

**HALF MOON BAY COASTSIDE CHAMBER OF COMMERCE
& VISITORS' BUREAU
ARTICLES OF INCORPORATION**
(Incorporated October 1963)

BYLAWS

Amendments Last Adopted by Board of Directors September 27, 2016

ARTICLE I

Section 1. **NAME**

This organization is incorporated under the laws of the State of California and shall be known as the Half Moon Bay Coastside Chamber of Commerce and Visitors' Bureau, Incorporated.

Section 2. **PURPOSE**

The primary purpose of the Half Moon Bay Coastside Chamber of Commerce and Visitors' Bureau is to promote business on the Coastside.

To provide all necessary means of promotion, particular attention and emphasis shall be given to the economic, civic, commercial, cultural, industrial, and educational interests of the area.

Section 3. **AREA**

The Half Moon Bay Coastside area, or the San Mateo County Coastside economic region, shall mean to include the cities (or communities) of: Montara, Moss Beach, Princeton-by-the-Sea, El Granada, Miramar, Half Moon Bay, La Honda, San Gregorio, and Pescadero areas of San Mateo County.

Section 4. **LIMITATIONS OF METHOD**

The Half Moon Bay Coastside Chamber of Commerce and Visitors' Bureau shall observe all local, state, and federal laws which apply to a non-profit organization as defined in Section 501 (c) (6) of the Internal Revenue Code.

**ARTICLE II
MEMBERSHIP**

Section 1. **ELIGIBILITY**

Any person, association, corporation, partnership, or estate having an interest in the objectives of the organization shall be eligible to apply for membership.

Section 2. **APPLICATIONS**

Applications for membership shall be in writing on forms provided for that purpose and signed by the applicant. The Membership Committee (or designated individual) shall review all applications. Any applicant so elected shall become a member upon payment of the regularly scheduled investment as provided in Section 3 of Article II.

Section 3. **INVESTMENTS**

Membership investments (dues) are paid for a 12 month period at a rate determined by the Board of Directors. Investments shall be payable as of the first of their anniversary month, and if not received within 90 days thereof, they shall forfeit their membership.

New Members shall pay a one time fee at the time of application. Members who forfeit membership because of non-payment shall also pay this fee should they decide to re-apply for membership. The Board reserves the right to waive this fee.

Members who have paid their membership in full are considered members in good standing.

Membership investments shall automatically be adjusted annually in an amount equal to the Bay Area consumer price index. If the Chamber business plan requires any other investment structure changes, it must be approved by the Board of Directors.

Section 4. VOTING

Only business members in good standing shall be entitled to vote.

Section 5. EXERCISE OF PRIVILEGES

Business members shall have full voting and participation privileges.

Any firm, association, corporation, partnership, or estate holding membership shall designate one person to vote.

Section 6. ORIENTATION

Orientation on the purposes and activities of this organization shall be conducted for new Directors, committees, and new members.

ARTICLE III MEETINGS

Section 1. ANNUAL MEETING

The annual meeting of the corporation, in compliance with State law, shall be held during January of each year. The time and place shall be fixed by the Board of Directors and notice thereof mailed to each member at least ten (10) days before said meeting.

Section 2. ADDITIONAL MEETINGS

General Membership Meetings of the Chamber of Commerce and Visitors' Bureau may be called by the Chairman of the Board at any time, or upon petition in writing of any 10% of members in good standing: a) Notice of special meetings shall be mailed to each member at least five (5) days prior to such meetings; b) Board meetings may be called by the Chairman of the Board or by the Board of Directors upon written application of three (3) members of the Board. Notice (including the purpose of the meeting) shall be given to each Director at least one (1) day prior to said meeting; c) Committee meetings may be called at any time by the Chairman of the Board, respective department staff, or by the committee's leader.

Section 3. QUORUMS

At any duly called General Membership Meeting of the Chamber, 10% of members in good standing shall constitute a quorum; a majority of Directors present shall constitute a quorum of the Board of Directors, an Associate Board member may provide a quorum vote if needed; at Committee meetings, a majority shall constitute a quorum except when a Committee consists of more than nine (9) members, five (5) shall constitute a quorum.

ARTICLE IV INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 1 - *GENERAL POWER OF INDEMNITY*

The Chamber shall have power to indemnify any Director or Officer who was or is a party or is threatened to be made a party to any proceeding, whether civil, criminal, administrative or investigative by reason of the fact that such person is or was an agent of the Chamber, against expenses, judgments, fines, settlements and other amounts actual and reasonable incurred in such proceeding if such person acted:

- (1) in good faith
- (2) in a manner the Director or Officer believed to be in the best interests of the Chamber; and
- (3) with such care, including reasonable inquiry as an ordinary prudent person in a like position would use under similar circumstance.

The Chamber shall comply with Cal. Corp. Code section 5239, or any similar successor law, to provide all reasonable protection for its Board Members and Officers from personal liability during the course of or in the scope of their duties on behalf of the Chamber. The Chamber Board shall authorize and include in its budget such sums as are necessary to provide Directors and Officers liability insurance in such reasonable amounts as may be determined by the Board of Directors to be prudent, and which complies with State law.

Section 2 - *EXPENSES*

"Expenses" in Section 1 above include without limitation, attorney's fees and any expenses of establishing a right to indemnification.

Section 3 - *PROCEDURE*

Any indemnification hereunder shall be made by the Chamber only if authorized in the specific case, on a determination that indemnification of the Director or Officer is proper in the circumstances because he or she has met the applicable standard of conduct by:

- (1) a majority vote of a quorum consisting of Directors who are not parties to that proceeding;
- (2) if such a quorum of Directors is not obtainable, by independent legal counsel in a written opinion;
- (3) approval of the members with the person to be indemnified not being to vote thereon;
or
- (4) the court in which that proceeding is or was pending on application made by the Chamber or the agent or the attorney or other person rendering services in connection with the defense, whether or not the application by the agent, attorney, or other person is opposed by the Chamber.

ARTICLE V BOARD OF DIRECTORS

Section 1. *COMPOSITION OF THE BOARD*

The Board of Directors shall be composed of eleven (11) to fifteen (15), one third (3) of whom shall be elected annually to serve for three (3) years, or until their successors are elected and have qualified. Immediate Past Chairman of the Board and such persons the Board may elect shall serve as non-voting advisory members.

Those members eligible for the Board of Directors must be members in good standing, own or manage or be selected by the owner or manager of a Coastside business, and strongly support the beliefs and philosophies of the organization.

If a board member is elected or appointed to a government office, that member shall reclude himself/herself from any issue which would be a conflict of interest or could be construed as an appearance of impropriety by voting on that issue.

Any board member shall reclude himself/herself from any issue, which would be a conflict of interest or could be construed as an appearance of impropriety by voting on that issue.

Section 2. **NOMINATIONS AND ELECTION OF BOARD OF DIRECTORS**

A. The Nominating Committee shall consist of the Nominating Committee Chair, two other board members, and 2 Chamber members at large appointed by the Nominating Committee Chair and approved by the Board.

Eligible members wishing to place their name in nomination for an open board seat, or members wishing to nominate another member, should contact the Nomination Committee. Consent of a Nominee must be obtained before their name is placed in Nomination.

The Nominating Committee shall prepare a slate of candidates for, at least, the number of open board seats no later than the October Board meeting

- B. The report of the Nominating Committee, and the proposed slate shall be distributed to the membership via the Weekly Chamber Update, no later than 60 days prior to the annual meeting. The membership is informed of their right to petition for additional candidates, and if no petitions are received, the existing board declares the slate duly elected.
- C. The board (or nominating committee) has the authority to approve or disapprove anyone nominated through the petition process. If the board (or nominating committee) determines that the nominee is qualified, then a ballot shall be mailed to members.
- D. The ballots shall be marked in accordance with instructions printed on the ballot and returned to the Chamber office within ten (10) days. The Board of Directors shall at their regular October Board of Directors' Meeting declare the candidates with the greatest number of votes elected to the open board seats.
- E. Judges. In the instance of tie votes, the Chairman of the Board shall appoint, subject to the approval of the Board of Directors at the October or November Board of Directors' Meeting, three judges to convene and break the election tie through arbitration.

Section 3. **SEATING OF NEW DIRECTORS**

All newly elected Board Members shall be seated at the regular November Board of Directors' Meeting or at the Annual Planning Session and shall be non-voting participating members until their elected term commences. Retiring Directors shall continue with their duties and responsibilities until the end of their terms. Each Board Member shall serve a three (3) year term commencing January 1 and terminating December 31. This applies to all Board Members in office as of January 2009.

Section 4. **VACANCIES**

Board members who miss more than three (3) Board meetings in any 12-month period of time, may be asked to vacate their seat on the Board, after Executive Committee review.

Vacancies on the Board of Directors shall be filled by the Chairman of the Board with approval of the Board.

Section 5. **POLICY**

The Board of Directors is responsible for establishing procedures and formulating policy of the organization. The Board of Directors is also responsible for adopting all policies of the organization. These policies shall be maintained in a Policy Manual to be reviewed annually and revised as necessary.

Section 6. **MANAGEMENT**

The Executive Board of Directors shall employ a President / CEO and shall fix the salary and other considerations of employment. The President / CEO is responsible for the hiring and supervision of any supportive staff.

ARTICLE VI OFFICERS

Section 1. **ELECTION OF OFFICERS**

The Board of Directors (new and retiring) at its regular October meeting, shall elect from its membership the officers for the coming year by ballot: Chairman of the Board, Vice-Chairman of the Board and Chief Financial Officer. All officers shall serve for a term of one (1) year beginning on January 1st or until their successors assume the duties of office.

Section 2. **DUTIES OF OFFICE**

A. Chairman of the Board. The Chairman of the Board shall serve as the chief officer of the Board of Directors of the Chamber of Commerce and Visitors' Bureau and shall preside at all meetings of the membership and Board of Directors.

The Chairman of the Board shall, with advice and counsel of the Vice Chairman of the Board and the President / CEO, determine all committees, select all committee chairs, with the exception of the Nominating Committee.

- B. Vice Chairman of the Board. The duties of the Vice Chairman of the Board shall be to assist the Chairman of the Board and preside over meeting in the absence of the Chairman of the Board.
- C. Chief Financial Officer. The Chief Financial Officer shall be responsible for the safeguarding of all funds received by the Chamber and for their proper disbursement. Such funds shall be kept on deposit in financial institutions or invested in a manner approved by the Board of Directors. Checks are to be signed by the Chief Financial Officer and the President / CEO or, in the absence of either or both, by any two (2) Officers. The Chief Financial Officer shall cause a monthly financial report to be made to the Board.
- D. Secretary. The President / CEO shall serve as secretary to the Board of Directors and prepare notices, agendas and minutes of meetings of the Board. He/she shall serve in an advisory, non-voting capacity.

Section 3. **EXECUTIVE COMMITTEE**

- A. Elected Officers, the Immediate Past Chairman of the Board, and the President / CEO shall constitute the Executive Committee.
- B. The Executive Committee will be responsible for monitoring committee activity and screening new programs before they are presented to the Board of Directors.
- C. The Executive Committee may not act without the authority of the full Board of Directors.
- D. The Executive Committee will meet regularly prior to the scheduled monthly meetings of the Board.

ARTICLE VII COMMITTEES

Section 1. APPOINTMENT AND AUTHORITY

The Chairman of the Board with approval of the Board shall appoint all committees and committee chairs as deemed necessary to carry out the programs of the Chamber with the exception of the Nominating Committee. Committees shall serve concurrent with the term of the appointing Chairman of the Board.

It shall be the function of committees to make investigations, conduct studies and hearings, make recommendations to the Board of Directors, and carry on such activities as may be delegated to them.

Section 2. LIMITATION OF AUTHORITY

Committees shall follow the policies and guidelines as outlined in the Chairmanship Guidelines and Handbook.

No action by any member, committee, division, employee, Director, or Officer shall be binding upon or constitute an expression of policy of the Chamber until it has been approved by the Board of Directors. Once committee action has been approved by the Board of Directors, only the Chairman of the Board or appointed spokesperson shall speak for the Chamber.

ARTICLE VIII BUDGET

Section 1. BUDGET

The Budget Committee shall present the proposed budget to the Board of Directors at their November meeting. It will be accepted by motion at the December meeting.

Section 2. DISBURSEMENTS

The President / CEO is authorized to make disbursements on accounts and expenses provided for in the budget. Deposit log shall be prepared by the Administrative Director with the President / CEO's approval. Disbursements shall be by check. All invoices will be approved and coded by the President / CEO and the Chief Financial Officer. (In the absence of the Chief Financial Officer another Executive Board member may approve invoices). All checks are to have two signatures, one of which will be by an Executive Board member other than the one who approved the invoices. During Chamber events cash over \$200 shall always be overseen by at least 2 people.

Section 3. FISCAL YEAR

The annual accounting period of the Chamber shall be on a calendar year beginning on January 1, and ending December 31st each year.

Section 4. ANNUAL REVIEW

The accounts of the Chamber shall be reviewed annually by the Chamber's outside bookkeeping firm as of the close of business on December 31 by the Finance Committee. The Finance Committee's reviewed report shall be presented at the February meeting of the Board of Directors and shall be available to the membership.

Section 5. BONDING

The President / CEO and such other Officers and staff as the Board of Directors may designate shall be bonded.

ARTICLE IX DISSOLUTION

Section 1. *PROCEDURE*

The Chamber shall use its funds only to accomplish the objectives and purposes specified in these bylaws and no part shall inure, or be distributed to the members of the Chamber. On dissolution of the Chamber, any funds remaining shall be distributed to one or more regularly organized and qualified charitable, educational, scientific, or philanthropic organizations to be selected by the Board of Directors as defined in IRS Section 501 (c) (6).

ARTICLE X

Section 1. *PARLIAMENTARY AUTHORITY*

The current edition of Roberts Rules of Order shall be the final source of authority in all questions of parliamentary procedure when such rules are not consistent with the bylaws of the Chamber.

ARTICLE XI AMENDMENTS

These bylaws may be amended or altered by a two-thirds (2/3) vote of the Board of Directors or by what is required by state statute. An increase or decrease in number of board members, changing the term of a board member, or changing the quorum of the board requires a majority of the members voting by ballot. In the event of a membership vote, ballots shall be mailed to all members or distributed by accepted electronic ballot procedures. Any proposed amendments or alterations shall be submitted to the Board **by mail or electronic transmission** at least ten (10) days in advance of the meeting at which they are to be acted upon. The ballots shall be marked in accordance with instructions printed on the ballot and returned to the Chamber office within ten (10) days.