C. ACTIVE MEMBER: An owner who voluntarily pays on a current and timely basis the fees, dues, and/or assessments in accordance with Article III and is therefore entitled to one (1) indivisible vote per parcel, for which dues are paid, in the affairs of the Association and to other benefits of Association membership.

D. DELINQUENT MEMBER: An owner who elects not to pay on a current and timely basis the fees, dues, and/or assessments in accordance with Article III, and therefore is not entitled to vote in the affairs of the Association nor enjoy the other benefits of Association membership. This membership status in no way abrogates or otherwise limits the rights of ownership established by applicable laws, ordinances, and/or Codes, Covenants, and Restrictions governing the respective tract. This membership class is subject, however, to the proper exercise of authority by the Association Board

of Directors through its Architectural Review Committee in matters related to the enforcement of applicable Codes, Covenants, and Restrictions.

E SUSPENDED OR EXPELLED MEMBER: See Article VI A 2.

F. PATRON MEMBER: An active member who additionally contributes moneys and/or other valuable considerations to the Association which are accepted for the Association by the Board of Directors. Patron membership is an honorary class of membership and does not in and of itself confer voting rights.

G. FISCAL YEAR: The Association fiscal year (FY) runs with the calendar year (CY) which is contrary to the year for which Board members are elected which runs from March 1 through the last day of the following February.

H. MAJORITY: A majority of the members of the Association shall consist of fifty percent (50%) plus one (1) of the voting members in attendance at any duly publicized meeting of the Association at which a quorum is present. Due care will be taken to ensure that no more than one (1) vote per represented parcel is counted. Such actions as may be approved or disapproved by the membership shall not conflict with the CC&Rs and are not binding on owners who are not active members of the Association unless said actions are within the purview of and in furtherance of the CC&Rs and therefore apply to all owners.

I. QUORUM: When at least ten percent (10%) of the active members (1 vote per parcel) are present at any publicized meeting, the chair shall record a quorum and business may proceed.

ARTICLE II

AUTHORITY AND PURPOSE

A. AUTHORITY

1. California Civil Codes, particularly the Davis-Stirling Common Interest Development Act.
2. California Corporations Code, particularly the Nonprofit Mutual Benefit Corporations provisions.
3. California Code of Civil Procedure, particularly as to standing to sue and statutes of limitations.
4. U.S. Internal Revenue Code, particularly section 528.
5. California Revenue and Taxation Code, particularly sections 23701 & 23701t.
6. California Health and Safety Code, particularly as to building records.
7. Applicable Resolutions, Codes, Ordinances, and the like as promulgated by the County of Ventura and City of Oxnard.
8. Developer Declarations to include Codes, Covenants, and Restrictions (CC&Rs) and Amendments thereto, and each and all of them, for Tracts 1904 and 2026 and all subdivisions thereof, as recorded in the Official Records of the County of Ventura.

9. Articles of Incorporation of the Association filed as Document #767145 in the Official Records of Ventura County on April 22, 1976.

10. Document #97122, a Supplemental Declaration recorded on September 1, 1983, in the Official Records of Ventura County, assigning the powers of the developer to the Association (CIWHA) and naming therein the Architectural Review Committee of the Association as having the rights and duties to enforce the CC&Rs for Tract 1904.

11. Declaration at Book 4790, Page 43, Official Records of Ventura County, designating the CIWHA as the sole member of the Tract 2026 Mandalay Bay Improvement Authority and granting all the Declarant's rights and powers with respect to the operation of that Authority to the CIWHA.

