



AGENDA

Visit SLO CAL Board of Directors

Visit SLO CAL Board of Directors Agenda

Wednesday, February 19, 2020

8:30am

The Kinney

1800 Monterey St, San Luis Obispo, CA 93401

1. CALL TO ORDER
2. PUBLIC COMMENT (On Non-Agenda Items)

ANNOUNCEMENTS

C. Davison

CONSENT AGENDA - <i>motion required</i>
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C. Davison

3. Approval of January 15, 2020 Board of Directors Meeting Minutes
4. Approval of Visit SLO CAL Bylaws Updates
5. Approval of Visit SLO CAL Articles of Incorporation Amendment
Staff will request Board approval of the January 15, 2020 Board Meeting Minutes, updates to the Visit SLO CAL Bylaws and an amendment to Visit SLO CAL's Articles of Incorporation.

BUSINESS ITEMS

C. Davison

6. CEO Contract Terms (60 min) – *motion required*
The Chair and Mike Gamble, President of Searchwide, will review the draft terms of the President & CEO contract with the Board, and based on the recommendation of the Executive Committee, the Chair will request Board approval.

ADJOURN.

Brown Act Notice: Each speaker is limited to two minutes of public comment for items not on the agenda. Public comment for each agenda item will be called for separately and is also limited to 2 minutes per speaker. State law does not allow the board to discuss or take action on issues not on the agenda, except that members of the board may briefly respond to statements made or questions posed by the person giving public comment. Staff may be directed by the board to follow-up on such items and/or place them on the next board agenda. The order of agenda items is listed for reference and items may be taken in any order deemed appropriate by the Board of Directors.

ADA Notice: Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify Brendan Pringle at (805)541-8000 at least 48 hours prior to the meeting.



MINUTES

Visit SLO CAL Board of Directors

Visit SLO CAL Board of Directors Meeting Minutes

Wednesday, January 15, 2020

8:30am

Vespera on Ocean

147 Stimson Ave, Pismo Beach, CA 93449

1. CALL TO ORDER: Clint Pearce

PRESENT: Jed Bickel, Mark Eads, Jim Hamilton, Jay Jamison, Toni LeGras, Hemant Patel, Nipool Patel, Clint Pearce, Victor Popp, Amar Sohi

ABSENT: Alma Ayon, Kathy Bonelli, Aaron Graves, Sam Miller

STAFF PRESENT: Chuck Davison, Lisa Verbeck, Derek Kirk, Brendan Pringle, Michael Wambolt

Call to Order at 8:33 am.

2. PUBLIC COMMENT (On Non-Agenda Items)

None.

ANNOUNCEMENTS

Davison introduced Lisa Verbeck, Visit SLO CAL's new CMO. He noted that her first day was Monday, January 13, 2020, and that she previously served as the Director of Marketing, The Americas, for Tourism Australia.

CONSENT AGENDA

3. Approval of November 20, 2019 Board Meeting Minutes

4. Approval of November Visit SLO CAL Financials

5. Approval of December Visit SLO CAL Financials

Public Comment – None.

Board Discussion.

ACTION: Moved by N. Patel/Bickel to approve the Consent Agenda as presented.

Motion carried: 10:0

CEO REPORT

6. CEO Report

The Board of Supervisors unanimously approved the renewal of the Tourism Marketing District on Tuesday, January 14, 2020. Davison thanked Pearce and Eads for attending the hearing. He noted that the final tally for government approval of the district was 37-0, and that protests against the district equaled 2.48 percent. He thanked the Board of Directors for all of their support during this process, and played footage of the Board of Supervisors approving the renewal. He also thanked the Board for attending the Beginning of Year Bash. Davison reviewed U.S. Travel's Travel Trends Index for November 2019 vs. November 2018, as well as the TOT update through November 2019. He provided an update on new hires and current open positions. He also provided an update on the San Diego flight launch event on January 7, 2020, noting that the event was well-attended by local media, strategic partners and stakeholders. Additionally, Visit SLO CAL partnered with Travel Paso and the CBID on a media FAM in conjunction with this launch. Last month, on December 4, 2019, Davison met with Kevin Bumen of the SLO County Regional Airport to outline air service development strategy for 2020, which will include three HQ meetings and two conferences. He also reported out on local meetings and outlined his upcoming travel schedule. He provided an update on the current CEO contract, noting that it's set to expire on April 30, 2020.

Public Comment – None.

Board Discussion.

