

SAN LORENZO VALLEY WATER DISTRICT



BOARD OF DIRECTORS POLICY MANUAL 2017

ADOPTED

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1. MISSION STATEMENT

“Our mission is to provide our customers and all future generations with reliable, safe and high quality water at an equitable price; to create and maintain outstanding customer service; to provide modern infrastructure and pipes; to manage and protect the environmental health of the aquifers and watersheds; and to ensure the fiscal vitality of the San Lorenzo Valley Water District”.

Adopted by the Board of Directors of the San Lorenzo Valley Water District on June 2, 2000.

The mission of the San Lorenzo Valley Water District will be accomplished through the implementation of the following objectives:

OBJECTIVE I; STAFFING

Provide an efficient and adequate staff of employees and consultants, dedicated to the District mission and responsive to the Board. Provide staff and consultants with proper resources.

OBJECTIVE II; COMMUNICATIONS

Establish and maintain an environment that encourages the open exchange of ideas and information between Board members, staff and the public that is positive, honest, concise, understandable, responsive and cost-efficient.

OBJECTIVE III; EDUCATION

Develop and maintain comprehension and competence among the board members regarding issues that come before the Board of Directors and Staff. Ensure the District's customers are informed through timely communications in a variety of ways, regarding the benefits of safe operations, proper claims procedures, District operations; status of infrastructure; development of water resources and conservation.

2. AUTHORITY OF BOARD

- A) The Board of Directors shall act only at regular, regularly adjourned, or special meetings, as provided by State Law.

- B) The Board of Directors, acting as a whole, is the only entity that can act for the SLVWD and/or direct District staff to perform tasks.
- C) Until a quorum is present there can be no meeting of the Board of Directors. The presence of a minimum of 3 Board members is required to constitute a quorum of the Board of Directors.

3. CODE OF ETHICS AND CONDUCT

The Board of Directors of the San Lorenzo Valley Water District is committed to providing excellence in legislative leadership which results in providing the highest quality services to its constituents. The Board of Directors is expected to maintain the highest ethical standards, to follow District policies and regulation, and to abide by all applicable local, state and federal laws. Board of Directors conduct should enhance the integrity and goals of the District. In order to assist in the governing of behavior between and among members of the Board of Directors, the following rules shall be observed:

- A) The dignity, style, values and opinions of each Director shall be respected.
- B) Responsiveness and attentive listening in communications is encouraged.
- C) The needs of the District and its constituents shall be the priority of the Board of Directors.
- D) The primary responsibility of the Board of Directors is the formulation and evaluation of policy and strategy (the what, where, when, why and how much). Operational aspects of the District (the who—except on outside contracts—and how) are to be delegated to the District staff members.
- E) Directors should commit themselves to a forthright and candid discussion on all issues, particularly those that may be contentious or have a wide variety of opinions among the ratepayers and voters..
- F) Directors are encouraged to focus on issues and not personalities. The presentation of the opinions of others should be encouraged.
- G) Differing viewpoints are healthy in the decision-making process and to ensure that all viewpoints of the community are heard and understood prior to action. Individual Directors have the right and obligation to disagree with ideas and opinions, and are encouraged to do so within the guidelines herein. .
- H) Directors should practice the following procedures:
 1. In seeking clarification on informational items, Directors are encouraged to conduct research, including approaching the District Manager, to obtain information needed to supplement their knowledge and to improve legislative decision-making.

2. In handling complaints or inquiries from residents and property owners of the District, said complaints should be carefully listened to and then referred to the District Manager. The individual Board Member may follow up and, as appropriate, it may be followed up by the Board of Directors.
 3. In handling items related to safety concerns, hazards should be immediately reported to the District Manager. Emergency situations should be dealt with immediately by seeking appropriate assistance.
 4. In seeking clarification for policy-related concerns, especially those involving personnel, legal action, land acquisition, sale or development, finance, and programming, said concerns should be referred directly to the District Manager or, as appropriate, to the Board of Directors.
- I) When approached by District personnel concerning specific District policy, Directors should refer inquiries to the District Manager.
 - J) The work of the District is a team effort. All Board Members are encouraged to work together in conducting the affairs of the District.
 - K) When responding to constituent requests and concerns at board meetings, the Board President's discretion determines the amount of time for comments. Specific questions or concerns may be directed to the District Manager for future action by the Board or staff. Directors should be courteous, responding to individuals in a positive manner and routing their questions through appropriate channels and to responsible management personnel.
 - L) Directors are encouraged to develop a working relationship with the District Manager wherein current issues, concerns and District projects can be discussed candidly and openly.
 - M) Directors should function as a part of the whole. Issues should be brought to the attention of the Board of Directors as a whole, rather than to individual members selectively.
 - (N) Unless authorized by the Board to speak on behalf of the Board and/or District, Individual Board) Members are encouraged to disclaim, as part of their individual interaction with public, press and/or other entities, that they speak only for themselves as an individual Board Member.
 - O) Directors are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.
 - P) The Board will further inform itself, individually and collectively, through ongoing outreach to determine community wishes and through continuing education on issues relevant to the District.
 - Q) Continual Board development will include orientation of new Board members in the Board's governance process and periodic Board discussion of process improvement.

- R) Conflicts of Interest may arise under a wide variety of circumstances. Directors should refer to the Conflicts of Interest policy for detailed guidance. If a Director is presented with an action item in a board meeting which may, or does present a conflict of interest, that Director shall state the nature of their conflict, shall recuse themselves from discussion and action on that issue and shall remove themselves from the room while the remainder of the Board discusses and takes action on that item.

