PROPOSAL BY: Executive Committee (Presenter: Jon Liberman)

DATE: November 20, 2007

TITLE: Revision to By Law Section 8.8

SUMMARY: Our existing By Laws allow for addition to the Board if a member is incapacitated, die or resign. There is a fall back section 8.8 which permits a Special Meeting if the Board falls below our quorum level. This section mandates that we need all current Board Members in attendance. We recently had a situation where a board member had a serious illness and petitioned to take a leave of absence until January, 2008. Under this circumstance we could not use our current By Laws to reconstitute the Board Members. We had to petition DONE for relief. They have suggested that we change our Board By Laws. This proposal constitutes the wording that has been suggested by DONE.

FULL PROPOSAL:

To replace By Law Section 8.8 with the following provision:

8.8. If SORO NC lacks a sufficient number of board members necessary to establish a quorum, then the remaining board members, no less than six (6), are granted limited authority to conduct a public meeting and fill any vacant seats according to the restrictions or criteria that exist for the seat.

8.8.1 The public meeting to re-establish the quorum shall be conducted in accordance with the Brown Act, shall be attended by existing members of the board, and any vacant seat shall be filled by a majority vote. No other business shall take place at this public meeting.

8.8.2 Until such time as a sufficient number of vacancies have been filled that re-establish a quorum, those persons appointed to fill the vacant seats shall not participate or vote in the filling of vacancies.

8.8.3 After the quorum is established, the Neighborhood Council shall continue to fill any vacancies in accordance with the regular appointment procedure contained in Section 7.9.

8.8.4 If more than ¾ of the seats on the board are not re-appointed, then the remaining board members shall not be authorized to appoint any vacancies. The remaining board members shall be authorized to conduct an election necessary to conduct an election for the entire board. If there are no board members, then DONE may name the members for the election committee who shall then be authorized and have all the power necessary to conduct an election for all board seats.

PROS AND CONS, as expressed in committee meetings:

<table>
<thead>
<tr>
<th>Pro</th>
<th>Con</th>
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<tr>
<td>Allows for an orderly transition when Board Members leave or die.</td>
<td>None.</td>
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<tr>
<td>Can only be used when a quorum does not exist</td>
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<td>Has been previously reviewed by DONE and is acceptable to DONE</td>
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MOTION for the Board’s consideration, as proposed by Executive Committee
To adopt the revised wording for By Law section 8.8