BUSINESS ITEMS

7. FY2019/20 Budget Re-Forecast

Davison provided an overview of Visit SLO CAL's proposed re-forecasted budget for FY2019/20, which reflects programs that were postponed or cut based on capacity, new positions approved by the Board and the allocation of surplus revenue. Revenue changes reflect the adjustment for actual income received from each community through November (-\$17,813), the trued up re-forecasted revenue for December-June, based on the estimated TMD revenue from properties that opened after the FY2019/20 budget was approved (\$114,422), and the allocation of reserve funds (\$431,136), as approved by the Board. The allocation of reserve funds includes \$400k allocated to support the San Diego and Portland flight launches and \$31,136 allocated for the immediate hiring of a sales manager role (post re-forecast approval). Davison noted that Visit SLO CAL does not expect to pull a full \$431k from reserves, and that the organization wouldn't pull from reserves until it closes year-end financials.

Public Comment – None.

Board Discussion.

ACTION: Moved by **N. Patel/LeGras** to approve Visit SLO CAL's FY2019/20 Budget Re-Forecast as presented, as recommended by the Executive Committee.

Motion carried: 10:0

8. Board Member Nominating Committee

The Bylaws notes that the Board must create an ad hoc nominating committee as needed when considering the nominations of elected seats. Executive Committee members can serve on the ad hoc nominating committee, which isn't subject to the Brown Act. Staff would like to recommend having the Executive Committee members serve on the nominating committee, which would provide a slate to the Board for the next election of Board seats.

Public Comment.

Board Discussion.

ACTION: Moved by **Sohi/Bickel** to appoint Clint Pearce, Mark Eads, Aaron Graves, Hemant Patel and Jay Jamison to an ad hoc board member nominating committee, as recommended by the Executive Committee.

9. Coraggio Group Engagement

Davison noted that staff has been working with Coraggio Group on draft recommendations for the composition of the Strategic Planning Team (SPT). He outlined the recommendations, noting that they provide a mix of lodging partners by lodging type, diversity and geographic representation, and also include both leadership and frontline staff from the Visit SLO CAL team. Staff reviewed these recommendations with the Executive Committee at their January 13, 2020 meeting, and have reached out to the Board members listed to confirm interest and their ability to participate. Davison also outlined the calendar for each component of the strategic planning process.

Public Comment.

Board Discussion. Sohi confirmed his interest in serving on the SPT.

10. DMS Implementation & Next Steps

Kirk reminded the Board that they approved the final Destination Management Strategy (DMS) document and the Work Plan in concept, and that at the November 2019 Board of Directors meeting, members asked staff to review additional naming options for the publication of the strategy. Staff is now working to develop a plan to engage community leaders and partners in implementation. Kirk noted that the DMS name originally proposed to the Board was “Experience SLO CAL 2050” (with “A Destination Management Strategy” as the subtext), and that staff has added “Destination SLO CAL 2050” (with the same subtext) as an additional option. Once the name is finalized, the DMS will be published on SLOCAL.com. Visit SLO CAL will host four community leader meetings to understand which recommendations partners see themselves engaging in, and will ask the city managers to help develop the invitation list. The DMS recommendations will come back to the Board in March for prioritization, in advance of FY20/21 budget development. Visit SLO CAL will then host a countywide forum, which will officially launch the DMS implementation and invite community participation in the implementation of the strategy. After the forum, staff will ask the Board to appoint a DMS Committee to review the progress of implementation biannually and report back to the Board of Directors. As a proven partner in the creation of the DMS, Visit SLO CAL has asked Resonance for a proposal to facilitate the four community leader briefings (Q1-2020) and countywide forum (Q2-2020). Kirk noted that having Resonance facilitate the meetings would reinforce that the plan is not entirely owned by Visit SLO CAL, but rather by the broader community. The cost for the engagement with Resonance would total \$18k plus expenses.

Public Comment.

Board Discussion.

ACTION: Moved by N. Patel/H. Patel to approve the renaming of the Destination Management Strategy to “Experience SLO CAL 2050 – A Destination Management Strategy.”

Motion carried: 9:0:1
Bickel opposed.

ACTION: Moved by Popp/Hamilton to allow the President & CEO to finalize an agreement with Resonance Consultancy to facilitate four community leader briefings and a countywide forum, as recommended by the Executive Committee.