4. ETHICS TRAINING

Pursuant to California Government Code section 53234 et seq. or as amended, all Directors shall receive two (2) hours of training in general ethics principles and ethics laws relevant to public service within one (1) year of election or appointment to the Board of Directors, and at least once every two (2) years thereafter. All ethics training shall be provided by entities whose curriculum has been approved by the California Attorney General and the Fair Political Practices Commission. The District Manager and any other employee(s) of the District designated by the Board of Directors shall also receive the ethics training specified herein. The District shall maintain records indicating the name of the entity that provided the training and the dates ethics training was completed. Records shall be maintained for a period of at least five (5) years after the date on which the training was received. These records are public records subject to disclosure under the California Public Records Act.

5. GOVERNING LAWS

The Board of Directors shall comply with and shall be guided by applicable provisions of Federal laws; State laws, including but not limited to the Water Code, Government Code, Section 1090 of the Government Code, Elections Code and Public Resources Code; this Policy Manual, and the rules and regulations of the District as established by the motions, resolutions and ordinances enacted by the Board of Directors. Motions, resolutions and ordinances may be enacted by the Board in accordance with Water Code section 30523 or as amended.

6. ELECTION OF OFFICERS

There shall be two (2) officers: a president and a vice president, who shall be members of the District Board of Directors. Election of officers shall be held at the Board of Directors meeting in December of each calendar year. Officers will serve for a one (1) year term. Elections will conform to the applicable provisions of this Policy Manual.

7. ROLE OF THE BOARD POWERS, DUTIES AND FUNCTIONS

A) POWERS

The Board of Directors is responsible for the establishment of policy and general control of the District. This broad authority shall be exercised in accordance with all applicable federal, state and local laws and regulations. The Board of Directors may execute any powers delegated by law to the District, and shall discharge any duty imposed by law upon the District.

The enabling codes established by the California State Legislature empowers the Board of Directors to have broad authority and flexibility in carrying out financial programs and activities which meet its individual needs, provided these programs or activities are not in conflict with, inconsistent with, or preempted by law.

B) DUTIES

The primary duties of the Board of Directors are as follows:

1. Take action at legal meetings.
2. Establish and periodically review written policies for District operation and administration.
3. Be responsible for all District finances.
 - a. Approve fiscal budget.
 - b. Monitor spending.
4. Set rates, fees and charges for District services.
5. Personnel
 - a. Hire and discharge General Manager and Legal Counsel.
 - b. Annually evaluate the General Manager and Legal Counsel in a regular and systematic manner, based on General Manager's annual goals and objectives and general counsel's (what... contract? Does the board set out goals and objectives or performance criteria for legal counsel? What shall be the basis for Legal Counsel's review?).
6. Establish written policy on how Board of Director's Meetings are conducted.
7. Review and revise the Master Plan for the District.
8. Ratify committee appointments made by the President.

9. Establish Director compensation limits.

C) FUNCTIONS

The powers and duties of the Board of Directors include governance, executive and quasi-judicial functions. These relate to the Board's own operations as a governing body and to all functions of the District.

1. GOVERNANCE FUNCTIONS

To fulfill its responsibility, the Board is committed to establishing policies to govern District activities. The Board of Directors shall consider and approve or disapprove matters submitted to it by a Director, Staff or the public. The Board of Directors shall prescribe rules for its own governance which are consistent with its "enabling code" or by Federal or State Laws and regulations.

2. EXECUTIVE FUNCTIONS

The Board of Directors is authorized to delegate any of its powers and duties to an officer or employee of the District. The Board of Directors; however, retains ultimate responsibility over the performance of those powers or duties so delegated.

3. QUASI-JUDICIAL FUNCTIONS

The Board of Directors desires that public complaints be resolved at the lowest possible administrative level. The method of resolving public complaints shall be as follows:

- a. The individual with a complaint shall first discuss the matter with the District Manager. If this individual registering the complaint is not satisfied with the disposition of the complaint by the District Manager, said complaint may be filed with the Board of Directors.
- b. The Board of Directors may consider the matter at a subsequent regular meeting or call a special meeting. The Board of Directors will expeditiously resolve the matter.
- c. This policy in no way prohibits or intends to deter a member of the public from appearing before the Board of Directors to present a verbal complaint or statement in regards to actions of the Board of Directors, District programs or services, or impending considerations of the Board of Directors.

8. ROLE OF INDIVIDUAL DIRECTORS

The Board of Directors is the unit of authority for the District. Apart from their normal function as a part of this unit, individual Directors do not have the individual authority to commit the District to any policy, act or expenditure unless duly authorized by the Board of Directors acting as a whole. Nor may an individual Director direct staff to perform specific duties unless duly authorized by the Board of Directors. Directors do not represent any fractional segment of the constituency, but are, rather, a part of the body which represents and acts for the constituency as a whole.

- A) Each Director has the right to place an item on a subsequent Board of Directors Meeting. The deadline for submittal of an agenda item by a Director shall be the preceding Wednesday at 5:00 p.m. before the scheduled Board of Directors meeting date at the office of the District Secretary. Agenda item requests received after the submittal deadline for a specific agenda will be added to the next following regularly scheduled agenda.
- B) Directors will make every effort to attend assigned Board of Directors and Committee meetings:
 - 1. To prepare adequately for each such meeting;
 - 2. To observe the meeting rules as set forth herein; and
 - 3. Whenever any individual Directors will be absent or late for a Board of Directors or Committee meeting said Director shall notify the District Secretary or Board President at the earliest opportunity.
- C) When requesting information from staff, Directors shall contact the District Manager. When responding to constituent requests and concerns, Directors should reroute such inquiries to the District Manager.
- D) Each Director shall decide individually on what contact information will be released by District staff to the general public. In order to accomplish this in an orderly and consistent manner, each Director shall provide the District Secretary with a completed and signed Director Contact Authorization Form. Directors shall be responsible for any and all updates and amendments to said Director Contact Authorization Form.

