HARBOR COMMUNITY BENEFIT FOUNDATION

Memo To: Eugene Seroka, Executive Director, Port of Los Angeles
From: Sean Hecht, Board Chair and President, Harbor Community Benefit Foundation
Date: May 20, 2015
Re: HCBF BYLAWS - AMENDMENT TO REMOVE THE OFFICER TERM LIMITS

INTRODUCTION

The HCBF Bylaws, adopted by the HCBF Board on July 1, 2011, establish a maximum 6-year term limit for its Directors, Section 7.3, while service as an officer is limited to 4 consecutive years, Section 9.2. The HCBF Board has approved an amendment to the Bylaws, to delete the limitation on service as an officer, subject to approval by the Board of Harbor Commissioners.

REQUEST

As stated in the HCBF Bylaws, Section 15.1, and in the Operating Agreement, Section 5.I, changes in the bylaws require approval by the Board of Harbor Commissioners, so long as HCBF is holding, receiving, or using Port Trust funds. The HCBF Bylaws establish a term limit for Officer service of no more than 4 years. By deleting this limit, there is no maximum term limit for Officers. This change allows for continuity of service.

HCBF hereby requests approval by the Board of Harbor Commissioners.

DISCUSSION:

The HCBF Board consists of 7 members, first elected to serve in May 2011. Its bylaws establish limits of up to three terms (either full or partial), for a maximum of six years. Elections are typically held in May. As indicated in the chart below, Director terms are staggered. As established in the Bylaws, all of the current officer appointments would terminate as of May 2015 without possibility of re-appointment. As proposed, officers could be re-elected for additional terms without limit.

HARBOR COMMUNITY BENEFIT FOUNDATION
OFFICERS As of MAY 2014

	NAME	APPOINTMENT/SELECTION	Maximum Director Term*	Maximum Officer Term*
Chair and President	Sean Hecht	Selected by UCLA & Appellants	May, 2016	May, 2015
Vice Chair	Michele Prichard	Mayor of LA Appointment	May, 2017	May 2015
Treasurer	Dr. Silvia Prieto	Selected by LA County Dept of Public Health & Appellants	May, 2015	May, 2015
Secretary	Jesse Marquez	TraPac Appellant (Wilmington)	May, 2017	May 2015

*Notwithstanding these term limitations, there need not be vacancies in these positions pending approval of this request, or pending the appointment or election of new Directors and Officers. Directors "shall hold office until the expiration of the term for which he or she was appointed or elected and until the appointment or election and qualification of a successor, or until that Director's earlier resignation or removal" (Bylaw 7.3) and each Officer "shall serve at the discretion of the Board until his or her successor shall be elected, or his or her earlier resignation or removal" (Bylaw 9.2).

HCBF BOARD ACTIONS:

May 19, 2014, the Board approved, by majority vote, the election of Officers for a one-year term:

Chair: Sean Hecht, fourth one-year term
Vice Chair: Michele Prichard, fourth one-year term
Secretary: Jesse Marquez, fourth one-year term
Treasurer: Dr. Silvia Prieto, fourth one-year term

January 23, 2015, the Board approved, by majority vote, an amendment to its Bylaws:

Board shall amend the Bylaws to remove the Officer Term Limits, subject to review and consent of the Board of Harbor Commissioners as set forth in Bylaws Section 15.1 and Operating Agreement Section 5.I.

TRANSMITTALS:

Board Resolution dated January 23, 2015

RESOLUTION _____

A Resolution of the Board of Directors of the Harbor Community Benefit Foundation Pursuant to the Foundation Bylaws Removing Officer Term Limits

Section 1. Findings.

A. Section 9.2 of the bylaws of the Harbor Community Benefit Foundation ("HCBF") limits the number of consecutive terms that officers may serve to four (4);

B. Section 15.1 of the HCBF bylaws authorizes the Board of Directors to amend the bylaws; and

C. The Board of Directors desires to remove the term limits applicable to officers.

Section 2. Amendment of Bylaws.

The last sentence of Section 9.2 of the bylaws, prescribing term limits of officers, is hereby deleted as reflected in Attachment A.

Section 3. Effectiveness.

This Resolution shall not take effect until such time as it has been reviewed and consented to by the Los Angeles Board of Harbor Commissioners.

I hereby certify that this Resolution was adopted on January 23, 2015, by the Board of Directors of the Harbor Community Benefit Foundation.

Jesse N. Marquez

Secretary, Jesse Marquez
Harbor Community Benefit Foundation

Attachment A

Amendment to Section 9.2 on Page 15 of the HCBF Bylaws

Section 9.2 Election of Officers

The Officers, except those appointed in accordance with Section 9.6.6, shall be elected by the Board at the annual meeting of the Corporation for a term of one year, and each shall serve at the discretion of the Board until his or her successor shall be elected, or his or her earlier resignation or removal.

Deleted: Officers may be elected for [4] four (4) consecutive terms.

Section 9.3 Removal of Officers

Subject to the rights, if any, of an Officer under any contract of employment, any Officer may be removed, with or without cause, (i) by the Board, at any regular or special meeting of the Board, or at the annual meeting of the Corporation, or (ii) by an Officer on whom such power of removal may be conferred by the Board.

Section 9.4 Resignation of Officers

Any Officer may resign at any time by giving written notice to the Corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any of the Corporation under any contract to which the Officer is a party.

Section 9.5 Vacancies in Offices

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 that such vacancies shall be filled as they occur and not on an annual basis. In the event of a vacancy in any office other than the President or one appointed in accordance with Section 9.6.6, such vacancy shall be filled temporarily by appointment by the President, or if none, by the Chairperson, and the appointee shall remain in office for 60 days, or until the next regular meeting of the Board, whichever comes first. Thereafter, the position can be filled only by action of the Board.

Section 9.6 Responsibilities of Officers

9.6.1 Chairperson of the Board

The chairperson of the Board (the "Chairperson"), if any, shall be a Director and shall preside at meetings of the Board and exercise and perform such other powers and duties as may from time to time be assigned to him by the Board or prescribed by these Bylaws. If the Board designates both a Chairperson and a President, the Board shall, by resolution, establish the specific duties carried by each position.

9.6.2 President

The president of the Corporation (the "President") shall, if there is no Chairperson, or in the Chairperson's absence, preside at meetings of the Board and exercise and perform such other powers and duties as may from time to time be assigned to him by the Board or prescribed by these Bylaws. If no other person is designated as the chief executive, the President shall, in addition, be the chief executive and shall have the powers and duties prescribed in Section 9.7.

9.6.3 Vice President

The vice president of the Corporation (the "Vice President") shall, in the absence or disability of the President, perform all the duties of the President and, when so acting, have all the powers of and be subject to all the restrictions upon, the President. The Vice President shall have such other powers and perform such other duties as may be prescribed by the Board.

9.6.4 Secretary

The secretary of the Corporation (the "Secretary") shall attend to the following:

[---End of Bylaws Page 15---]