Motion carried: 10:0

11. Visit California - California Welcome Center Proposals & Next Steps

Kirk provided an update on the Visit California – California Welcome Center (CWC). He noted that an RFP was sent to all local DMO/destination partners on November 20, 2019, with a due date of December 6, 2019. Three communities

submitted proposals, and the proposals received are a broad representation of the county (North County, South County and North Coast). The three interested parties gave an in-person pitch to Visit SLO CAL staff. Kirk noted that staff will not make a recommendation to the Board, to avoid creating additional frustration with local partners who are not chosen and will instead allow the Board to form their own conclusions. The Executive Committee also opted against making a recommendation during their January 13, 2020 meeting. Kirk highlighted the key details from each proposal and presentation, and outlined key next steps. He noted that the Visit SLO CAL Board will be asked to select one of the proposals to fund at their January 15, 2020 meeting, and that \$37,500 of the sponsorship is included in the Budget Re-Forecast for the remainder of FY2019/20, which allows for the sponsorship to begin in February. After the Board selects a partner, Visit SLO CAL staff will introduce the selected partner to Visit California (VCA) for contract negotiations, as the managing entity will hold the contract with VCA. Kirk expressed his appreciation to all three of the communities that pitched and noted that all demonstrated a desire to be collaborative and show off the county as a whole.

Public Comment. Gordon Jackson, Executive Director, City of Pismo Beach, described some of the history behind the California Welcome Center in Pismo Beach, noting that the CVB has partnered with Simon Properties on the Outlets for 14 years, investing \$280k total in the process. He said that the reason the CVB picked that location in the first place is that it has bathrooms, a large amount of parking, it's right off Highway 1 and 101 and is near shopping and restaurants. Jennifer Little, Tourism Manager, City of Morro Bay, gave a brief overview of the City of Morro Bay's plan for the space, and noted that the location is near the water and the Rock, provides ADA accessibility, and that the location aligns with the DMS recommendation of developing the Morro Bay Waterfront. She also reiterated the funding structure from the proposal.

Board Discussion. N. Patel recommended keeping the CWC in its current location based on the traffic that runs through that area. Jamison noted that the abundance of parking has always been the attraction for the Pismo Beach location and is critical especially for the RV industry. H. Patel recommended the Morro Bay location, based on the location and its proximity to visitors. Sohi requested that whoever hosts the CWC should encourage exploration of the county. Pearce recused himself from voting based on his ties to the location where Atascadero is pitching. Popp noted that it made the most sense to keep the CWC at its existing location.

ACTION: Moved by Eads/Bickel to approve the selection of the South County Chambers of Commerce to receive dedicated sponsorship funding for the California Welcome Center.

Motion carried: 7:2:1
LeGras and H. Patel opposed. Pearce abstained.

12. Marketing Update

Davison provided an update on travel trade efforts, partnership and events updates, and key marketing initiatives, and he reported out on paid, earned and owned media results.

ADJOURNMENT

ACTION: Moved by N.Patel/Popp to adjourn at 10:31 am

AMENDED AND RESTATED
BYLAWS FOR THE REGULATION, EXCEPT AS OTHERWISE
PROVIDED BY STATUTE OR ITS ARTICLES OF INCORPORATION OF

SAN LUIS OBISPO COUNTY
VISITORS AND CONFERENCE BUREAU, INCORPORATED
A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION

DRAFT

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AMENDED AND RESTATED BYLAWS OF
SAN LUIS OBISPO COUNTY
VISITORS AND CONFERENCE BUREAU, INCORPORATED
A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION

The name of this Corporation is SAN LUIS OBISPO COUNTY VISITORS AND CONFERENCE BUREAU, INCORPORATED, **DBA VISIT SLO CAL**.

ARTICLE I. OFFICES OF THE CORPORATION

Section 1. Principal Office. The principal office for the transaction of the activities and affairs of the Corporation (principal office) is located at 1334 Marsh Street, San Luis Obispo, in San Luis Obispo County, California. The Board of Directors ("Board") may change the principal office from one location to another. Any change of location of the principal office shall be noted by the secretary on these Bylaws opposite this section, or this section may be amended to state the new location.

Section 2. Other Offices. The Board may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to conduct its activities.

ARTICLE II. PURPOSES AND LIMITATIONS

Section 1. General Purposes. The objectives and purpose of the Corporation shall be to promote tourism, **destination management, economic development** and common business interests, and complement the efforts of local communities and organizations in the County of San Luis Obispo, California.

Section 2. Specific Purposes. Within the context of the general purposes stated above, this Corporation shall promote public use of lodging, restaurant, retail and recreational facilities and activities within the County of San Luis Obispo to the fullest potential and to join together public agencies, private industry and nonprofit corporations, all to enhance the economy of San Luis Obispo County through tourism enhancement and development.

ARTICLE III. MEMBERS

Section 1. Qualifications and Rights of Membership.