9. BOARD OF DIRECTORS MEETINGS

A) REGULAR TIME AND PLACE OF MEETINGS

Regularly scheduled meetings of the Board of Directors shall be held, on the third (3rd) Thursday of each month at 5:00 pm; at the District Operations Building, 13057 Highway 9, Boulder Creek, CA, unless otherwise specified by action of the Board of Directors. Special meetings of the Board of Directors, as that term or its successor terms are defined within the meaning of the Ralph M. Brown Act (California Government Code section 54950 et seq.), may be duly authorized and held as

deemed necessary by the President or a majority of the Board of Directors. Notice and location of special meetings shall be as prescribed by law. Emergency meetings of the Board of Directors, as that term or its successor terms are defined within the meaning of the Ralph M. Brown Act, may be duly authorized and held as deemed necessary only by a majority of the Board of Directors. Notice and location of emergency meetings shall be as prescribed by law.

B) PUBLIC NATURE OF MEETINGS

All meetings of the Board of Directors shall be open to the public, except when the Board is convened in Closed Session as authorized under provisions of the Ralph M. Brown Act (California Government Code section 54950 et seq.).

C) QUORUM AND VOTING REQUIREMENTS

The presence of three (3) or more Directors shall constitute a quorum for the transaction of District business. No ordinance, resolution or motion shall be passed by the Board of Directors without a majority vote of the Board, unless

otherwise required or prescribed by State law. (See for example, Government Code section 54954.2, Board Policy Manual subparagraph K, below.)

D) BOARD ACTION

The Board of Directors shall act only by ordinance, resolution, or motion. Except where action is taken by the unanimous vote of all Directors present and voting, the ayes and noes shall be taken upon the passage of all ordinances, resolutions or motions and shall be entered in the minutes. An ordinance does not require two readings at separate meetings unless otherwise prescribed by law. Unless otherwise provided by its own terms, all ordinances, resolutions and motions shall become effective upon adoption. Any member of the Board of Directors, including the President, can make a motion. Motions require seconds. The President may vote on all motions unless disqualified or abstaining. The President shall not call for a vote on any motion until sufficient time has been allowed to permit any and all members of the Board of Directors to speak. Complex motions should generally be prepared in writing and read aloud to the members of the Board of Directors at the time the motion is made. If a motion is not in writing, and if it is necessary for full understanding of the matter before the Board of Directors, the President shall restate the question prior to the vote. Common motions may be stated in abbreviated form, and will be put into complete form in the minutes. Until the President states the question, the maker may modify their motion or withdraw it completely. However, after the President has stated the question, the motion may be changed only by a motion to amend which is passed by a majority vote of the Board of Directors.

The President of the Board may at any time, during debate or otherwise, declare a recess. Declaration of a recess shall not be subject to any motions.

E) PARLIAMENTARY PROCEDURES

Unless otherwise inconsistent with any provision stated herein, Parliamentary Procedure for Board of Directors meetings shall be based upon the current edition of Sturgis Standard Code of Parliamentary Procedure. No action of the Board of

Directors shall be deemed invalid for the reason that said action was not in conformance with Sturgis Standard Code of Parliamentary Procedure.

F) ROUTINE BUSINESS

Matters of routine business such as approval of the minutes and approval of minor matters may be expedited by assuming unanimous consent of the members of the Board of Directors and having the President state that without objection the matter will stand approved. Should any Director object to such unanimous consent, the President shall then call for a vote.

G) ORDERLY DISCUSSION

In order to promote discussion of the issues before the Board of Directors, each Director shall be recognized by the chair before speaking. Notwithstanding any provision of this Policy, however, each Director shall have a right to be heard within reason on any issue before the Board of Directors. Each Director may seek information or comment by the staff on any question.

H) CLOSED SESSION

Except as provided by law, all proceedings in Closed Sessions shall remain confidential.

I) MEETING AGENDAS

The District Manager, in consultation with the Board President, shall be responsible for the preparation of a written agenda for each regular meeting and/or special meeting of the Board of Directors as those terms or its successor terms are defined by the Ralph M. Brown Act (California Government Code section 54950 et seq.). The District Manager and the Board President shall meet, annually, in January of each calendar year to identify recurring items of business which should be placed on written agendas at appropriate times during the coming year. The District Manager, in consultation with the President, shall be responsible for the preparation of a written agenda for each regular meeting and/or special meeting of "other legislative bodies," of the San Lorenzo Valley Water District, as those terms or its successor terms are defined by the Ralph M. Brown Act. Any Director may request that an item be placed on the agenda for a regular meeting of the Board of Directors. The District Secretary shall be responsible for the posting of the appropriate notice and agenda for all meetings of the Board of Directors and/or "other legislative bodies."

A copy of the agenda for each regular meeting of the Board of Directors shall be forwarded to each Board member, at least three (3) days in advance of each regular meeting, together with copies of all applicable supporting documentation; minutes to be approved; staff report; and other available documents pertinent to the meeting. Directors shall review agenda materials before each meeting. Individual directors may confer directly with the District Manager to request additional information on the agenda items.