12. CIWHA Board of Director's Minutes of January 17, 1996, establishing that effective March 1, 1996, the Tract 1904 Architectural Review Committee and Tract 2026 Mandalay Bay Improvement Authority shall be merged into a three (3) person Architectural Review Committee for the purpose of carrying out the existing CC&Rs or any subsequent revisions of same for Tracts 1904 and 2026 as applicable. Cited designation of a common Architectural Review Committee to act for, in behalf of, and with regard to Tracts 1904 and 2026 is herewith ratified and incorporated within these Bylaws. Said Architectural Review Committee shall be responsible to the CIWHA Board of Directors, shall be chaired by the elected CIWHA President, and the two (2) additional members of the total of three (3) members shall be elected by and from the membership of the CIWHA Board of Directors. Of the three (3) committee members including the Chair, all three (3) of whom shall have the right to vote on Committee affairs, at least one (1) shall be an owner/resident in Tract 1904 and at least one (1) shall be an owner/resident in Tract 2026. Duties in addition to those set forth in the CC&Rs are set forth in Article VI C 1 of these Bylaws as pertains to committees. As this provision is specifically incorporated as a provision of these Bylaws, it can be modified or changed only by amendment to or repeal of these Bylaws by the membership.

B. PURPOSE

The purposes of the Association shall be:

1. To serve the interests of property owners and other residents of Tracts 1904 and 2026, Oxnard, California; to stimulate an interest in the affairs of the development among such property owners and other residents; to provide a medium for the exchange of information relating to community affairs and issues of common concern; and to do all other things which will further the development of said Common Interest Development as a better community in which to live.
2. To enhance the quality of life for all residents.
3. To enhance property values within the development.

ARTICLE III

FEES, DUES, AND ASSESSMENTS:

- A. There shall be an operating fund into which the Association shall deposit all monies paid to it. Any dues or other amounts stated shall include any tax that may be

applicable:

1. Dues for active members on a per parcel basis shall be determined by the voting membership of the Association. Any change in dues from the previously established rate(s) shall be approved by the membership at its Annual Meeting and the change shall be effective for the calendar year then in progress.

2. Assessments: A voluntary assessment may be levied against the membership if a majority of the voting members agree. Said procedure does not constitute an assessment against owners as a class or who are not active members. Any assessment against owners as a class, to include fines and penalties, must be processed as provided for in the CC&Rs and laws then in effect.

B. An invoice for Association dues shall be mailed to each owner during the month of March each year, excepting where possible those members who may have already paid. When the issue of dues is not a matter on the agenda of the Annual Meeting, collection efforts may be initiated earlier in the year than March, and particularly at the February Annual Meeting.

C. Failure of owners to pay dues by June 1st of each year shall cause said memberships to become or remain delinquent. The delinquent membership may be reactivated by payment of dues in arrears. Delinquent members shall be notified in writing prior to July 1 of each year and advised that they have forfeited any and all rights and privileges of their membership as well as an interest in any funds previously paid into the Association.

D. Dues paid by a new member between October 1 and December 31 shall be considered payment of dues for the subsequent year.

E. Notice of a voluntary assessment shall be mailed to each active member not less than sixty (60) days before it is due.

ARTICLE IV

VOTING:

A. In Association voting, there shall be one (1) vote for each active membership regardless of the number of persons having a beneficial interest in the respective parcel.

B. The vote for each parcel represented by an active membership must be cast as a unit; fractional votes are not permitted. In the event joint owners representing a single active membership are unable to agree among themselves as to how their vote or votes shall be cast, they shall forfeit their right to vote on the issue at hand.

C. At any meeting, each voting member may cast the number of votes entitled to be cast under Article IV, paragraph A. Votes may be cast by written proxy.

D. Voice votes may be accepted at all meetings unless a voting member requests a written ballot or roll call vote. Any matter requiring a vote may be submitted by written ballot without a meeting. In the event a vote is required by the Association officers without a meeting, ballots will be mailed to the members and the results of the balloting in this event will be decided by a majority of the ballots returned.