- (a) **Classes and Qualifications.** This Corporation shall have no members within the meaning of California Nonprofit Corporation Law, pursuant to Corporations Code section 7332(a).
- (b) **Other Persons Associated With the Corporation.** The Corporation may refer to persons of affiliated nonvoting classes or other persons or entities associated with it as "partners," even though those persons or entities are not voting members as set forth in Section 1(b) of this Article

III, no such reference shall constitute anyone a member within the meaning of Section 5056 of the California Nonprofit Corporation Law. By amendment of its Articles of Incorporation or of these Bylaws, the Corporation may grant some or all the rights of a member of any class, as set forth in these Bylaws, to any person or entity that does not have the right to vote on any of the matters specified in Section 1(b) of Article III of these Bylaws, but no such person or entity shall be a member within the meaning of Section 5056 of the California Nonprofit Corporation Law.

ARTICLE IV. DIRECTORS

Section 1. Powers.

- A) General Corporate Powers. Subject to the provisions and limitations of the California Nonprofit Mutual Benefit Corporation Law and any other applicable laws the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board.
- B) Specific Powers. Without prejudice to the general powers set forth in Section 1 of this Article IV, but subject to the same limitations, the directors shall have the power to:
- a) Appoint and remove, at the pleasure of the Board, all the Corporation's officers, agents, and employees; prescribe powers and duties for them that are consistent with law, with the Articles of Incorporation, and with these Bylaws; and fix their compensation and require from them security for faithful performance of their duties.
 - b) Change the principal office or the principal business office in California from one location to another, within San Luis Obispo County; cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency, or country and conduct its activities within or outside California; and designate any place within San Luis Obispo County for holding any meeting.
 - c) Adopt and use a corporate seal; prescribe the forms of partnership certificates; and alter the forms of the seal and certificates.
 - d) Borrow money and incur indebtedness on behalf of the Corporation and cause to be executed and delivered for the Corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations and other evidences of debt and securities.

Section 2. Number and Qualification of Directors.

A) Authorized Number. The authorized number of directors shall be nineteen (19).

B) Qualifications. The Board will strive to ensure that each jurisdiction in the SLOCTMD is represented in approximate proportion to the amount of assessment contributed by lodging businesses in that jurisdiction. Each Director must be a representative of an assessed lodging business, and must be an owner or general manager, except for the County representative. Among the nineteen directors there shall be:

- a) At least one (1) representative of a lodging business in each jurisdiction in the SLOCTMD;
- b) At least one (1) representative each from a vacation rental, a bed and breakfast, and an R.V. Park;
- c) At least one (1) representative who is appointed by the County of San Luis Obispo; and
- d) At least one (1) at-large assessed lodging business member.

Section 3. Election, Designation, and Term of Office.

- A) **Term.** Each director whose term is expiring shall be elected at the annual meeting, to hold office for three (3) years, provided however, that directors' terms shall be staggered so that every year no more than seven (7) directors shall be elected.
- B) If any such directors are not elected at any annual meeting, they may be elected at any special meeting held for that purpose. Each such director, including a director elected to fill a vacancy or elected at a special meeting, shall hold office until expiration of the term for which elected and until a successor has been elected and qualified.
 - a) **Designated Directors.** Nine (9) Directors shall be designated as follows:
 - I) One assessed lodging business representative from each of the cities shall be appointed by the respective jurisdiction's city council or tourism organization, as each city determines.
 - II) One assessed unincorporated area lodging business representative shall be appointed by the County Board of Supervisors
 - III) One additional representative at-large shall be appointed by the County Board of Supervisors
- C) **Elected Directors.** The remaining ten (10) Directors shall be nominated by SLOCTMD assessment payors and elected by the Board. The Board shall create an ad hoc nominating committee as needed. The committee will seek nominations from the assessed lodging businesses for a maximum of ten (10) elected seats. Nominations will be verified by the nominating committee and a slate provided to the Board of Directors for election. The nominating committee will recommend a slate to the Board of Directors that ensures diversity of geography and takes into consideration SLOCTMD assessment contribution. The slate will take into consideration the requirements of Section 2(b) above.

Section 4. Vacancies on Board.

- A) **Events Causing Vacancy.** A vacancy or vacancies on the Board shall exist on the occurrence of the following: (i) the death or resignation of any director, provided, however, that a director who was designated as a director may be removed by the Board; (ii) the declaration by resolution of the Board of a vacancy in the office of a director who has been declared of unsound mind by an order of court, convicted of a felony, or found by final order or judgment of any court to have breached a duty under Article 3 of Chapter 2 of the California Nonprofit Mutual Benefit Corporation Law; (iii) the increase of the authorized number of directors; or (iv) the failure of the Board, at any meeting at which any director or directors are to be elected, to elect the number of directors required to be elected at such meeting; or (v) a director no longer meeting the criteria of Section 2(b) above.
- B) **Resignations.** Except as provided below, any director may resign by giving written notice to the chairperson or the secretary of the Board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a director's resignation is

effective at a later time, the Board may elect a successor to take office as of the date when the resignation becomes effective. Except on notice to the Attorney General of California, no director may resign if the Corporation would be left without a duly elected director or directors.