J) ORDER OF BUSINESS

As a practice for normal business. The Board President may rearrange this order at any time.

1. Convene Meeting, Roll Call.
2. Additions and Deletions to Agenda.
3. Oral Communications Related to Closed Session
4. Adjournment to Closed Session.
5. Reconvene to Open Session at 6:30 PM (time-certain).
6. Report Actions Taken in Closed Session.
7. Additions and Deletions to Agenda.
8. Oral Communications.
9. Written Communications.
10. Consent Agenda.
11. Unfinished Business.
12. New Business.
13. General Manager Reports.
 - a. Manager Reports.
 - b. Committee/Director Reports.
14. Informational Material.
15. (If applicable) Adjournment to Closed Session.

16. (If applicable) Reconvene to Open Session to Report Actions Taken in Closed Session.
17. Adjournment

K) ADDITIONS AND DELETIONS TO AGENDA

Additions to the Agenda, if any, shall be made in accordance with California Government Code Section 54954.2 or as amended (Ralph M. Brown Act), which includes, but is not limited to, additions for which the need to take action is declared to have arisen after the agenda was posted, as determined by a two-thirds vote of the Board of Directors. If less than two-thirds of the members are present a unanimous vote of those members present is required.

L) ORAL COMMUNICATION

The Board of Directors encourages public participation. The Oral Communications portion of the agenda is reserved for citizen communication on matters not otherwise on the agenda. Any person may address the Board of Directors on any subject that lies within the jurisdiction of the District during this portion of the agenda. Unless otherwise altered by the President or presiding officer, individual citizen communication during the Oral Communication portion of the agenda shall not exceed three (3) minutes in length and individuals may only speak once. The Ralph M. Brown Act (Section 54954.3 or as amended) prohibits any action being taken by the Board of Directors on any Oral Communications presented; however, the Board of Directors may request that the matter be placed on a future agenda. Each person addressing the Board of Directors shall be requested, but not required, to give his or her name and town of residence for the record, and designate the subject matter. Citizens may also address the Board of Directors on specific agenda items, including those on the consent agenda, only after first obtaining recognition by the President or presiding officer. Participation by interested

citizens on specific agenda items is subject to orderly procedure, including time limits and decorum established under the authority of the President or presiding officer and applicable law.

All communications by interested citizens, whether during Oral Communications, or other items on the agenda, shall be addressed to the Board of Directors as a single body and not to individual Board members, staff or members of the audience. **No person other than the Board of Directors and the person having the floor shall be permitted to enter into discussion, either directly or through a director, without the permission of the President or presiding officer.** No member of the public shall approach the Board of Directors table while the Board is in session unless granted permission by the President or presiding officer. Proper decorum must be observed by Directors, staff, speakers and the audience. The President or presiding officer shall preserve order and decorum, discourage personal attacks, and confine debate to the question under discussion. The President or presiding officer, or a majority of the board, may eject from a meeting any person who becomes disorderly, abusive, or disruptive, or who fails or refuses to obey a ruling of the president regarding a matter of order or procedure. The President shall rule out of order any irrelevant, repetitive or disruptive comments. No audible cell phone operation or audible pager use is allowed in the Board of Directors chambers.

M) CONSENT AGENDA

The purpose of a consent agenda is to minimize the time required for the handling of any non-controversial matters. Consent agenda items are considered to be routine and non-controversial, with documentation provided to the Board of Directors that is adequate and sufficient for approval without inquiry or discussion. Any item on the consent agenda will be moved to the regular agenda upon request from individual Directors or a member of the public. Unless moved to the regular agenda, the consent agenda shall be voted upon as one single item without discussion or debate.

N) STUDY SESSIONS

Study sessions or workshop meetings are for the purpose of discussing an item(s) that may come before the Board at a later time for official action, to facilitate planning, or discussion of special topics of interest. Study sessions provide a more informal forum for the Board of Directors, staff and the public to engage in open-ended discussion and share information on a particular subject(s). No formal action(s) can be taken at a study session; direction can be given to staff regarding preparation of an agenda item for discussion and possible action at a subsequent meeting. From time to time, study sessions may be duly authorized as deemed necessary by the President or a majority of the Board.

O) WRITTEN CORRESPONDENCE

The Written Correspondence portion of the agenda is established to act as a report of written materials received by the Board as a whole, but may also include items requested for inclusion by individual Directors or members of the public. Written Communications which require no official actions by the Board of Directors may be listed only by title and date received, and not presented in its entirety. Written

Correspondence not presented in its entirety will be maintained by the District Secretary for a period of two (2) years.

10. TECHNOLOGICAL CONFERENCING

Teleconferencing may be used for all purposes in connection with any meeting within the subject matter jurisdiction of any legislative body of the District. Teleconferencing is defined as a meeting of a legislative body of the District, the members of which are in different locations, connected by electronic means, through either audio or video, or both. If a legislative body of the District elects to use teleconferencing, it shall comply with all applicable requirements of the Ralph M. Brown Act (Section 54953, or as amended.)