ARTICLE V

MEETINGS

- A. There shall normally be an annual meeting of the membership at 10 a.m. on the second or third Saturday in February. The election of the Board of Directors shall take place at this meeting.
- B. General membership meetings may be called from time to time by the Board of Directors with not less than ten (10) days notice.
- C. Any ten (10) voting members of the Association may, by written request to the Board of Directors, call for a special meeting of the Association for a stated purpose. Within thirty (30) days of receipt of such a request, the members having been duly noticed, the meeting shall be held.
- D. Notice of meetings, annual, general, or special, shall be given in writing to all members. The use of the Association newsletter for this purpose will serve as proper notice if said newsletter is distributed so as to arrive at the recorded address of each member not more than thirty (30) days prior nor less than ten (10) days prior to the noticed meeting. Otherwise, said notice shall be mailed to each member's address appearing on the Association books not less than twelve (12) days before such meeting. Notice of any meeting of the members shall specify the place, the day, the hour of the meeting, and the general nature of any business to be transacted.

ARTICLE VI

BOARD OF DIRECTORS, OFFICERS, AND COMMITTEES

A. BOARD OF DIRECTORS

- 1. Subject to the authority and limitations of the laws, codes, and Governing Documents set forth in Article II, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the Association shall be conducted by, the Board of Directors.
- 2. The Board of Directors shall have the power and authority, acting by a majority vote or in a unanimous quorum, to suspend or expel any active member for infraction of the Articles of Incorporation, Bylaws, or for conduct which in the opinion of the Board shall be deemed prejudicial to the best interests of the Association.
- 3. The Board of Directors, or the Architectural Review Committee with the approval

of the Board of Directors, shall have the power, authority, and the duty to initiate informal, formal, and/or legal action against any property owner or occupant of any parcel in Tracts 1904 and 2026 for any known violations of applicable Codes, Covenants, and Restrictions (CC&Rs), as well as City, County, State, and Federal laws, without regard to class of Association membership. The legal relationship of the Board of Directors and/or Architectural Review Committee is with the owner and not with any other resident or owner's agent. Appropriate action may include Alternative Dispute Resolution procedures as and if appropriate under the law. Further, The Board of Directors, or the Architectural Review Committee with the approval of the Board of Directors, shall have the power, authority, and the duty to initiate and/or respond to informal, formal, and/or legal action against or in response to an outside agency, entity, or activity on behalf of the Association upon the Board's determination that such action is necessary and appropriate, said action to include Alternative Dispute Resolution if same is appropriate under the law.

4. The Board of Directors shall meet at least ten (10) times during the year, normally on the third (3d) Wednesday of each month except February, August, and December, and for a special meeting in February following the Annual General Meeting as set forth in Section B-1 of this Article. State of California notice requirements shall be met and provided to the general membership which shall be invited to attend any meeting of the Board except those executive sessions conducted for reasons set forth in the statutes. "Open Meeting" procedures as set forth in the law shall be followed to include the advance distribution to Board Members of an agenda with any action items enumerated, and the posting of same in a place known and accessible to the membership prior to the meeting. Except in the case of a declared emergency as provided for in the law, the Board of Directors shall not take any action at a meeting that was not listed in the agenda as an action item. An accepted form of parliamentary procedure shall be followed at each Board meeting and minutes shall be prepared and kept as the official record of each Board meeting.

5. Election or other designation of Board members

a. There shall be seven (7) members of the Board of Directors serving two (2) year terms, approximately half, or enough to maintain the Board at seven (7) members, being elected each year, subject to the temporary exception noted below:

Exception. This exception provides for the orderly transition from the approved Bylaws of February 15, 1986, which provide for eleven (11) members of the Board of Directors. By way of resignation, other attrition, and/or the nominating process, fewer than eleven (11) but no less than seven (7) nominees will be offered at the February 1997 Annual meeting for one (1) year terms, and for the February 1998 Annual meeting, four (4) members will be nominated for two (2) year terms and three (3) members for one (1) year terms.

b. Prospective Board members shall be active members of the Association and shall be nominated by a designated nominating committee of the then existing Board of Directors. The election will normally be so structured that: approximately one-half of the seven (7) Board members are elected at the Annual General Meeting. Any attrition between Annual Meetings of the Board membership may be filled by appointment by the Board for the balance of the period until the next Annual Meeting. At that Annual Meeting, a sufficient slate of candidates will be nominated for election as will restore

the total Board members to seven (7). The Board of Directors shall at all times be comprised of not less than two (2) Member/Residents from Tract 1904 and two (2) Member/Residents from Tract 2026. Each member of the Board, without regard to elective position held, is entitled to one (1) vote on any matter brought to vote before the Board.