- C) Removal. Any director who in a twelve-month period either does not attend three (3) successive Board meetings or who misses a total of three (3) meetings without an approved excuse will automatically be removed from the Board without Board resolution unless (i) the director requests a leave of absence for a limited period of time, and the leave is approved by the directors at a regular or special meeting (if such leave is granted, the number of Board members will be reduced by one in determining whether a quorum is or is not present); (ii) the director suffers from an illness or disability that prevents him or her from attending meetings and the Board by resolution waives the automatic removal procedure of this subsection; or (iii) the Board by resolution of the majority of Board members must agree before a director who has missed three (3) successive meetings or three (3) meetings total may be reinstated.
- D) Filling Vacancies. Vacancies on the Board may be filled by a majority of the directors then in office, whether or not less than a quorum, or by a sole remaining director. Vacancies shall be filled by individuals who meet the requirements of Sections 2(b), 3(b) and 3(c) above.
- E) No Vacancy On Reduction of Number of Directors. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

Section 5. Directors' Meetings.

- A) Place of Meetings. Meetings of the Board shall be held at any place within the County of San Luis Obispo that has been designated by resolution of the Board or in the notice of the meeting or, if not so designated, at the principal office of the Corporation.
- B) Meetings by Telephone Conference or other Communication Equipment. Teleconferencing, as authorized by §54953 of the Ralph M. Brown Act may be used for all purposes in connection with meetings. All votes taken during a teleconferenced meeting shall be by roll call. If teleconferencing is used, the Board shall post the agenda at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the Board. Each teleconference location shall be identified in the notice and agenda of the meeting, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the Board shall participate from locations within the boundaries of San Luis Obispo County. The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to §54954.3 at each teleconference location.

Members of the Board may participate in a meeting through use of conference telephone, electronic video screen communication, or other communications equipment. Participation in a meeting pursuant to this section constitutes presence in person at that meeting if all of the following apply:

- a) Each member participating in the meeting can communicate with all of the other members concurrently.
- b) Each member is provided the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection, to a specific action to be taken by the Corporation.
- c) The Corporation adopts and implements some means of verifying both of the following:

- I) A person communicating by telephone, electronic video screen, or other communications equipment is a director entitled to participate in the Board meeting.
 - II) All statements, questions, actions, or votes were made by that director and not by another person not permitted to participate as a director.
- C) Annual Meeting. The Board shall hold a regular annual meeting for purposes of organization, election of officers, and transaction of other business. Notice of the annual meeting shall be posted at least seventy-two hours prior to the meeting in a publicly accessible location, and on the corporation's website, if any, in accordance with the requirements of the Ralph M. Brown Act. Each such notice shall state the general business to be transacted, and the day, time and place of the meeting. Business may be transacted at any regular meeting of the Board in accordance with the requirements of the Ralph M. Brown Act. Each notice shall state the general business to be transacted, and the day, time and place of the meeting.
- D) Other Regular Meetings. Other regular meetings of the Board may be held at such time and place as the Board may fix from time to time. Notice of regular meetings shall be posted at least seventy-two hours prior to the meeting in a publicly accessible location, and on the corporation's website, if any, in accordance with the requirements of the Ralph M. Brown Act. Each such notice shall state the general business to be transacted, and the day, time and place of the meeting. Business may be transacted at any regular meeting of the Board in accordance with the requirements of the Ralph M. Brown Act. Each notice shall state the general business to be transacted, and the day, time and place of the meeting.
- E) Special Meetings.
 - a) Authority To Call. Special meetings of the Board for any purpose may be called at any time by the chairperson or any vice chairperson, or the secretary or any two (2) directors.
 - b) Manner of Giving Notice. Notice of the time and place of any special meetings of the Board shall be given to each director upon four (4) days' written notice delivered by first-class mail or forty-eight (48) hours' notice delivered personally or by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, telegraph, facsimile, electronic mail, or other electronic means. All such notices shall be given or sent to the director's address, telephone number or facsimile number as shown on the records of the Corporation. Notice shall also be posted at least twenty-four hours prior to the meeting in a publicly accessible location, and on the corporation's website, if any, in accordance with the requirements of the Ralph M. Brown Act.
 - c) Notice Contents. Each notice shall state the general business to be transacted, and the day, time and place of the meeting.
- F) Quorum. A majority of the directors then in office shall constitute a quorum for the transaction of business, except to adjourn. Every action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be the act of the Board, subject to the more stringent provisions of the California Nonprofit Mutual Benefit Corporation Law, including, without limitation, those provisions relating to (i) approval of contracts or transactions in which a director has a direct or indirect material financial interest; (ii) approval of certain transactions between Corporations having common directorships; (iii) creation of and appointments to committees of the Board; and (iv) indemnification of directors.