11. PRESIDENT

A) DUTIES

The President shall sit as presiding officer and conduct all meetings of the Board of Directors, shall carry out the resolution and orders of the Board of Directors and shall exercise such other powers and perform such other duties as the Board of Directors shall prescribe; including the following:

1. Call the meeting to order at the appointed time.
2. Announce the business to come before the Board of Directors in its proper order.
3. Enforce the Board of Directors policies and rules with respect to the order of business and the conduct of meetings.
4. Recognize persons who desire to speak, and protect the speaker who has the floor from disturbance or interference.
5. Explain what the effect of a motion would be if it is not clear to every member of the Board of Directors.
6. Restrict discussion to the question when a motion is before the Board of Directors.
7. Rule on parliamentary procedure.
8. Put motions to a vote, and state clearly the results of the vote.

B) RESPONSIBILITIES

The President shall have all the rights to discuss and vote on any issues before the Board of Directors. The President shall have the following responsibilities:

1. Sign all instruments, acts, and carry out stated requirements and the will of the Board of Directors.
2. Consult with the District Manager on the preparation of the Board of Directors agendas. In addition, any Director shall have the right to place any matter on the agenda for any meeting in accordance with the provisions of this policy.
3. Appoint and disband all committees, subject to Board of Directors approval.
4. Call such meetings of the Board of Directors as they may deem necessary, giving notice as prescribed by law.
5. Confer with the District Manager and/or District Counsel on matters which may occur between Board of Directors meetings.
6. Be responsible for the orderly conduct of all Board of Directors meetings.
7. Act as spokesperson for the Board of Directors.
8. Coordinate and prepare the Board of Directors annual evaluation of the General Manager and Legal Counsel.
9. Other duties as authorized by the Board of Directors.

12. VICE-PRESIDENT

When the President resigns or is absent or disabled, the Vice President shall perform the President's duties. When the President disqualifies himself/herself from participating in an agenda item, the Vice-President shall perform the duties of the presiding officer.

13. MINUTES

Minutes of all regularly scheduled Board of Directors meetings will be audio recorded. Said audio record shall be subject to inspection in accordance with State Laws, including the California Public Records Act.

14. COMMITTEES

The Board shall organize committees that are advisory to the Board with regard to matters within their respective areas of responsibility.

The five District standing committees are as follows: Administrative, Budget & Finance, Engineering, Environmental and Lompico Assessment District Oversight. Each standing committee shall have no power or authority to commit the District or to take any action on behalf of the Board of Directors. Standing Committees shall hold meetings at such times as deemed necessary by consensus of the committee members which, as allowed above, may also include teleconference meetings. Committees are encouraged to meet at least monthly.

Committee meetings shall be held in accordance with the provisions of the Ralph M. Brown Act. In order to promote attendance by Directors at Committee meetings without inadvertently creating a violation of the Ralph M. Brown Act, Directors that are not members of a committee may attend as observers, but shall not participate at the Committee's meeting.

Committee appointments will be reviewed by the full Board at the Board of Director's meeting in December of each Calendar Year, or as soon thereafter as practical. Applications to serve as a Public Member will be available at the District's Office or on-line at the District's website (www.slwvd.com). Public Member Applications will be reviewed by the full Board. Each committee member shall be appointed by a simple majority vote of the Board.

Administrative, Budget & Finance, Engineering, Environmental Committees may have no more than two Board Members and no more than one Public Member. During the appointment discussion each Director may present a public member to serve on each committee; Administrative, Budget & Finance, Engineering, Environmental Committees. If more than one public member is presented to serve on an individual committee, the full Board shall vote to determine which public member shall be seated on that committee for the year.

The Lompico Assessment District Oversight Committee may have no more than five Public Members. Public members serving on the Lompico Assessment District Oversight Committee shall have a residential mailing address within Assessment District 2016-1.

Members of the committees serve at the pleasure of the Board. Each committee shall designate their own chairperson. For the Administrative, Budget & Finance, Engineering and Environmental Committees the chairperson shall be a member of the Board. Each committee may elect a vice- chairperson. Members of committees, including the chairperson and vice-chairperson shall serve until their successors are appointed. The chairperson of a committee is its presiding officer and shall be responsible for communicating the recommendation of the committee to the Board. In the absence of the chairperson, the vice-chairperson shall perform the duties of the chairperson. The chairperson and vice-chairperson are not deprived of any of the rights and privileges of a committee member by reason of being the presiding officer.

A majority of the members of each committee shall constitute a quorum for the transaction of business. Only members of the committee are entitled to make, second or vote on any motion or other action of the committee. Each committee member shall be entitled to one vote on all matters considered by the committee. A simple majority vote of the members of the Committee shall designate approval of a motion.

During the first regular meeting after January 1st of each year, each Committee shall review the District's current Strategic Plan and identify Strategic Plan Elements pertaining to said Committee. The Committee's findings regarding such Strategic Plan review shall be reported back to the Board at the next available regular Board Meeting for discussion and to allow the Board to provide direction back to the committees regarding completion of identified Strategic Plan Elements.

During the first regular meeting after January 1st of each year, each Committee shall prepare a multi-month forward looking calendar of items to be discussed by said Committee. Said calendar shall be no less than a three month look-ahead. Each Committee chairperson shall maintain said look-ahead calendar and submit same to the Board on a monthly basis.

The committee Chairperson shall record summary minutes of each committee meeting. The minutes of each committee meeting and any recommendation of a committee shall include a summary of the information presented.

All committee member absences will be considered by the majority of the committee members to determine whether or not the absence is without cause. Sickness, jury duty, vacation and/or bereavement will be considered excused absences. When three meetings in a row or a total of six meetings in one calendar year are missed the remaining committee members will consider removal of the individual from the committee. The removal must be voted upon and approved by the majority of the committee members with the exception of the committee member in question.

Vacancies shall be reported to the full Board as soon as practically possible. Vacancies shall be filled by simple majority vote of the Board.

Committee Members shall comply with the obligations and responsibilities of office including the obligation to comply with the disclosure requirements of the Political Reform Act (Form 700). The reporting categories made applicable to the Directors by San Lorenzo Valley Water District's local conflict of code shall apply to the members of the committee members.

All committee communications must go through the designated committee chairperson.

A committee has jurisdiction to consider and make a recommendation to staff, other committees and to the Board regarding any item of business within the responsibility of the committee. Committee recommendations shall be communicated to the Board. A committee may consider other matters referred to it by the Board.

The Board may refer a recommendation back to any committee for reevaluation whenever the Board deems additional evaluation is required.

Each Standing Committee shall, as a minimum, be responsible for the following:

Administrative Committee

The Committee shall be responsible for matters of internal and external administrative matters including: communications, staffing and staff support; District's data gap grant programs;

interagency relations; codes and policies, pending State and Federal legislation; and other administrative programs.

Budget and Finance Committee

The Committee shall be responsible for the review of District finances including: rates, fees, charges and other sources of revenue; budget and reserves; audit; investments; insurance; and other financial matters.

Engineering Committee

The Committee shall be responsible for the review matters of design, construction, replace and repair of the District facilities and property including: The Capital Improvement Program; Master Plans and other engineering, operational and planning related matters.

Environmental Committee

The Committee shall be responsible for matters of stewardship of the District's property including: Urban Water Management Plans; Water Conservation Programs; Classis Watershed Education Grants; Watershed Management; Resource Management and other environmental related matter.

Lompico Assessment District Oversight Committee

The Committee shall be responsible to review matters of revenue and expenses directly related to Assessment District 2016-1 projects.

15. MEETING STIPENDS

Each Director may receive compensation as established by resolution of the Board of Directors. Pursuant to California Water Code section 30507, each Director may receive compensation in an amount not to exceed one hundred dollars (\$100.00) per day for each day's attendance at meetings of the Board, or for each day's service rendered as a Director by request or approval of the Board, not to exceed six hundred dollars (\$600.00) in any calendar month.

Consistent with California Water Code section 30507, by resolution of the Board of Directors, the District has established the following per day (daily meeting stipend) for each day's attendance at meetings, as defined herein. Such compensation is in addition to any approved reimbursement for meals, lodging, travel and other expenses consistent with the policies stated herein.

- a) To be entitled to a daily meeting stipend of one hundred dollars (\$100.00), the event in question must constitute one of the following:
 1. A meeting of the San Lorenzo Valley Water District Board of Directors within the meaning of California Government Code section 54952(a); or
 2. Any meeting attended or service provided on a given day at the formal request of the District Board of Directors, and for which the Board at a public meeting approved payment of a daily meeting stipend.

- b) To be entitled to a daily meeting stipend of twenty five dollars (\$25.00), the event in question must be a meeting of a designated District standing committee within the meaning of California Government Code section 54952(b). Only Directors appointed to the District standing committees shall be entitled to said daily meeting stipend.

16. TRAINING, EDUCATIONAL PROGRAMS, CONFERENCE AND MEETINGS

The Board of Directors has determined that the following provisions shall be applicable to Director training, educational programs, conferences and meetings:

- A) Directors are encouraged to attend educational conferences and professional meetings when the purposes of such activities are to improve District operation. Directors may attend, on behalf of the District, such training, educational programs, conferences and meetings as have been approved by the Board of Directors.
- B) It is the policy of the District to encourage Board development and excellence of performance by reimbursing necessary and reasonable expenses incurred for tuition, travel, lodging and meals as a result of training, educational courses, participation with professional organizations, and attendance at local, state and national conferences associated with the interests of the District. Cash advances or use of District credit cards for these purposes is not permitted. All reimbursement of actual and necessary expenses shall be pursuant to District policy on expenditure reimbursement as stated herein.
- C) Attendance by Directors at seminars, workshops, courses, professional organization meetings, and conferences etc. shall be approved by the Board of Directors at a public meeting prior to incurring any authorized reimbursable costs.
- D) The District Manager or designee is responsible for making arrangements for Directors for conference and registration expenses, and for per diem. Per Diem, when appropriate, shall include reimbursement of expenses for meals, lodging, and travel. All expenses for which reimbursement is requested by Directors, or which are billed to the District by Directors, shall be submitted to the District Manager, together with validated receipts.
- E) To conserve District resources and keep Directors' reimbursement expenses for training, educational programs, conferences and meetings within community standards for public officials, reimbursement expenditures should adhere to the following guidelines. Expenses to the District for Board of Directors' training, education programs, conferences and meetings should be kept to a minimum by:
 - 1. Utilizing hotel(s) recommended by the event sponsor in order to obtain discounted rates, unless other accommodations are less expensive.

2. Traveling together whenever feasible and economically beneficial.
 3. Requesting reservations sufficiently in advance, when possible, to obtain discounted air fares and hotel rates.
- F) A Director shall not attend a conference or training event for which there is an expense to the District if it occurs after the Director has announced a pending resignation, or if it occurs after an election in which it has been determined that a Director will not retain a seat on the Board. A Director shall not attend a conference or training event when it is apparent that there is no significant benefit to the District.
- G) Whenever a Director who has not previously attended a particular conference or educational program is available to attend same, that Director shall have preference for attendance over a Director who has previously attended the same program.
- H) Upon returning from seminars, workshops, conferences, etc., where expenses are reimbursed by the District, Directors will either prepare a written report for distribution to the Board, or make a verbal report during the next regular meeting of the Board. The report shall detail what was learned at the session(s) that will be of benefit to the District. Materials from the session(s) may be delivered to the District office to be included in the District library for the future use of other Directors and staff.
- I) Nothing in this policy shall permit the conduct of business in violation of the Ralph M. Brown Act when more than three (3) Directors attend the same event.

