

# **BOARD OF DIRECTORS POLICIES & PROCEDURES MANUAL**



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## **SECTION 1 - HISTORY OF DISTRICT**

The Valley of the Moon Water District encompasses a significant portion of the area known as “The Valley of the Moon”. This well-known phrase supposedly comes from the Indian word “Sonoma”. The Indian era ended in 1823 but the name “Sonoma” remained. The City of Sonoma, adjacent to Valley of the Moon Water District is the oldest town north of the San Francisco Bay, incorporated in 1850 and is also the site of the most northerly mission of the 21 California missions. In 1834, the Mexican government sent General Mariano Vallejo to colonize the Sonoma area. In 1836, he was named Commanding General of all Mexican military forces in California, and remained the ruler of lands north of the San Francisco Bay while California was under Mexican rule.

In 1846, while the United States was at war with Mexico, Sonoma and California became officially occupied by the United States. The City of Sonoma was incorporated as a City in 1850 and then unincorporated in 1862 over various boundary disputes. The City was then reincorporated in 1883 after the boundary disputes were settled. Since mid-1880, small unincorporated centers northwest of the City of Sonoma such as El Verano, Boyes Hot Springs, Agua Caliente and Fetters Hot Springs were established as spas and resorts around the natural mineral hot springs and promoted by the railroad companies. Those communities are now all within the service area of the Valley of the Moon Water District.

Water service in the Valley of the Moon and City of Sonoma area was originally provided by private water companies of which the Sonoma Water and Irrigation Company, incorporated in 1904, was one of the oldest. In 1921, a major consolidation of water companies took place. The Sonoma Water and Irrigation Company purchased the Sonoma Valley Water, Light and Power Company, the Sonoma Vista Water Company, and the Sonoma Water Works. The Sonoma Water Works system which basically served the area within the City of Sonoma boundaries was sold to the City of Sonoma in 1933. The Sonoma Water and Irrigation Company purchased the Boyes Hot Springs Company and the Agua Caliente Water Works in 1927, the Boyes Springs Park Company in 1943, and the Donaghy Water Company in 1959.

Another major water company serving this area was established in 1921 by the late Mr. N. M. Petersen, Sr. He bought four smaller water companies and combined them as the Mountain Avenue Water System. Acquisitions of other water systems by the Mountain Avenue Water System continued through 1935.

In 1957, the Valley of the Moon Fire District was evaluated by the Pacific Fire Board which at that time noticed the lack of a dependable water supply source. Subsequent inquiries of Fire District Board members, J. Udvic., T. Polidori, and F. Serres, revealed that many wells in the area were failing due to drops in the groundwater levels in the Valley. Early attempts to have Sonoma County build an aqueduct from Santa Rosa to the Sonoma Water and Irrigation Company failed due to the inability of the latter to deposit a \$25,000 cash bond with the County.

Through the efforts of Mr. Tom Polidori, representing the Valley of the Moon Fire Commission, and Supervisor Mitchell, an election was scheduled for the purpose of organizing a public water District, and to authorize the issuance of bonds. Proceeds of the bond issue were to be used for the acquisition of the two major private water companies operating in the area, for installation of

new mains connecting the distribution systems of the two companies and for providing a tie to the future Sonoma Aqueduct. The special election was held on May 24, 1960 and the formation of the District and the issuance of bonds were approved by the voters by a margin of 9 to 1. The first five-member Board of Directors consisted of the following: Thomas F. Polidori, President, A. L. Ford; Martin Carlson, Oscar M. Larson, and Arnold E. Griewe. The staff included: Wes Hill, General Manager; Alma Loyal, Secretary; Jack Coffey, Legal Advisor; and Richard Thomssen, Auditor.

Acquisition of the Sonoma Water and Irrigation Company and the Mountain Avenue Water System was completed in early 1962 and the Valley of the Moon County Water District started management and operation of the systems on June 1, 1962.

As was pointed out in an engineering report prepared at the time of formation of the Valley of the Moon County Water District, additional water supply sources needed to be developed to allow normal growth of the communities served. Many other communities in the Sonoma County had found themselves in a similar situation and in 1955, voters in the Sonoma County Water Conservation and Flood Control District issued bonds for projects to provide water to different parts of the County. The Sonoma County Water Conservation and Flood Control District, later called the Sonoma County Water Agency, awarded a construction contract for the first of those projects, the Santa Rosa Aqueduct in 1956. In 1963, the construction of the Sonoma Aqueduct project was completed. This project consisted of a booster pump in Santa Rosa, 17 miles of 16” and 20” diameter pipeline from Santa Rosa through the center of the Valley of the Moon and El Verano to the City of Sonoma and one 2.5 million gallon and two 2 million gallon tanks.

To the north of the service area of the then newly formed Valley of the Moon County Water District is the community of Glen Ellen. Water distribution in this area dates back to the 1890’s when the Chauvet family agreed to supply some of their neighbors with drinking water. Different private parties operated water systems in this area until 1963 when the newly formed Valley of the Moon County Water District acquired the facilities of the Glen Ellen Water Company and annexed its service area.

Until 1979, Water Districts organized under the powers of Division 12, Section 30,000 *et seq.* of the California Water Code carried the term “County Water District” in their name. In late 1979, the legislation approved a change in Section 30,006 which allowed water Districts organized under this code to drop the word “County” from their titles. On January 21, 1980, the Board of Directors of the Valley of the Moon County Water District passed a resolution to change the name to Valley of the Moon Water District as provided for in this changed section of the California Water Code. Today, the District is a public agency that provides high-quality drinking water to more than 23,000 people in a 12 square-mile area in the Sonoma Valley.

## **SECTION 2 - PURPOSE AND SCOPE**

It is the intent of the Board that this Policies & Procedures Manual facilitates proper conduct of District business. The policy of The Valley of the Moon Water District (District) is to maintain the highest ethical standards for its Directors. The proper operation of the District requires that decisions and policy be made within the proper channels of governmental structure, that public

office not be used for personal gain, and that Directors remain objective and responsive to the needs of the public they serve. Accordingly, it is the policy of the District that Directors and District employees will maintain the highest standard of personal honesty and fairness in carrying out their duties. If all or any portion of a policy is in conflict with federal or state law or regulations that apply to the District, said legislation or regulations shall prevail.