- G) Adjournment. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.
- H) Notice of Adjourned Meeting. Notice of the time and place of holding an adjourned meeting need not be given unless the original meeting is adjourned for more than twenty-four (24) hours. If the original meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time and place shall be given, before the time of the adjourned meeting, to the directors who were not present at the time of the adjournment.

Section 6. Compensation and Reimbursement. Directors and members of committees of the Board may receive such compensation, if any, for their services as directors or officers, and such reimbursement of expenses, as the Board may determine by resolution to be just and reasonable as to the Corporation at the time that the resolution is adopted.

Section 7. Committees.

- A) Committees of the Board. The Board, by resolution adopted by a majority of the directors then in office, provided a quorum is present, may create (1) one or more committees each consisting of two (2) or more directors and no persons who are not directors to serve at the pleasure of the Board. Appointments to committees of the Board shall be by majority vote of the directors then in office. The Board may appoint one (1) or more directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee, to the extent provided in the Board resolution, shall have all the authority of the Board, except that no committee, regardless of Board resolution, may:
- a) Fill vacancies on the Board or on any committee that has the authority of the Board;
 - b) Fix compensation of the directors for serving on the Board or on any committee;
 - c) Amend or repeal these Bylaws or adopt new bylaws;
 - d) Amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable;
 - e) Create any other committees of the Board or appoint the members of committees of the Board;
 - f) Expend corporate funds to support a nominee for director after more people have been nominated for director than can be elected; or
 - g) Approve any contract or transaction to which the Corporation is a party and in which one (1) or more of its directors has a material financial interest, except as special approval is provided for in Section 5233(d)(3) of the California Corporations Code.
- B) Advisory Committees. The Board may establish one or more advisory committees. The members of any advisory committee may consist of directors or non-directors. Advisory committees may not exercise the authority of the Board to make decisions on behalf of the corporation, but shall be limited to making recommendations to the Board or the Board's authorized representatives and to implementing Board decisions and policies. Advisory committees shall be subject to the supervision and control of the Board.
- C) Executive Committee. Pursuant to Section 8(a) of this Article IV, the Board may appoint two (2) or more directors of the Corporation to serve as the executive committee of the Board. The executive committee, unless limited by a resolution of the Board, shall have and may exercise all the authority of the Board in the management of the business and affairs of the Corporation between meetings of the Board; provided, however, that the executive committee shall not have the authority of the Board in reference to those matters enumerated in Section 1 of this Article IX. All actions of the executive

committee shall be reported to and ratified by the full Board at the next duly scheduled Board meeting.

- D) Marketing Committee. The Board shall create an advisory committee to be known as the Marketing Committee. The Marketing Committee's purpose will be to align marketing objectives and complementary strategies between community and county tourism marketing programming to optimize collaboration and reduce duplication. The committee will consist of destination managers and marketing professionals who have been selected through an application process that is managed and reviewed by the Board of Directors and staff. The committee's recommendations will be submitted to the Board of Directors for approval. DMO/TBID managers will have a standing seat on the Marketing Committee. At-large members shall serve for staggered three-year terms. At the initial meeting, each at-large member shall draw lots to determine their term. The Marketing Committee will include the following:
- a) The DMO/TBID manager from each community and the county unincorporated area
 - b) At-large members, representing a mix of different sectors
- E) SLOCTMD Advisory Committee. The Board shall create an advisory committee to be known as the SLOCTMD Advisory Committee. The advisory committee will be comprised of one elected official and one city manager/county official from each participating community. Each community will determine its representative(s) to the committee. The participating communities or advisory committee may determine on their own to establish a core group of advisory committee individuals who will represent the broader group and interests of the communities on their behalf. The advisory committee will meet with the Visit SLO CAL Executive Committee a minimum of twice per year and no more than four times per year at the request of the advisory committee. Members of both bodies will be able to place items for discussion on the agenda. The advisory committee's input, concerns, and recommendations will be considered by Visit SLO CAL's Executive Committee when taking action on behalf of the organization. The advisory committee will liaise back to the communities they represent with programming updates and overall metrics demonstrating the impacts of the TMD on the County and cities.
- F) Meetings and Actions of Committees. Meetings and actions of committees of the Board shall be governed by, held, and taken in accordance with the provisions of these Bylaws concerning meetings and other Board actions, except that the time for regular meetings of such committees and the calling of special meetings of such committees may be determined either by Board resolution or, if there is none, by resolution of the committee of the Board. Minutes of each meeting of any committee of the Board shall be kept and shall be filed with the corporate records. The Board may adopt rules for the government of any committee, provided they are consistent with these Bylaws or, in the absence of rules adopted by the Board, the committee may adopt such rules.