17. EXPENDITURE REIMBURSEMENT

The purpose of this policy is to prescribe the manner in which Board of Directors may be reimbursed for expenditures related to approved District business. The District shall adhere to California Government Code sections 53232 through 53232.4 or as amended when dealing with issues of expenditure reimbursements for Directors. This policy shall apply to all members of the Board of Directors, and is intended to result in no personal gain or loss to a Director.

Directors may be reimbursed for out-of-pocket expenditure(s) relative to reasonable and necessary costs associated with appropriate District business. The Board of Directors must provide approval for said District business at a public meeting prior to incurring any authorized reimbursement costs.

Directors are eligible to receive reimbursements for travel, meals, lodging, and other reasonable and necessary expenses associated with approved District business. Reimbursement rates shall coincide with guidelines established herein, or rates set by Internal Revenue Service Publication 1542 or its successor publication(s), whichever

are greater.

If lodging is in connection with a prior approved event, such lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor. If the published group rate is unavailable, Directors shall be reimbursed for comparable lodging at government or IRS rates.

If travel is in connection with a prior approved event, the most economical mode and class of transportation reasonably consistent with scheduling needs must be used, using the most direct and time-efficient route. Directors shall use government or group rates offered by the event provider of transportation when available. If the group rate is unavailable, Directors shall be reimbursed for comparable travel at government or IRS rates.

Directors shall submit their requests for reimbursement on a form approved by the District Manager. The reimbursement form shall include an explanation of the District-related purpose for the expenditure(s). Receipts documenting all expenditure are required to be submitted in conjunction with the expense report form. Failure to submit necessary receipts will result in denial of the reimbursement claim. Expense reports shall be submitted within a

reasonable time, and at no time more than fourteen (14) calendar days after incurring the expense. The District Manager will review and approve reimbursement requests.

Any and all expenses that do not fall within the adopted travel reimbursement policy or the IRS reimbursable rates are required to be approved by the Board of Directors in a public meeting prior to the expense(s) being incurred. Expenses that do not adhere to the adopted travel reimbursement policy or the IRS reimbursable rates, and that do not receive prior approval from the Board of Directors in a public meeting prior to the expense being incurred, shall not be eligible for reimbursement.

State law provides criminal penalties for misuse of public resources, which includes falsification of expense reports. Penalties include fines, imprisonment, and restitution.

18. PERSONNEL POLICIES

A) PERSONNEL SYSTEM RULES AND REGULATIONS

San Lorenzo Valley Water District is committed to the provision of an orderly, equitable and uniform personnel system. The Board of Directors by resolution shall establish written rules and regulations for the administration of the personnel system. Personnel system rules and regulations shall be reviewed at the Board of Directors meeting in December of each calendar year or as soon thereafter as reasonable.

B) SEXUAL HARASSMENT

The San Lorenzo Valley Water District is committed to creating and maintaining a work environment free of objectionable and disrespectful conduct and/or

communication of a sexual nature and prohibits sexual harassment by all employees and the Board of Directors. The Board of Directors by resolution shall establish a written policy and procedure manual relative to sexual harassment. The District's sexual harassment policy shall be reviewed at the Board of Directors meeting in December of each calendar year or as soon thereafter as reasonable.

Conduct which creates an intimidating, hostile or offensive work environment will not be tolerated. Verbal behavior, physical behavior, gestures and other non-verbal behavior which create said environment will not be tolerated. Any employee or member of the public who feel that they have been or are being harassed by a Director is strongly encouraged to immediately report such incident to the District Manager without fear of reprisal regardless of the outcome of the complaint. The District Manager shall assign the investigation of the alleged misconduct to an outside party such as an attorney or law firm experienced in such matters. The District Manager shall notify the President of the Board of Directors of said alleged misconduct. Thereafter, the President, at the next meeting of the Board of Directors, shall report the facts and nature of the allegations to the entire Board of Directors.

If the Director charged with sexual harassment is the President of the Board of Directors, the District Manager shall report the fact and nature of the allegation(s) to the entire Board of Directors at its next meeting.

If an allegation of sexual harassment against a Director is investigated and found to be supported, the Board of Directors reserves the right to take such remedial action as is appropriate under all of the circumstances, including, if warranted, initiating an action for recall of such Director. The Directors agree that an accusation of sexual harassment against any one of them must be investigated. It is further agreed that such an investigation is not an invasion of their right of privacy.

C) NONDISCRIMINATION

The District shall not discriminate against qualified employees or job applicants on the basis of age, sex, race, color, creed, religion, national origin, ancestry, marital status, sexual orientation, physical or mental disability, veteran status, or status with regard to public assistance. Equal opportunity shall be provided to all qualified employees and applicants in every aspect of personnel policy and practice.

All employees are expected to carry out the responsibilities in a manner that is free from discriminatory statements or conduct.