### **SECTION 3 - BASIS OF AUTHORITY**

The District is a County Water District, organized and existing under the County Water District Law (Water Code section 30000 et seq.). The Board is the legislative body, and functions as the District's policymaking body. It can only function as a unit, where no individual Director has authority with regard to any aspect of District business, except as a collective Board.

As individuals, Directors may not commit the District to any policy, act, or expenditure without prior Board approval nor give direction to the General Manager, staff, contract personnel or consultants without prior Board approval. Directors do not represent any fractional segment or region of the community, but are part of a legislative body that represents and acts for the District as a whole. Since Directors are elected officials, no Director may delegate his or her authority to act as a Director, nor will any Director's vote be recorded in the proceedings of any Board meeting at which the Director is not present.

With the exception of certain matters where the law requires a four-fifths or unanimous vote, affirmative votes of three (3) Directors are required for the Board to act on any matter.

### **SECTION 4 - RESPONSIBILITIES OF PUBLIC OFFICE**

The members of the Board of Directors, and persons elected but who have not yet assumed office as members of the Board, will fully comply with the provisions of the State's open meeting law for public agencies (the Brown Act).

Directors are obligated to uphold the Constitution of the United States and the Constitution of the State of California. Directors will comply with applicable laws regulating their conduct, including conflict of interest, financial disclosure and open government laws. Directors will strive to work in cooperation with other public officials unless prohibited from doing so by law or officially recognized confidentiality of their work (Gov. Code, §§ 54950 et seq., 54952.1 and 54959).

### **SECTION 5 - COMPOSITION/TERMS/VACANCY**

The Board consists of five (5) Directors, each of whom has been elected or has been appointed to fill a vacancy. Four-year terms are normal, although in some circumstances terms are shorter. Terms of office are staggered, with elections held in November of every even numbered year. Each Director shall be a voter of the District, and elections are held at large, which means that all voters throughout the District have the opportunity to vote for any person seeking election.

An office becomes vacant, pursuant to Government Code Section 1770 et seq.

A vacancy may be filled by appointment by the Board pursuant to Government Code Section 1780, as indicated below:

1. The remaining members of a five (5) person board may fill a vacancy by appointment. The appointee will hold office until the District general election one-hundred thirty (130) days or more after the effective date of the vacancy. Appointments shall be made within sixty (60) days after the effective date of the vacancy. Notice of the vacancy shall be posted in three (3) or more conspicuous places within the District and published in a newspaper of general circulation at least five (5) days prior to an appointment. The remaining members may call an election to fill the vacancy within sixty (60) days of the vacancy, in lieu of an appointment, on the next available election date provided by Chapter 1 of Division 1 of the Election Code that is one-hundred thirty (130) days or more after the vacancy.
2. If the vacancy is not filled or an election called within sixty (60) days of the vacancy, the County Board of Supervisors may fill the vacancy within ninety (90) days of the vacancy or order the District to call an election to fill the vacancy.
3. If neither (a) or (b) has occurred within ninety (90) days, the District shall call an election to be held on the next available election date provided by Chapter 1 of Division 1 of the Election Code that is one-hundred thirty (130) days or more after the vacancy occurs.
4. If the remaining Board falls below a quorum, the Board of Supervisors may waive the sixty (60) day period provided in (a) and appoint immediately, or may call an election to fill the vacancy under Chapter 1 of the Election Code. The Board of Supervisors shall only fill enough vacancies to provide a quorum.
5. Appointees shall hold office until the next District general election. Electees shall hold office for unexpired balance of the term of office.

## **SECTION 6 - CANDIDATE'S STATEMENT**

A Director will not include false or misleading information in a candidate's statement for a general District election filed pursuant to Section 13307 of the Elections Code (Elec. Code. §13313).

## **SECTION 7 - SOLICITING POLITICAL CONTRIBUTIONS**

Directors are prohibited from soliciting political funds or contributions at District facilities, or from District employees. A Director will not accept, solicit or direct a political contribution from (a) District employees, officers, consultants or contractors, or (b) vendors or consultants who have a material financial interest in a contract or other matter while that contract or other matter is pending before the District. A Director will not use the District's seal, trademark, stationery or

other indicia of the District's identity, or facsimile thereof, in any solicitation for political contributions contrary to state or federal law (Gov. Code, §3205).

## **SECTION 8 - INCOMPATIBLE OFFICES**

Another aspect of prohibited conflicts of interest is simultaneous holding of two incompatible public offices, unless simultaneous holding of the offices is compelled or expressly authorized by law. When public offices are incompatible, the public officer forfeits the first office upon taking the second.

Government Code section 1099 codifies the common law rule against holding incompatible public offices. Under section 1099, offices are incompatible under any of the following circumstances unless the simultaneous holding of the office is compelled or expressly authorized by law:

- Either office may audit, overrule, remove members of, dismiss employees of, or supervise the other office or body;
- Based on the powers of jurisdictions of the offices, there is a possibility of a significant clash of duties or loyalties between the offices;
- Public policy considerations make it improper for one person to hold both offices.

The doctrine of incompatible offices does not apply to positions on government bodies that are solely advisory, or to positions of employment. (Gov. Code, § 1099; 83 Ops.Cal.Atty. Gen 153 (2000); 58 Ops.Cal.Atty.Gen 109 (1975).) However, the Attorney General has repeatedly held that certain positions, such as general manager of a water district and city manager, are public offices. (See, e.g., 82 Ops.Cal.Atty.Gen. 201 (1999); 67 Ops.Cal.Atty.Gen 409 (1984).)

Government Code section 53227 prohibits an employee of a special district from taking office as an elected or appointed member of the Board of the same special district unless he or she resigns as an employee.

## **SECTION 9 - DUTIES AND RESPONSIBILITIES**

The Board sets the policy for the District and therefore shall act in accordance with District Policies and Procedures. Directors are responsible for monitoring District progress in attaining its goals and objectives, while pursuing its mission. The Board establishes goals, objectives, expectations, and measurement criteria for the General Manager's performance.