ARTICLE V. OFFICERS

Section 1. Officers of the Corporation. The officers of the Corporation shall be a chairperson, and one (1) or more vice chairperson(s), a secretary, a treasurer, and if applicable the immediate past chairperson. Any number of offices may be held by the same person, except that neither the secretary nor the treasurer may serve concurrently as the chairperson of the Board.

Section 2. Election of Officers. The officers of the Corporation, except those appointed under Section 1 of this Article V, shall be chosen annually by the Board and shall serve at the pleasure of the Board, subject to the rights, if any, of any officer under any contract of employment.

Section 3. Other Officers. The Board may appoint and may authorize the chairperson, or other officer, to appoint any other officers that the Corporation may require. Each officer so appointed shall have the title, hold office for the period, have the authority, and perform the duties specified in these Bylaws or determined by the Board.

Section 4. Removal of Officers. Without prejudice to any rights of an officer under any contract of employment, any officer may be removed with or without cause by the Board and also, if the officer was not chosen by the Board, by any officer on whom the Board may confer that power of removal.

Section 5. Resignation of Officers. Any officer may resign at any time by giving written notice to the Corporation. The resignation shall take effect as of the date the notice is received or at any later time specified in the notice and, unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

Section 6. Vacancies in Office. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to that office, provided, however, that vacancies need not be filled on an annual basis.

Section 7. Responsibilities of Officers.

A) **Chairperson.** Subject to the control of the Board, the chairperson shall be the general manager of the Corporation. The chairperson shall preside at all Board meetings. The chairperson shall have such other powers and duties as the Board or these Bylaws may prescribe.

B) **Vice Chairpersons.** If the chairperson is absent or disabled, the vice chairpersons, if any, in order of their rank as fixed by the Board, or, if not ranked, a vice chairperson designated by the Board, shall perform all duties of the chairperson. When so acting, a vice chairperson shall have all powers of and be subject to all restrictions on the chairperson. The vice chairpersons shall have such other powers and perform such other duties as the Board or these Bylaws may prescribe.

C) **Secretary.**

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

b) **Notices, Seal, and Other Duties.** The secretary shall give, or cause to be given, notice of all meetings of the Board and of committees of the Board required by these Bylaws to be given. The secretary shall keep the corporate seal in safe custody and shall have such other powers and perform such other duties as the Board or these Bylaws may prescribe.

D) **Treasurer.**

- a) Books of Account. The treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Corporation's properties and transactions. The treasurer shall send or cause to be given to the directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The books of account shall be open to inspection by any director at all reasonable times.
 - b) Deposit and Disbursement of Money and Valuables. The treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Corporation with such depositories as the Board may designate, shall disburse the Corporation's funds as the Board may order, shall render to the chairperson, and the Board, when requested, an account of all transactions as treasurer and of the financial condition of the Corporation, and shall have such other powers and perform such other duties as the Board or these Bylaws may prescribe.
 - c) Bond. If required by the Board, the treasurer shall give the Corporation a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the office and for restoration to the Corporation of all of its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the treasurer on his or her death, resignation, retirement, or removal from office.
- E) Immediate Past Chairperson. If the Immediate Past Chairperson remains on the Board after serving as Chairperson, that individual will also serve as a member of the Executive Committee. The Immediate Past Chair shall have such duties as the Board or Executive Committee may require.

ARTICLE VI. INDEMNIFICATION

Section 1. Right of Indemnity. To the fullest extent permitted by law, this Corporation shall indemnify its directors, officers, employees, and other persons described in Section 5238(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that section, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that section. "Expenses," as used in these Bylaws, shall have the same meaning as in Section 5238(a) of the California Corporations Code.

Section 2. Approval of Indemnity. On written request to the Board by any person seeking indemnification under Section 5238(b) or Section 5238(c) of the California Corporations Code, the Board shall promptly determine under Section 5238(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met and, if so, the Board shall authorize indemnification.

Section 3. Advancement of Expenses. To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under Sections 1 and 2 of this Article VI in defending any proceeding covered by those sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.

ARTICLE VII. INSURANCE

The Corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees, and other agents, against any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising out of the officer's, director's, employee's, or agent's status as such.