B. OFFICERS

1. The officers of the Board of Directors shall be elected by simple majority vote of the newly comprised Board of Directors at a special meeting of the Directors to be called by the outgoing President for a date and time following the Annual General Meeting and prior to the first day of March. The officers so elected shall be the officers of both the Association and the Board of Directors. March 1 shall be the effective date the newly elected officers take office and the last day of February shall be the last day of office for outgoing officers. Officers are elected for one year terms. The Board of Directors may replace one or more officers by a majority vote with the replacement(s) being elected from the membership of the Board of Directors who were elected at an Annual Meeting.

2. The Officers of the Board of Directors and the Association shall include a President, Vice President, Secretary, and Treasurer. The balance of the Board membership shall be members-at large. The duties of these positions are as follows:

a. President. The President shall be the Chief Executive Officer and preside at all meetings of the Association and the Board of Directors and shall be a member of and Chair the Architectural Review Committee. The President shall call all meetings (except as otherwise provided for herein); prepare and publish the agenda; see to the enforcement of the Articles of Incorporation and the Bylaws; and shall jointly with the Secretary sign all contracts, bonds, law suits, or other instruments necessary to be executed by the Association that have been approved by the Board. The President, with the assistance of requested officers and Board members, shall plan and prepare the Annual Membership Meeting.

b. Vice President. The Vice President, in the absence or disability of the President, shall perform all the duties and possess all the powers of the President. The Vice President shall succeed to and complete the term of the office of President should it be vacated, unless otherwise determined by action of the Board of Directors. The Vice President will assist the President in other ways mutually agreed to. The Vice President will serve as an *ex officio* member of all committees and may serve as a committee chairperson.

c. Secretary. The Secretary shall keep or cause to be kept a book of minutes of all meetings of the Association and the Board of Directors to include in the case of Board meetings the names of all members present and absent, and the proceedings thereof. The Secretary shall give or cause to be given proper notice of all meetings to Members and the Board of Directors. The Secretary shall be custodian of the Association corporate seal and shall participate with the President in the duties enumerated for the two (2) offices to be taken jointly in a. above.

d. Treasurer. The Treasurer shall be the Chief Financial Officer of the Association and shall keep and maintain or cause to be kept and maintained, adequate and correct accounts of the properties and financial transactions of the

Association. The Treasurer shall provide access to the books of the accounts at all reasonable times for inspection by any member of the Board of Directors. The Treasurer shall deposit all monies and other valuables in the name and to the credit of the Association with such depositories as may be designated by the Board of Directors. The Treasurer shall disperse the funds of the Association as directed by the President or by the Board of Directors, and have such other powers and perform such other duties as may be prescribed from time to time by the Board of Directors or Bylaws. The Treasurer will advise the Board as to the investment of funds in excess of current operational needs and will invest those excess funds in accordance with the directions of the Board.' Should the funds and other assets under the control of the Association ever exceed \$75,000 in the aggregate during the course of a Fiscal Year, the Treasurer will so advise the Board and an audit will be directed in accordance with the law. All checks drawn by the Treasurer are to be signed by one additional member of the Board approved by the President. The Treasurer shall advise the Board as to insurance matters and shall maintain policy(s) as directed and approved by the Board.