D) REASONABLE ACCOMMODATION-AMERICANS WITH DISABILITIES ACT

Pursuant to the Americans with Disabilities Act, employers have a duty to reasonably accommodate employees and job applicants with known disabilities. This accommodation is not required for individuals who are not otherwise qualified for the job nor is accommodation generally required until the person with the disability requests it. The following optional regulation includes procedures recommended by the Equal Employment Opportunity Commission for use when determining what accommodation to make.

Requests for reasonable accommodation may first be considered informally by the site administrator. If an accommodation cannot be made at the site because it would impose undue hardship or because of a lack of funds, the site administrator shall ask that the request be submitted in writing to the General Manager. The site administrator shall provide the employee or applicant with any assistance he/she may need in order to submit this request.

The duty to reasonably accommodate an individual with a disability is limited to those accommodations which do not impose an undue hardship upon the district.

Undue hardship is determined on a case-by case basis and includes any action that is unduly costly, extensive, substantial, disruptive, or that fundamentally alters the nature or operation of the agency. The burden of proving undue hardship rests with the agency, and what may be an undue hardship for one agency may not be

an undue hardship for another, depending on factors such as cost and agency size. Even if cost does pose an undue hardship, the disabled person should have the opportunity to pay for the portion of the cost that constitutes an undue hardship, or to personally provide the accommodation.

19. CONFLICT OF INTEREST CODE

Pursuant to provision of California Government Code section 81,000 et seq., commonly known as the Political Reform Act, the District shall adopt and maintain a Conflict of Interest Code. The Conflict of Interest Code and, any amendments thereto shall be adopted by resolution of the Board of Directors. The Board of Directors shall review the adopted Conflict of Interest Code on a bi-annual basis. At a regularly scheduled Board of Directors meeting in September of each even-numbered year, the Board of Directors shall review its Conflict of Interest Code and, if amendments are needed, shall submit said amendments to the Santa Cruz County Board of Supervisors in accordance with applicable deadlines. If no amendments are needed, the Board of Directors shall submit a written statement saying that its Conflict of Interest Code is still accurate.

20. RESIGNATIONS

Resignations by Directors shall be in writing, state the effective date and be submitted to the President of the Board of Directors and District Secretary. In the event the President of the Board of Directors resigns, the resignation shall be submitted to the Vice-President of the Board of Directors and the District Secretary.

21. VACANCIES

Directors are expected to carry out their responsibilities to the best of their abilities. In order to accomplish this goal, Directors should be present for scheduled meeting or events whenever possible. In accordance with California Government Code section 1770 a Director position vacancy will occur whenever "he or she ceases to discharge the duties of his or her office for the period of three consecutive months, except when prevented by sickness", or when absent from the Board of Directors without the permission of the majority of the Board of Directors.

If such vacancy occurs, the Board of Directors will take action in accordance with California Government Code section 1770.

In order to accomplish this in an orderly and consistent manner, when a vacancy of an elected Director occurs, the District Board of Directors, after discussion and consideration, shall when deemed appropriate, instruct staff to:

- A) Place a public notice advising that a vacancy has occurred in accordance with applicable provisions of law; and
- B) Said notice shall advise prospective candidates of the steps to take to apply for appointment; and
- C) The District's Board of Directors shall establish the closing date for the receipt of applications; and
- D) Applicants shall submit the following, by the date specified in the notice:
 - a) a letter of interest, and
 - b) a resume, with emphasis on the applicant's knowledge of special districts, and
- E) Applicant(s) shall be interviewed at the next regularly scheduled meeting of the District's Board of Directors following the date of closure for applications; and
- F) The District's Board of Directors shall make the appointment without undue delay, but need not act at the same meeting.

22. INCONSISTENT, INCOMPATIBLE AND CONFLICTING EMPLOYMENT OR ACTIVITIES

Pursuant to the provision of the California Government Code section 1126, the Board of Directors of the San Lorenzo Valley Water District has determined that it would be

inconsistent and incompatible for a Board member to be a paid employee of the District. Therefore, based on this decision, a member of the Board of Directors shall not be a paid District employee.

23. DIRECTORS' LEGAL LIABILITIES

The District shall defend and indemnify Directors from any claim, liability or demand that arises out of a Director's performance of his or her duties or responsibilities as a Director or Officer of the District.

24. INVESTMENT POLICY

San Lorenzo Valley Water District is committed to the establishment of formal policies relative to the prudent investment of the District's unexpended cash. The Board of Directors by resolution shall establish written guidelines for the investment of all San Lorenzo Valley Water District funds or funds in the custody of the District, in a manner which conforms to all

state and local statutes governing the investment of public funds. Said guidelines shall provide for an optimal combination of safety, liquidity and yield. The District's Investment Policy and, any amendments thereto, shall be adopted by resolution of the Board of Directors. The Investment Policy shall be reviewed at the Board of Directors meeting in December of each calendar year or as soon thereafter as reasonable.

25. ANNUAL DISCLOSURE OF REIMBURSEMENTS

The District shall annually disclose any reimbursements paid by the San Lorenzo Valley Water District of at least one hundred dollars (\$100.00) for each individual charge for services or products received. The Board of Directors shall review said reimbursement information for the preceding fiscal year (July 1 - June 30) at a regularly scheduled Board of Directors meeting in September of each calendar year.

26. GENERAL PROVISIONS

Any of the within policies not required by law may be altered, amended, or repealed by a majority of the Board at a duly authorized meeting.

27. ANNUAL REVIEW

This Board of Directors Policy Manual shall be reviewed annually by District Counsel and ratified by Resolution of the Board of Directors at the Board of Directors meeting in

December of each calendar year or as soon thereafter as reasonable.

*** END ***