ARTICLE VIII. RECORDS AND REPORTS

Section 1. Maintenance of Corporate Records. The Corporation shall keep:

- a) Adequate and correct books and records of account; and
- b) Written minutes of the proceedings of its Board, and committees of the Board.

Section 2. Maintenance and Inspection of Articles and Bylaws. The Corporation shall keep at its principal office, or if its principal office is not in California, at its principal business office in this state, the original or a copy of the Articles of Incorporation and these Bylaws, as amended to date, which shall be open to inspection by the directors at all reasonable times during office hours. If the principal office of the Corporation is outside California and the Corporation has no principal business office in this state, the secretary shall, on the written request of any director, furnish a copy of the Articles of Incorporation and these Bylaws, as amended to date.

Section 3. Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect the Corporation's books, records, documents of every kind, physical properties, and the records of each of its subsidiaries. The inspection may be made in person or by the director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

Section 4. Annual Report. The Board shall cause an annual report to be sent to the directors within one hundred twenty (120) days after the end of the Corporation's fiscal year. That report shall contain the following information, in appropriate detail, for the fiscal year:

- a) The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year.
- b) The principal changes in assets and liabilities, including trust funds.
- c) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes.
- d) The expenses or disbursements of the Corporation for both general and restricted purposes.
- e) Any information required by Section 6 of this Article VIII.

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

This requirement of an annual report shall not apply if the Corporation receives less than Twenty-five Thousand Dollars (\$25,000) in gross receipts during the fiscal year; provided, however, that the information specified above for inclusion in an annual report must be furnished annually to all directors.

Section 5. Annual Statement of Certain Transactions and Indemnifications. As part of the annual report, or as a separate document if no annual report is issued, the Corporation shall annually prepare and furnish to each director a statement of any transaction or indemnification of the following kind within one hundred twenty (120) days after the end of the Corporation's fiscal year:

- A) Any transaction (i) in which the Corporation, its parent, or its subsidiary was a party; (ii) in which an "interested person" had a direct or indirect material financial interest; and (iii) which involved more than Fifty Thousand Dollars (\$50,000), or was one of a number of transactions with the same interested person involving, in the aggregate, more than Fifty Thousand Dollars (\$50,000). For this purpose, an "interested person" is either of the following:
 - a) Any director or officer of the Corporation, its parent, or subsidiary (but mere common directorship shall not be considered such an interest); or
 - b) Any holder of more than ten percent (10%) of the voting power of the Corporation, its parent, or its subsidiary. The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the Corporation, the nature of their interest in the transaction and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.
- B) Any indemnifications or advances aggregating more than Ten Thousand Dollars (\$10,000) paid during the fiscal year to any officer or director of the Corporation under Sections 1, 2 and 3 of Article VI, unless that indemnification has already been approved by the members under Section 5238(e) (2) of the California Corporations Code.

ARTICLE IX. CONSTRUCTION AND DEFINITIONS

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

ARTICLE X. AMENDMENTS

Section 1. Amendment by Board. Except as otherwise provided herein, and subject to the power of Directors to amend or repeal the Bylaws, these Bylaws may be altered, amended or repealed and new Bylaws may be adopted by an affirmative vote of a majority of the Directors present at any regular or special meeting, a quorum being assembled, provided that written notice of such meeting, setting forth in detail the proposed revision(s) and explanation(s) therefore, be given not less than 7 days prior to such meeting.

Section 2. Review by Board of Directors. These Bylaws shall be reviewed by the Board as needed.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting secretary of SAN LUIS OBISPO COUNTY VISITORS AND CONFERENCE BUREAU, INCORPORATED, a California nonprofit MUTUAL BENEFIT corporation, that the above Bylaws, consisting of fifteen (15) pages, are the Bylaws of this Corporation as adopted by the Board of Directors on _____, 2020 and that they have not been amended or modified since that date.

Executed on _____ day of _____, 2020 in San Luis Obispo, California.

_____, Secretary
Print

Sign

DRAFT

CERTIFICATE OF AMENDMENT
OF
ARTICLES OF INCORPORATION

The undersigned certify that:

1. They are the president and the secretary, respectively, of SAN LUIS OBISPO COUNTY VISITORS AND CONFERENCE BUREAU, INCORPORATED, DBA VISIT SLO CAL, a California corporation.

2. Article Three of the Articles of Incorporation of this corporation is amended to read as follows:

The specific purpose of this corporation is to promote tourism, destination management, economic development and common business interests in San Luis Obispo County.

3. The foregoing amendment of Articles of Incorporation has been duly approved by the board of directors.

4. The corporation has no members.

5. We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

DATE: _____

(TYPE NAME), President

(TYPE NAME), Secretary