In order to avoid undue interference with the daily District business, individual Directors' requests for information from staff or contract personnel/consultants shall always be made to the General Manager. If the General Manager's response is deemed inadequate, a Director may contact the Board President or raise the issue directly at a Board meeting, where the Board will determine whether or not the issue warrants attention and will schedule it for a future meeting.

Directors shall attend all meetings of the Board and of any Committee to which they may be assigned. Directors are required by law to abstain from participating in consideration of any item



involving a personal or financial conflict of interest. Even the appearance of a conflict should be avoided. Unless such a conflict of interest exists, Directors should fully participate in the Board's decision-making responsibilities.

## **SECTION 10 – OFFICERS**

The Board's President and Vice President are elected by the Board each year in January. Officers may be removed by two-thirds majority.

The President presides at all Board meetings. He or she has the same rights as other members of the Board in voting, introducing motions, resolutions and ordinances, and discussion. The President leads the Board in conducting its business. The President may refer items to committees prior to Board action. The Board President votes last in any roll call vote.

The President shall ensure that each Director is provided all necessary information pertaining to District business in sufficient time to participate in discussions and decisions in an informed manner. The President, or his or her designee, shall execute District documents, as directed by the Board. On occasion the Board will delegate to the President or to his or her designee, authority to represent the District at a meeting or event. When this occurs, the Director only has the authority that was specifically delegated by the Board.

In the absence of the President, the Vice President presides at all Board meetings. If the President and Vice President are both absent, the Secretary calls the meeting to order and acts as President until the remaining members select one of themselves to act as presiding officer.

## **SECTION 11 - APPOINTED STAFF AND OTHERS**

Appointed Staff, as defined in this section, shall mean the General Manager and Board Secretary, who is appointed by the Board and reports to the Board as a whole.

### **A. General Manager**

The General Manager is appointed by the Board of Directors as the chief executive officer of the District, in accordance with Water Code sections 30540 et seq. and sections 30580 - 30582, and carries out Board policies, directs District operations, provides daily supervision to District staff, and controls District expenditures. Based on the Water Code and decisions made by the Board of Directors, the following summarize the General Manager's specific authority:

1. Make and carry out day-to-day management decisions in conformity with District policies.
2. Employ, compensate, terminate, assign duties to, and direct the daily activities of all District employees. While recognizing that the appointments have been made by the Board of Directors, provide day-to-day directions and guidance to District Legal Counsel, Auditor, District Engineer, and other Board appointees, in conformance with established Board policies.

3. Establish District employee job classifications, description of duties, with corresponding salary ranges, subject to review and approval by the Board.
4. Define scope, select, dismiss and direct activities of contractors and consultants performing services for the District.
5. Manage District financial operations, in accordance with approved District policies and procedures.
6. Oversee the investment of District funds in accordance with the Board-approved Investment Policy, budget, and applicable laws.
7. Expend, upon approval of the District's annual budget by the Board:
  - a. District funds within the limits established in the operations, maintenance, and capital project budgets which are enumerated in the District's annual budgets;
  - b. District funds in amounts not to exceed five thousand (\$5,000) dollars for each item not specifically enumerated in the District's annual budget, provided there are sufficient budgetary appropriations within the Operations and Maintenance budget and the Capital Improvement Projects budget.
8. Expend non-budgeted funds to meet an emergency which directly or potentially adversely affects the ability of the District to perform its services, which puts District personnel or property in jeopardy, or which may jeopardize public health or property of the community or its residents. The General Manager shall determine that an emergency exists and shall inform the Board, by the most expeditious method available, of the emergency, at the earliest opportunity, the steps taken and expenditures incurred to meet such emergency, and seek ratification of decisions if necessary.
9. Solely sign District checks in the amount of two-thousand five hundred (\$2,500.00) dollars or less. Any amount over two-thousand five hundred (\$2,500.00) dollars requires the signatures of the General Manager and one Director. In the event the General Manager is unavailable to sign checks, checks of any amount require the signatures of two Directors.
10. Execute time and cost Change Orders to the Capital Improvement Projects for amounts specified in each contract.
11. Appoint a Deputy Secretary, if the Board appoints the General Manager as Board Secretary.

Terms and conditions of the General Manager's employment shall be specified in an employment agreement between the General Manager and the Board and any amendment(s) thereto. The General Manager is an "at will" employee who serves at the pleasure of the Board.

## **B. Board Secretary**

The Board Secretary is appointed by the Board, reports to the Board as a whole, and shall be responsible for the following:

1. Provide a record of all proceedings conducted at meetings of the Board and Standing Committees, to be retained at the District office.
2. Maintain accurate, up-to-date records of District documents in a safe location.
3. Post all legal notices.

4. Receive all correspondence or documents addressed to the Board, and serve as the District's agent for receipt of subpoenas, petitions or other legal documents that are served on the District.
5. Call meetings to order in the absence of President and Vice President and preside until the remaining members present select one of themselves to preside at the meeting.
6. Administer the Oath of Office to members of the Board.
7. Verify and attest signatures on all legal documents.

The Board Secretary shall have a reasonable understanding of the Ralph M. Brown Act and Robert's Rules of Order.

### **C. District Counsel**

The District Counsel is a law firm that is appointed by and reports to the Board of Directors. District Counsel shall be the attorney for the District and its Board in all legal matters pertaining to operation, maintenance, and other business of the District. District Counsel shall perform such duties as the Board or General Manager may request, and shall, upon the request of the Board or General Manager, (1) review all Board actions to insure legality and acceptability under law; (2) prepare or review legal documents and provide legal counsel, as required by the Board or General Manager; and (3) attend and/or participate in Board meetings and management meetings as directed by the Board or the General Manager. District Counsel shall take charge of and handle all litigation to which the District is a party, including administrative proceedings of state or federal agencies, unless the Board designates special counsel for a particular matter.

### **D. District Auditor**

The District's Auditor is a certified audit firm that is appointed by and reports to the Board, and that conducts the District's annual audit and prepares the District's annual audit report. The District's Auditor shall be rotated on a periodic basis.

### **E. Consultants**

The Board may from time-to-time select, retain, compensate, define the scope and efforts of, and dismiss consultants to support or provide information to the Board in developing policy level decisions or in implementing Board actions. In doing so, the Board shall delegate to the General Manager the responsibility for day-to-day direction of the work of the consultant.

## **SECTION 12 - DIRECTORS' COMPENSATION AND EXPENSE REIMBURSEMENT**

### **A. Compensation for Attendance at Conferences and Meetings**

Board members will be compensated at the daily rate (i.e., per diem) of one-hundred (\$100.00) dollars for attendance at meetings of the Board, including Board committee meetings, and for each day's service rendered as a member of the Board; provided, however,

such compensation will not be paid for more than a total of six (6) days in any calendar month. Such compensation will be provided in addition to any reasonable and necessary reimbursement for meals, lodging and travel expenses incurred in attending any conference, meeting, or other event approved by the Board in advance.

For a Board member to be paid per diem or to be reimbursed for reasonable and necessary travel expenses to and from a meeting, the meeting must be: (1) a “meeting” as defined in Government Code section 54952.2 (a), (2) District Board or committee meetings, or (3) conferences, meetings, or events related to or intended to inform Board members on matters within the jurisdiction of the District, provided that such conferences, meetings or events deal with substantive issues and consume more than a minor amount of the Board member’s time.

At the regular meeting of the Board following any meeting, conference, educational activity or other authorized event for which per diem compensation or reimbursement is requested; the Director attending the event shall give a brief report of the meeting or event. If more than one (1) Director of the District attended the same meeting or event, a joint report may be made. Reports may be written or oral, but in the event a written report is submitted, the Director shall give a brief oral summary of the report at the meeting following the event.

## **B. Changes in the Compensation of the Directors**

The following Water Code sections, as amended, govern compensation paid to the Directors and subsequent changes to such compensation, if any.

Water Code Section 30507 allows for maximum Directors’ Compensation of one-hundred (\$100.00) dollars for attendance at meetings of the Board, including Board committee meetings, and for each day’s service rendered as a member of the Board; provided, however, that such compensation will not be paid for more than a total of six (6) days in any calendar month (Resolution 050603).

Alternatively, if the District is to adopt an ordinance under Water Code Section 20202, the Directors may receive a compensation above the maximum amount of one-hundred (\$100.00) per diem, stipulated under Water Code Section 30507, provided that such increase may not exceed an amount equal to five (5%) percent, for each calendar year following the operative date of the last adjustment, of the compensation which is received when the ordinance is adopted. However, such compensation will not be paid for more than a total of ten (10) days in any calendar month. Changes, if any, in the compensation of Board members, paid under Water Code Section 20202, will require the approval of the Board during an open meeting of the Board held at least sixty (60) days prior to the effective date of the change. (Water Code Sections 20200 and following.)

## **C. Directors Expenses**

1. General Principles. Each member of the Board of Directors is encouraged to participate in outside activities and organizations that in the judgment of the Board further the interests of the District. Actual expenses incurred by Board members in connection with such activities are reimbursable, where authorized in advance or, in exceptional cases, where subsequently ratified by the Board. The policies and rules apply:

- a. All expenses must be reasonable and necessary, and Directors are encouraged to exercise prudence in all expenditures.
  - b. This policy is intended to result in no personal gain or loss to a Director
  - c. Reimbursement will be made only for expenses that qualify as reimbursable under an Internal Revenue Service Accountable Plan<sup>1</sup>.
  - d. Upon incurring such expenses, Directors may submit a request for reimbursement, accompanied by written evidence of payment of such expenses, and/or by receipts for all amounts, consistent with the requirements of an IRS Accountable Plan, within four (4) weeks of incurring such expenditures.
  - e. Liquor, entertainment, travel insurance, personal telephone calls, child, pet, or household care, losses relating to theft or casualty of personal effects, fines and penalties for actions or inactions of the traveler, laundry, dry cleaning, or pressing of personal items, and expenses of any other person accompanying a Director are not eligible for reimbursement.
  - f. Expenditures that are improper or otherwise not properly accounted for, or that are not consistent with the prohibition against gifts of public funds set forth in the California Constitution, will not be reimbursed or accepted by the District.
  - g. To implement the reporting requirements of Government Code section 53065.55, the District will prepare a list of the amount and purpose of each expense reimbursement made to each Director for the preceding fiscal year, which will be available to the public.
  - h. Officials will be reimbursed for actual telephone and fax expenses incurred to transact District business.
  - i. Long-term parking should be used for travel exceeding twenty-four (24) hours.
  - j. 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 his or her resignation, or if it occurs after an election in which it has been determined that they will not retain their seat on the Board.
2. Travel / Transportation Expenses. 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 will be reimbursed for expenses incurred in traveling to and from conferences, meetings and other events that are attended on behalf of the District in their capacity as Directors. Travel expense will include round-trip airfare, actual reasonable expenses for ground transportation to and from airports and hotels, car rental, and or mileage reimbursement (at the maximum allowable per mile established from time to time by the IRS) for use by the Directors of privately owned vehicles in the conduct of District business.
  3. Overnight Accommodations. No reimbursement claim or request for overnight accommodation will be approved for expenses incurred within the District's service area, except upon approval of the Board. Reasonable accommodation expenses will be reimbursed only for the Directors, and such expenses will not be reimbursed for guests or

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<sup>1</sup> In general, an IRS Accountable Plan is an expenditure reimbursable plan that requires 1) employees to substantiate expenses as to the date, amount, and the business nature of each expense, 2) any amounts in excess of substantiated expenses to be returned to the employer, and 3) a business connection between the amounts advanced and the expenses incurred.

family members of Directors. Where reasonably possible, accommodations will be obtained in proximity to the conference or meeting site.

4. Meal Expenses. Directors will be entitled to receive reimbursement for the reasonable cost of meals, including tips.

## **SECTION 13 – PRESENTATION AND APPEARANCE TO THE PUBLIC**

In order to present a positive image to the public, customers and residents, Directors should strive to maintain a professional appearance while performing their duties as Directors. For example, and not by way of limitation, Directors should attend meetings and events in neat and clean attire and should strive to maintain a good personal appearance appropriate to the role of an elected official of a public agency.

## **SECTION 14 - BOARD MEETINGS, GENERAL**

### **A. General Principles**

All meetings of the Board shall be held in the District Office, 19039 Bay Street, El Verano, California unless it is anticipated that the number of public expected to attend would exceed the capacity of the facility. In such case, another facility within the District may be used. Regular meetings of the Board shall be held the first Tuesday of each calendar month, except if the first Tuesday coincides with a legal holiday, the regular meeting will be adjourned to a specified time and location, and will be held on the following business day. Regular Board meetings shall commence at 6:30 p.m. local time and end at 10:30 p.m. local time or earlier. Extension of time beyond 10:30 p.m. requires the approval of the majority of the Board.

The Board shall conduct the business of the District at meetings in conformance with the provisions of the Brown Act. All meetings of the Board, Standing Committees, and Advisory Committees shall be open to the public, except for closed sessions held in accordance with the Brown Act.

The Board President and the General Manager shall ensure that appropriate information is available for the public at meetings of the Board, and that physical facilities for said meetings are functional and appropriate. Prior to the start of a meeting, the order of business (sequence of existing agenda only) may be amended.

Regular meetings require posting of the agenda a minimum of seventy-two (72) hours in advance and written notification to the Board, District Counsel, the local news media, and to any person requesting notice. The agenda must contain a brief general description of each item to be acted upon or discussed during the meeting. A quorum must be present at all meetings for any business to be conducted. A quorum consists of three (3) Board members. Only those items of business listed in the agenda shall be considered by the Board at any meeting, unless an emergency or urgency situation exists and additional items are added in the manner required by the Brown Act.

## **B. Closed Sessions**

At times during Board meetings, the Board may adjourn into closed session to discuss personnel matters, real estate negotiations, existing or anticipated litigation or other matters as specified in the exceptions set forth in the Brown Act. Appropriate agenda descriptions are also required for closed session items.

## **C. Special Meetings**

Special meetings of the Board may be called by the Board President or a majority of the Board. Notice of at least twenty-four (24) hours is required for a special meeting, and must describe the business to be transacted or discussed. All appropriate notices required by the Brown Act shall be posted.

## **D. Emergency Special Meetings**

In the event of an emergency situation where prompt action is necessary due to the disruption or threatened disruption of public facilities, the Board may hold an emergency special meeting without complying with the twenty-four (24) hour notice required for special meetings of the Board. An emergency situation means a work stoppage, crippling activity, or other activity that severely impairs public health, safety, or both, as determined by a majority of members of the Board. The General Manager, the President of the Board, or the Vice-President in the absence of the President, may determine that there is sufficient evidence to determine that an emergency exists and give notice of an emergency special meeting.

Newspapers of general circulation in the District, radio stations, and television stations which have requested notice of special meetings in accordance with the Brown Act shall be notified at least one (1) hour prior to the emergency special meeting. In the event that telephone services are not functioning, the one (1) hour notice requirement is waived, but the General Manager, or his or her designee, shall notify such newspapers, radio stations, or television stations of the holding of the meeting, and of any action taken by the Board, as soon after the meeting as possible.

All rules governing special meetings shall be observed with the exception of the twenty-four (24) hour notice. The minutes, a list of persons the General Manager or designee notified or attempted to notify, a copy of the roll call vote(s), and any actions taken at such meeting shall be posted for a minimum of ten (10) days in the District office as soon after the meeting as possible.

## **E. Dire Emergencies**

In the event of a dire emergency, which is defined as a crippling disaster, mass destruction, terrorist act, or planned terrorist activity that poses peril so immediate and significant that requiring one (1) hour notice before holding an emergency meeting may endanger public health, safety, or both, notice shall be given by telephone to the news media at or near the time that the Board President or his designee notifies the Directors of the need for an emergency meeting.

## **F. Adjournment**

A majority vote by the Board may terminate any Board meeting at any place in the agenda to any time and place specified in the order of adjournment, except that if no Directors are present at any regular or adjourned regular meeting, the General Manager may declare the meeting adjourned to a stated time and place, and he or she shall cause a written notice of adjournment to be provided to the Board, District Counsel, and the local news media and also posted at the places specified in Section 17.

## **G. Legality of Proceedings**

Any action taken by the Board which is subsequently ruled contrary to law by a decision of a court of competent jurisdiction shall be deemed revoked without further action by the Board.

## **SECTION 15 - BOARD MEETINGS, CONDUCT**

Meetings of the Board shall be conducted by the President in a manner consistent with the policies of the District set forth in this Manual. The President shall take whatever actions are necessary and legally appropriate to preserve order and decorum during Board meetings, including public hearings.

Willful disruption of any meeting of the Board shall not be permitted. If the President finds that there is in fact willful disruption of a meeting which prevents the meeting from proceeding, he or she may eject any person, or persons, or order the room cleared and subsequently conduct the Board's business without the public present. In such an event, only matters appearing on the agenda may be considered in such a session. After clearing the room, the President may permit those persons who, in his or her opinion, were not responsible for the willful disruption to re-enter the meeting room. Duly accredited representatives of the news media shall be admitted to the remainder of the meeting.

The below items were developed and mutually agreed upon during a Board workshop in March 2015:

1. Remember our mission:  
*It is the mission of the Valley of the Moon Water District to provide its customers with reliable, safe water at an equitable price, and to ensure the fiscal and environmental vitality of the District for future generations.*
2. Respect others opinions
3. Listen and create respectful dialogue in the boardroom
4. President has the authority to use the gavel or other means to stop, interject, and change the direction of the meeting not in accordance with the code of conduct
5. Come prepared to every meeting having reviewed the materials and having questions ready
6. Stay on agenda topic
7. Communicate reason for leaving boardroom before leaving the meeting
8. Listen, debate, decide, and move forward together



9. Trust and respect everyone and their opinion
10. Have fun

## **SECTION 16 - BOARD MEETINGS, RULES OF ORDER**

The latest edition of Robert's Rules of Order, Revised shall be an advisory guideline for meeting protocol. District policies, or state or federal law, shall prevail whenever they conflict with Robert's Rules of Order, Revised. If a Director believes order is not being maintained or procedures are not adequate, he or she should raise a point of order - not requiring a second - to the President. If the ruling of the President is not satisfactory to the Director, it may be appealed to the Board. A decision by a majority of the Board will determine the point of order.

By a motion made, seconded and approved by a majority vote, the Board may, at its discretion and at any meeting: a) temporarily suspend these rules in whole or in part; b) amend these rules in whole or in part; or c) both.

Motions, resolutions or ordinances shall be recorded as having passed or failed and individual votes will be recorded. All resolutions and ordinances adopted by the Board shall be numbered consecutively starting new at the beginning of each fiscal year. The President may declare a short recess during any meeting, with approval of the Board.

## **SECTION 17 - BOARD MEETINGS, AGENDAS**

The General Manager, in cooperation with the Board President, shall prepare an agenda for each meeting of the Board and for all Standing Committee meetings. The General Manager will prepare written information on each item of business requiring action or scheduled for discussion by the Board, and make this information available to the Board and members of the public prior to all meetings.

An agenda and materials packet shall be prepared as specified for all Board meetings and shall be delivered to all Directors at least three (3) days prior to a regular meeting and at least twenty-four (24) hours prior to special meetings. A full agenda packet will be available in the District foyer for public review.

At least seventy-two (72) hours prior to the time of all regular meetings, an agenda, which includes all matters on which there may be discussion and/or action by the Board, shall be posted conspicuously for public review at the District office. The District has the option of posting the agendas at other places as deemed useful in keeping the public informed. In addition to the District office, agendas are ordinarily posted at the Boyes Hot Springs and El Verano Post Offices, and on the District web site. The agenda for special meetings shall be posted in the same locations at least twenty-four (24) hours before the meetings. Agendas shall generally use the following order of business:

1. Date, time and location of meeting and information on how the public may review agenda materials and request any special accommodations needed
2. Meeting type (i.e., Regular or Special Meeting)

3. Call to Order – Pledge of Allegiance – Roll Call
4. Public Comments
5. Consent Calendar
6. Public Presentations, Hearings and Workshops
7. Operational Reports
8. President and Directors’ Reports or Comments
9. General Manager & District Counsel Reports
10. General Business (Old/New Business)
11. Closed Session
12. Reconvene in Open Session
13. Request for Future Agenda Items
14. Adjournment

Pursuant to Government Code section 54954.2 (b), the Board may take action on an item of business which did not appear on the posted agenda for the meeting if the Board determines that an emergency exists, or if by a two-thirds vote the Board determines that there is a need for immediate action on a matter that arose subsequent to the posting of the agenda.

## **SECTION 18 - BOARD ACTIONS AND DECISIONS**

Actions typically taken by the Board include but are not limited to the following:

1. Adoption or rejection of District policies and regulations concerning the services provided by the District, adoption of rates and charges for District services, authorization of execution of contracts for professional and technical service, and authorization of execution of contracts for materials or supplies, or for design or construction of District facilities;
2. Approval or rejection of proposals to commit District funds or facilities, including employment and dismissal of personnel;
3. Approval or disapproval of non-emergency matters which require or may require the District or its employees to take action and/or provide services; and
4. Direction given to the General Manager for implementation of those actions deemed by the Board to be necessary.

Three (3) Directors represent a quorum for the conduct of business. Action can only be taken by the vote of the majority of the Board. Actions taken at a meeting where only a quorum is present require all three votes to be effective (unless a 4/5 vote is required by policy or law).

A member who is present but does not vote on a matter is considered an abstention and recorded as such. Specific examples involving abstentions are given below:

1. At a Board meeting where only a quorum is present, if one (1) Director abstains on a particular action, the proposed action cannot be approved because all three Directors would have to vote in favor of the action.
2. At a Board meeting where all the Directors are present, if an action is proposed requiring a four-fifths (4/5<sup>ths</sup>) vote and two (2) Directors abstain; the proposed action cannot be

approved because four (4) of the five (5) Directors would have to vote in favor of the action.

Definition of Board Actions and appropriate uses thereof are indicated below:

1. A “Minute Order” or “Motion” is appropriate when the action is not of a penal nature or intended to be a local law, where an ordinance or resolution is not specifically required, or where a formal document reflecting the Board’s action is not necessary. The only record of such action is in the minutes of the meeting at which the action is taken.
2. A “Resolution” generally constitutes an expression of policy or opinion concerning some particular item of business and often evidences a decision by the Board concerning the administrative business of the District.
3. An “Ordinance” means a local law. It prescribes a rule of conduct prospective in operation, applicable generally to person and things subject to the jurisdiction of the District.

## **SECTION 19 - REVIEW OF ADMINISTRATIVE DECISIONS**

An administrative decision is an action or decision made by the Board which is subject to review by a court of competent jurisdiction. Such decisions include: suspension, demotion, or dismissal of an officer or employee; revoking or denying an application for a permit, license or other entitlement; or imposing a civil or administrative penalty, fine, charge or cost.

Judicial review of all administrative decisions of the Board may be sought pursuant to the provisions of §1094.5 of the Code of Civil Procedure of the State of California. The procedural provisions of §1094.6 of said Code, including the time limitations, shall apply to any such proceeding. The provisions of §1094.6 shall prevail over any conflicting provision and any otherwise applicable law, rule, policy or regulation of the District affecting the subject matter of an appeal. The purpose of these Code sections is to ensure efficient administration of the District by providing for the expeditious review of decisions rendered by the Board. §1094.6 specifically establishes a ninety (90) day time limit to initiate a lawsuit to challenge a District administrative decision. The short time period is intended to provide finality to Board decisions.

## **SECTION 20 - BOARD MEETINGS, MINUTES**

The Secretary of the Board shall keep minutes of all Board meetings. Minutes are to record meaningful discussion and actions taken; they are not intended to be verbatim records. Anyone wishing more information about a meeting shall be encouraged to listen to the tape recording made of each meeting. Draft minutes shall be distributed to Directors for adoption at the next regular meeting.

The official minutes of Board meetings shall be kept in a fire-proof vault or in fire-resistant locked cabinets at the District office. Minutes may be approved as part of the Consent Calendar. An audio tape recording shall be made of all regular and special meetings of the Board and will be retained for ninety (90) days.

## **SECTION 21 – COMMITTEES**

Committees of the Board may be Standing or Advisory (ad hoc). Committees are not empowered to act for the Board. Rather, they review, study, and consider issues in order to make recommendations to the full Board. Members of all Committees shall be appointed by and serve at the pleasure of the President of the Board.

### **A. Standing Committees**

A Standing Committee is a Board-created committee which has continuing jurisdiction over a particular subject matter and meets either on a scheduled basis or as directed by the Board President. Only District Directors may serve as members of Standing Committees. Standing Committee meetings are held in the District office, unless a special need arises to meet elsewhere within District boundaries, and shall be properly noticed under the provisions of the Brown Act.

The Board President shall appoint and publicly announce the members of any Standing Committees, consisting of two (2) Directors.

### **B. Advisory Committees**

An Advisory Committee offers specific advice on a particular subject on an ad hoc basis, and meets as directed by the Board President. Directors and/or members of the public at large may serve as members of the Advisory Committee. The Board President or the Board will establish and publicly announce all Advisory Committees. The key distinguishing feature of Advisory Committees is that they are not “legislative bodies” as defined in the Brown Act, and therefore do not have to follow the notice and agenda provisions of that Act. Verbal or written reports by Advisory Committees shall be made periodically to the Board at a regular Board meeting. The Advisory Committee shall stand dissolved after the submission of the final report.

Any final reports or recommendations resulting from Standing or Advisory Committee work shall be submitted to the Board in written form.

## **SECTION 22 - BOARD OF DIRECTORS CODE OF ETHICS**

### **A. Integrity**

A Director must make every reasonable effort to avoid placing himself or herself under any financial or other obligation to any individual or organization that might reasonably be thought to influence the Director’s performance of his or her duties.

### **B. Leadership**

A Director has a duty to promote and support the key principles by leadership and example and to maintain and strengthen the public’s trust and confidence in the integrity of the District.

### **C. Selflessness**

A Director has a duty both ethically and legally to make decisions solely in the public interest. A Director must not act in order to gain financial or other benefits for himself or herself, his or her family, friends or business interests. This means making decisions because they benefit the District and the public it serves, not because they benefit the decision maker.

### **D. Objectivity**

A Director must make decisions solely on merit, free from bias and in accordance with the Director's statutory and ethical obligations when carrying out public business.

### **E. Accountability**

A Director is accountable to the public for his or her decisions and actions, preparing and researching as necessary to understand matters before the Board, and must consider issues on their merits, taking into account the views of others.

### **F. Openness**

A Director has a duty to be as open as possible about his or her decisions and actions and give reasons for decisions.

### **G. Honesty**

A Director has a duty to act honestly. As required by law, a Director must disclose any private interests relating to his or her public duties and take steps to resolve any conflicts arising in such a way that protects the public interest and/or recuse/disqualify himself or herself from taking any action which would constitute a conflict of interest.

### **H. Respect**

A Director must treat others with respect at all times, regardless of policy or personal disagreements, and observe the rights of other people. A Director must treat fellow Directors, officials, staff, customers and the public with courtesy and civility.

## **SECTION 23 – ETHICS TRAINING**

Directors are required by law to take ethics training every two (2) years. No cost training is available on the Fair Political Practices Commission (FPPC) website. Note that there is a minimum two (2) hour training requirement before taking the accompanying FPPC website test. After completing the test, Directors must print out and sign the "Online Proof of Participation Certificate" and return to the Board Secretary or Deputy Secretary.

## **SECTION 24 - VIOLATION OF CODE OF ETHICS OR CONDUCT**

An actual or perceived violation of this policy by a Director should be referred to the President of the Board or the full Board of Directors for investigation and consideration of any appropriate action. Appropriate action depends on the circumstances of the actual or perceived violation. Depending on the nature of the alleged violation, the Board may, as appropriate, determine a specific remedy or report the alleged violation to an appropriate authority. In all cases, the Board will pursue a course consistent with applicable legal requirements, the public interest, and the best interests of the Board and the District.

## **SECTION 25 - USE OF CONFIDENTIAL INFORMATION**

A Director is not authorized, without approval of the Board of Directors, to disclose information that qualifies as confidential information to a person not authorized to receive it. Under applicable provisions of law, information qualifies as confidential if it (1) has been received for, or during, a closed session meeting of the Board, (2) is protected from disclosure under attorney/client or other evidentiary privilege, or (3) is not required to be disclosed, or disclosure is prohibited, under the California Public Records Act.

This section does not prohibit a Director from taking any of the following actions: (1) making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury that are necessary to establish the alleged unlawfulness of an action taken by the District, an elected official or employee, (2) expressing publicly an opinion concerning the propriety or lawfulness of any action taken or considered by the District in closed session, including disclosure of the general nature of the allegedly unlawful action, or (3) disclosing non-confidential information which may be acquired during a closed session. Prior to disclosing confidential information pursuant to (1) or (2), above, however, a Director will first bring the matter to the attention of the District's legal counsel, the President of the Board or the full Board, to provide the Board an opportunity to cure an alleged violation, unless doing so would itself constitute a violation of law, court order, or any other statutory obligation.

A Director who willfully and knowingly discloses confidential information received in the course of his or her official duties for monetary gain may be guilty of a misdemeanor under Government Code section 1098.

## **SECTION 26 - IMPROPER ACTIVITIES AND THE REPORTING OF SUCH ACTIVITIES; PROTECTION OF "WHISTLE BLOWERS"**

The General Manager has primary responsibility for (1) ensuring compliance with the District's Personnel Manual, and ensuring that District employees do not engage in improper activities, (2) investigating allegations of improper activities and reporting these allegations to the Board as appropriate, and (3) taking appropriate corrective and disciplinary actions and reporting these actions to the Board as appropriate. The Board has a duty to ensure that the General Manager is operating the District according to law and the policies approved by the Board. Directors are encouraged to fulfill their obligation to the public and the District by disclosing to the General

Manager, to the extent not prohibited by law, court order, or other statutory obligation, any improper activities within their knowledge. Directors will not interfere with the General Manager's responsibilities in identifying, investigating and correcting improper activities, unless the Board determines that the General Manager is not properly carrying out these responsibilities and further determines to take additional actions as it deems appropriate to protect the District and the public interest.

A Director will not directly or indirectly use or attempt to use the authority or influence of his or her position for the purpose of intimidating, threatening, coercing, commanding or influencing any other person for the purpose of preventing such person from acting in good faith to report or otherwise bring to the attention of the General Manager of the Board any information that, if true, would constitute: a work-related violation by a Director or District employee of any law or regulation; gross waste of District funds; gross abuse of authority; a specified and substantial danger to public health or safety due to an act or omission of a District official or employee; use of a District office or position or of District resources for personal gain; or a conflict of interest of a District Director or District employee.

A Director will not use or threaten to use any official authority or influence to effect any action as retaliation against a District Director, District employee, or member of the public who reports or otherwise brings to the attention of the General Manager any information regarding the subjects described in this section.

(Gov. Code, §§ 53298 and 53298.5; Lab. Code, §§ 1102.5 et seq.)

## **SECTION 27 - FAIR AND EQUAL TREATMENT**

Directors, in the performance of their official duties and responsibilities, will not discriminate against or harass any person on the basis of race, religion, color, creed, age, marital status, national origin, ancestry, gender, sexual orientation, medical condition or disability. A Director will not grant any special consideration, treatment or advantage to any person or group beyond that which is available to every other person or group in similar circumstances.

## **SECTION 28 - PROPER USE AND SAFEGUARDING OF DISTRICT PROPERTY AND RESOURCES**

The California Constitution prohibits a Director from making a "gift of public funds" by utilizing or permitting the use of District owned vehicles, equipment, telephones, materials or property for his or her personal benefit or for the benefit of third parties without legal authorization. A Director will not ask or require a District employee to perform services for the personal benefit or profit of a Director. Each Director must protect and properly use any District asset within his or her control, including information recorded on paper or in electronic form. Directors will safeguard District property, equipment, moneys, and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust.

## SECTION 29 - CONFLICT OF INTEREST

It is unlawful for a Director to have a financial interest in a contract approved by the District, or be a purchaser at a sale by the District, or a vendor for a purchase made by the District, unless the Director's participation was authorized under Government Code sections 1091 or 1091.5, or other provisions of law. A Director will not participate in the discussion, deliberation or vote on a matter before the Board of Directors, or in any way attempt to use his or her official position to influence a decision of the Board, if he or she has a prohibited interest with respect to the matter, as defined in the Political Reform Act, Government Code sections 81000 et seq., relating to conflicts of interest. Generally, a Director has a financial interest in a matter if it is reasonable foreseeable that the Board decision would have a material financial effect (as defined by FPPC regulations found at Cal. Code Regs., tit. 2, 18100 et seq.) that is distinguishable from the effect on the public generally on (a) a business entity in which the Director has a direct or indirect investment in the amount specified in FPPC regulations; (b) real property in which the Director has a direct or indirect investment interest, with a value in the amount specified in FPPC regulations; (c) a source of income for the Director in the amount specified in FPPC regulations, within twelve (12) months before the Board decision; (d) a source of gifts to the Director in an amount specified in FPPC regulations within twelve (12) months before the Board decision; or (e) a business entity in which the Director holds a position as a director, trustee, officer, partner, manager or employee. An "indirect interest" means any investment or interest owned by the spouse or dependent child of the Director, by an agent on behalf of the Director, or by a business entity or trust in which the Director, or Director's spouse, dependent child or agent, owns directly, indirectly or beneficially a ten (10%) percent interest or greater. An elected official will not accept honoraria or gifts that exceed the limitations specified in the Fair Political Practices Act or FPPC regulations. Directors will report all gifts, campaign contributions, income and financial information as required under the Districts Conflict of Interest Code and the provisions of the Fair Political Practices Act and FPPC regulations.

The reporting provisions of the law are outlined in the Conflict of Interest forms. These forms are provided to the Board for completion on a calendar-year basis. Board members and designated employees shall file their statements with the Administration and Finance Manager. Upon receipt of the statements of the Directors and the General Manager, the Administration and Finance Manager shall make and retain a copy and forward the original of these statements to the Clerk of the Board of Supervisors of the County of Sonoma. The original statements for all other designated employees will be retained by the District.

If a member of the Board believes that he or she may be disqualified from participation in the discussion, deliberations or vote on a particular matter due to a conflict of interest, the following procedure will be followed: (a) if the Director becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Director will, at the earliest possible time, notify the District General Manager and District legal counsel of the potential conflict of interest, so that a determination can be made whether it is a disqualifying conflict of interest; (b) if it is not possible for the Director to discuss the potential conflict with the General Manager and the District legal counsel before the meeting, or if the Director does not become aware of the potential conflict until during the meeting, the Director will immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is disqualifying conflict of interest; and (c) upon a determination that there is a



disqualifying conflict of interest, the Director (1) will publicly disclose the nature of the conflict of interest as required by FPPC regulations, (2) will not participate in the discussion, deliberation or vote on the matter for which a conflict of interest exists, which will be so noted in the Board minutes, and (3) will leave the room until after the discussion, vote and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters or the Director has been advised that specific FPPC exemption applies.

A Director will not recommend the employment of a relative by the District. A Director will not recommend the employment of a relative to any person known by the Director to be bidding for or negotiating a contract with the District.

A Director who knowingly asks for, accepts or agrees to receive any gift, reward or promise thereof for doing an official act, except as may be authorized by law, may be guilty of a misdemeanor under Penal Code section 70.

Effective July 1, 2006, no Director who leaves office with the District may represent another person or entity before that Agency for one year after leaving office. This prohibition is very broad and covers any appearance before the District or one of its committees or any written or oral communication with the Agency for the purpose of influencing any type of decision. This prohibition is the same as that for certain state officers. The limited exceptions are for the former Director to represent him or herself; represent another person or entity without compensation, or where the former Director is an employee, officer or Director of another public agency, and represents that other public agency. (However, be aware that a local public agency may adopt a stricter rule).

### **SECTION 30 – LIABILITY COVERAGE**

The District maintains Public Officials Errors and Omissions Liability coverage that insures the District's Board and Officers against claims made against them for "breach of duty" occurring through negligence, error or unintentional omission in the performance of their official duties. However, Directors may be personally responsible for a willful misconduct or willful breach of District Policies and Procedures.

### **SECTION 31 – WORKERS COMPENSATION PROGRAM**

The District offers a self-insured Workers' Compensation Program, which provides each member statutory limits as well as Employer's Liability Coverage. The program covers bodily injury by accident or disease, including death, of employees arising out of and in the course of employment.