C. COMMITTEES

1. The Architectural Review Committee authority, membership and basic responsibility are set forth at Article II A12. The Architectural Review Committee shall also be responsible for matters pertaining to the enforcement of CC&Rs to include coordination with the City of Oxnard and its agencies with regard to enforcing resolutions, codes, and ordinances; maintaining liaison with the City of Oxnard regarding police patrols and other City services; and coordination and management of Association enforcement contractors and activities. The Architectural Review Committee will also prepare for and coordinate the Association's actions to be taken regarding the Tract 1904 CC&R review/modification in 1998 and the Tract 2026 CC&R review/modification in 2012. This committee will also coordinate any CC&R Amendment or other modification activity that from time to time may be undertaken. This committee is also responsible for all matters pertaining to architectural integrity, zoning, review and approval of building and remodeling plans, and coordination with the City of Oxnard in the review of construction plans and permits. This committee will also serve as CI/WHA liaison to activities involved in the Harbor Redevelopment Plan in terms of these activities serving the best interests of the membership.

2. The President shall appoint Board members as Committee Chairpersons for the following standing committees. These committees, other than for the Chair of each who shall be a Board member, may be comprised of other Board members and/or volunteer Association members not serving on the Board. These committees are interdependent, not mutually exclusive, and will coordinate as necessary and appropriate with the other appointed committees.

a. Membership Committee: Responsible for developing and enlarging Association membership; maintaining membership records; invoicing owners for annual dues in accordance with Article III; preparing, updating, maintaining, and publishing lists of members and addresses (to include residences and residents of non-owner occupied parcels); and initiating social activities to enhance membership and otherwise facilitate Association objectives.

b. Waterway Assessment District Committee: As differentiated from the

Waterways Committee (para f, below) this committee is responsible for all matters related to Association input to budgeting and monitoring expenses for the Waterway Assessment District to include coordination with the City of Oxnard with regard to tracking monies spent; attending meetings with City personnel to develop the yearly budget, and reporting to the Association membership regarding the status of the District.

c. Newsletter and Publicity Committee: Responsible for writing, editing, publishing, and distributing a periodic newsletter as well as other news releases and publicity for the Association.

d. Landscaping Committee: Responsible for initiating and overseeing activities on behalf of the Association to plant, maintain, and ensure proper irrigation of superior quality landscaping in and on the City owned land and walls associated or contiguous with Tracts 1904 and 2026.

e. Neighborhood SW-5 Committee: Responsible for representing the Association in its participation with the Oxnard Neighborhood Council in such areas a Neighborhood Watch, the annual neighborhood cleanup, and other joint or related activities of the neighborhoods comprising Oxnard.

f. Waterways Committee: As differentiated from the Waterways Assessment District Committee (para b, above), the Waterways Committee oversees, coordinates, monitors, and recommends action to the Board regarding the status and condition of seawalls and the waterway. This committee also coordinates with the City of Oxnard with regard to the City's codes and other regulations as they apply to the waterway and enforcement of activities on the waterway. The committee also monitors and recommends action with regard to docks, ramps, pilings, and water easement violations or concerns and coordinates same with the Architectural Review Committee.

g. Such *ad hoc* committees that the Board of Directors may commission to study specified issues and recommend action as may be called for by the circumstances at hand.

ARTICLE VII

ADOPTION, AMENDMENT, OR REPEAL OF BYLAWS.

A. It is the intention of these Bylaws that the Board of Directors be given maximum discretion in the amendment and/or revision of these Bylaws consistent with the provisions of Corporation Code Section 7150 and other laws or statutes in effect.

B. All changes in the Bylaws, whether initiated by the membership as a whole or by the Board of Directors, shall be distributed to all members within thirty (30) days of the change.

C. Whenever an amendment or new Bylaw is adopted, it shall be copied into the book of Bylaws with the original Bylaw. If any Bylaw is repealed, the fact of repeal, with the date of the meeting at which the repeal was enacted or written assent was filed, shall be written into said book.

) D. A complete copy of these revised Bylaws shall be distributed to each member within thirty (30) days of enactment, to new members as they join, and to new owners of parcels within the affected tracts as they become known to the Association.

ARTICLE VIII

These Bylaws replace the Association Bylaws dated and approved on February 15, 1986, were presented at the Annual Meeting of the Membership on February 8, 1997, and were approved and are effective as of that date.

Certified and attested to by the elected Board of Directors on the date of ratification: