FINANCE AND HUMAN RESOURCES COMMITTEE

January 14, 2020 - 3:30 PM

31111 Greenspot Road, Highland CA 92346

AGENDA

CALL TO ORDER
PLEDGE OF ALLEGIANCE
PUBLIC COMMENTS
OLD BUSINESS
1. Review Board of Directors Handbook and Policies

NEW BUSINESS
2. Approve the Minutes for:
   - March 12, 2019
   - June 18, 2019
   - July 9, 2019
   - October 1, 2019
   - November 4, 2019
   - December 2, 2019

ADJOURN

PLEASE NOTE:

Pursuant to Government Code Section 54954.2(a), any request for a disability-related modification or accommodation, including auxiliary aids or services, that is sought in order to participate in the above-agendized public meeting should be directed to the District Clerk at (909) 885-4900 at least 72 hours prior to said meeting.
STAFF REPORT

Agenda Item #1.
Meeting Date: January 14, 2020
Discussion Item

To: FINANCE AND HUMAN RESOURCES COMMITTEE
From: District Clerk

Subject: Review Board of Directors Handbook and Policies

RECOMMENDATION:

Staff is recommending that the Finance and Human Resources Standing Committee review the revised Board of Directors Handbook and Policies.

BACKGROUND / ANALYSIS:

The Board of Director’s Handbook was adopted on October 8, 2014, to provide direction and clarity for the Board to maintain a high level of strategic success through the incorporation of best practices. The Handbook contains pertinent District information, controlling legislation, rules and regulations, as well as local policies enacted by the Board. The document serves as a resource for directors, staff and members of the public in determining the manner in which matters of District business are to be conducted.

On June 18, 2019, the Committee reviewed the Board of Directors Handbook, where they provided comments which have been incorporated into the attached document. Following final review by this committee, the Board of Directors Handbook will be brought before the full Board for consideration of approval.

AGENCY GOALS AND OBJECTIVES:

Goal and Objectives II - Maintain a Commitment to Sustainability, Transparency, and Accountability

a) Practice Transparent and Accountable Fiscal Management

FISCAL IMPACT

There is no fiscal impact associated with this agenda item.
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<thead>
<tr>
<th>Description</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board of Directors Handbook</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Expense Activity Sheet</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Board Reimbursement Policy</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Ordinance 388</td>
<td>Ordinance</td>
</tr>
</tbody>
</table>
Board of Director’s Handbook
Adopted October 8, 2014 Updated January 14, 2020

EAST VALLEY WATER DISTRICT
31111 Greenspot Road Highland, CA 92346
Table of Contents

Preamble ...................................................................................................................... 1

Chapter 1 – Role and Authority .................................................................................... 2

Chapter 2 – Board Values and Principles ..................................................................... 4

Chapter 3 – Board Member Interaction ........................................................................ 6

Chapter 4 – Staff Interaction ........................................................................................ 7

Chapter 5 - Governance ............................................................................................... 10

Chapter 6 – Public Interaction ...................................................................................... 13

Chapter 7 – Director’s Code of Conduct ..................................................................... 17

Appendix 1 – Board Member Acknowledgement
In support of East Valley Water District’s mission, the Governing Board will develop, adopt, and maintain a Board of Director’s Handbook. The intent is to educate and continually guide the Board to a high level of strategic success and achievement in accord with best practices. Contained in the Handbook shall be pertinent District information, controlling legislation, rules and regulations having authority, as well as local policies enacted by the Board. The Handbook will serve as a resource for directors, staff and members of the public in determining the manner in which matters of District business are to be conducted.

Preamble

The customers served by the East Valley Water District are entitled to elected Board members who are fair, ethical, and accountable. Such Board members constantly seek to reflect the following qualities:

- They comply with both the letter and the spirit of the laws and policies affecting operations of the District;
- They are independent, impartial, and fair in their judgment and actions;
- They use their public office for the public good, not for personal gain; and
- They conduct public deliberations and processes openly, unless legally confidential, in an atmosphere of respect, civility and transparency.

To this end, the East Valley Water District Board of Directors has adopted this Director’s Handbook, along with its Code of Conduct, to encourage public confidence in the integrity of the District and its fair and effective operation. The Board’s commitment to these principles is captured in the following Core Values:

1. **Leadership** in regional government, in the water industry, and in the local community.
2. **Partnership** with other agencies, stakeholders, and customers to enhance service.
3. **Stewardship** of ratepayer dollars and the region’s precious water resources.
Role of the Board

The primary role of the Board is to establish policies that guide the District to meet its mission. The policy decisions and actions of the Board constitute the "action" of the Board of Directors.

The Board has three (3) major responsibilities:

1. Promote the best interests of the District's customers by establishing policies that support the vision and mission of the District and by ensuring the implementation of those policies. Policies include the governing principles, plans, and course of action for the organization. Policy-making is the process of visionary planning and should reflect the broadest possible principles and provide parameters within which staff can operate. Policy-making sets the overall direction for the District.

2. The Board shall establish policies that ensure fiscal stability and the effective use of funds. In order to achieve this, each fiscal year the Board adopts a budget covering the anticipated revenues and expenditures of the District and reviews monthly and quarterly budget reports throughout the year. Additionally, from time to time, the Board reviews and/or adopts amendments to the District's cash reserve, investment, and other policies as necessary.

3. Hire a General Manager and CEO to manage the day-to-day operations of the District. The Board holds the General Manager/CEO accountable for the effective operational management of the District. An additional responsibility of the Board is to properly evaluate the General Manager/CEO on an annual basis.

In order to fulfill these responsibilities, the Board shall adhere to the following basic policy guidelines:

1. That the Board of Directors provides policy direction and leadership for the District.
2. That Board members recognize and respect the distinction between the policy setting role and the day-to-day implementation of policy by staff.
3. That it is the responsibility of the Board (from a policy perspective) to ensure that the District is a progressive, innovative, and well-managed agency.
4. That the Board exercises authority only collectively as a Board, and individual Board members shall not act on their own volition.
5. That the Board understands and provides leadership in regional, state, and national issues affecting the operations of the District.
6. That the Board respects the role of constituents in the governance of the District, and encourages their participation.

7. That key stakeholders should be consulted when and where appropriate.

8. That Board members represent the District in business related matters at meetings and events other than regular meetings of the Board.

9. That the Board maintains a high level of communication with the General Manager/CEO. When a Board member is going to be out of town or unavailable, the General Manager/CEO or his executive assistant the District Clerk is notified in a timely manner.

10. That Board members are provided the same information, where practical, including staff reports, committee agendas, customer inquiries, background information, etc.

11. That the Board is responsible for informing the General Manager/CEO of any specific information they want to receive from outside agencies or organizations. Staff is responsible for providing same in a timely manner.

12. That the Board is aware that all written and electronic documentation and communication is legally considered in the public domain. This excludes information protected by attorney-client privilege.

Authority

The East Valley Water District is a California Special District, an independent government agency which provides water delivery service to the customers within its boundaries. The District operates under authority of Division 12 of the California Water Code for County Water District. The District is governed by an elected Board of Directors who have authority to manage and conduct the business and affairs of the District, including the authority to fix terms and conditions of employment (including compensation) of District employees. The Board is authorized to delegate those powers. The Board has retained authority to employ and set terms and conditions for employment of the General Manager and CEO of the District, but the General Manager/CEO has management authority over subordinate employees.

In order for a Board of Directors to function in an effective manner, it is important that each member understand his/her respective role and the relationship they have to other members of the Board and to the General Manager/CEO. This also requires an understanding of the level of performance required to carry out the duties of a Board Member. The officers of the Board of Directors include the Chairman and Vice-Chairman. The Secretary to the Board of Directors is defined within the State Water Code as the General Manager/CEO of the District. Officers of the District are selected every two years corresponding with the general election for the Board or as otherwise determined by the Board of Directors.
Chapter 2 – Board Values and Principles

Adherence to established organizational values and principles can help to promote a collaborative work environment that encourages sharing, creativity, openness to new ideas, and an emphasis on customer satisfaction.

Putting Board Values into Play

Service Delivery

- Strive to exceed customers’ expectations and proactively explore opportunities to provide better service
- Emphasize thoroughness and completeness
- Treat every person with kindness and humility
- Be courteous, responsive and professional
- Actively listen to understand others

Leadership

- Take ownership of, and responsibility for, actions, risks, and results
- Use outcomes, whether positive or negative, as learning opportunities
- Make sound decisions from experience, good judgment and collaboration
- Give and seek clear expectations
- Look for solutions that contribute to desired results
- Act in all endeavors with an ethical, honest and professional manner
- Honor commitments in order to build trust
- Be truthful in word and deed

Openness

- Approach every situation with good intentions
- Encourage new and diverse ideas
- Listen, cooperate, and share across the organization
- Value and recognize individual contributions
Balance

- Recognize the need for personal and professional balance
- Do not forsake long-term goals in order to satisfy short-term needs
- Support an environment that is optimistic and enjoyable in which relationships can prosper across the organization

Guiding Principles

1. Insuring a safe and efficient water delivery system.
2. Designing and administering the highest quality, secure and innovative programs.
3. Delivering services in an equal, accurate, courteous, professional and prompt manner.
4. Providing meaningful information and education to all customers in a timely manner.
5. Attracting, developing, and retaining a competent, creative and highly motivated workforce.
6. Maintaining public trust by being an ethical, sensitive, effective and cost efficient organization in service to customers and employees alike.
7. Sustaining our role as leaders in the community.
Chapter 3 – Board Member Interaction

When the members of the East Valley Water District Board are elected to office, there is an expectation that they will bring a body of personal experience, knowledge and judgment to the development of good public policies. However, there is also an expectation that each individual will strive to work with fellow Board members and District staff as part of a team to address the various challenges and opportunities that are presented to them. The following represents Board member “best practices” for interacting with each other.

1. Board members are representatives of the District’s culture and values its customers at all times.
2. Business attire at Board meetings, and when representing the District at public events, is appropriate.
3. Relationships between Board members are informal and always professional.
4. Board members are aware of the rules governing communication among fellow Board members in compliance with mandated open meeting (Brown Act) law requirements. This includes communications by electronic, written and verbal methods.
5. Board members lead by example in their interaction and communication style and practice.
6. Board members function as a team and are not exclusive in their communication and interaction.
7. To the extent possible, Board members will be cooperative in supporting each other.
8. Personal attacks against fellow Board members or staff are not representative of a constructive culture.
Chapter 4 – Staff Interaction

The efficient and effective delivery of services to the customers of the East Valley Water District is a collaborative effort between the elected members of the Board of Directors and those individuals employed to execute the District’s day-to-day operations. The Board’s relationship and interaction with its professional staff must be carefully cultivated and nurtured at all times.

The Board’s Relationship with the General Manager/CEO

One of the most vital relationships the District Board has is between itself and its General Manager/CEO. The General Manager/CEO is the primary agent of the Board and is the one to whom the Board delegates its authority to manage and administer the District’s daily operations in accordance with approved policies. This position is important because to be successful, the District requires leadership and vision from its General Manager/CEO. In this capacity, the General Manager/CEO has two roles: Chief Executive Officer and top advisor to the Board. As the most visible employee, the General Manager/CEO truly represents the District to its many constituencies.

Much of the District’s success will be dependent upon a positive relationship between the Board and its General Manager/CEO. Paradoxically, the leadership nature of both parties means that this relationship will likely create some inherent tensions; a strong Board and a strong General Manager/CEO will not always agree on every issue. However, both must consciously focus on maintaining a shared sense of purpose, open communication, honesty, trust and mutual support. While the General Manager/CEO is hired to carry out Board policy directives, the Board also looks to him/her for guidance and leadership.

One of the most important decisions a Board will make is the selection of a General Manager/CEO in whom they have confidence. The Board must be able to support the decisions of the General Manager/CEO and grant him/her the authority to manage and lead the District. This is critical for building the General Manager/CEO’s credibility with the staff and the community. Both parties should always publicly support each other.

It is the General Manager/CEO’s responsibility to ensure that the Board members have all the information they need to make Board-level decisions and that all Board members are provided the same information. Board members expect the General Manager/CEO to make a recommendation on every issue before the Board, except those that are strictly reserved to the Board.

The following are guidelines are intended to help define the relationship between the Board and the General Manager/CEO:
1. The General Manager/CEO prepares annual goals which are approved by the Board of Directors as a part of a formal performance review process.

2. The Board of Directors will provide the General Manager/CEO with a written evaluation annually.

3. Board members are encouraged to contact the General Manager/CEO about any subject related to the operations of the District. Similarly, the General Manager/CEO may discuss any District related issue with any member of the Board of Directors.

4. Concerns regarding overall District operations or specific department issues or department heads are addressed with the General Manager/CEO.

5. Critical information will be provided to all members of the Board by the General Manager/CEO, which feedback may be verbal, written, or electronic in nature.

6. The General Manager/CEO handles interdepartmental issues.

7. The General Manager/CEO shall advise the Board of Directors when he/she is out of the office for an extended period of time and shall designate the individual who shall be acting General Manager/CEO during that time.

Request for Staff Resources

Individual Board member requests for research or other staff work must be directed to the General Manager/CEO, or the District’s legal counsel regarding legal matters. If, in the judgment of the General Manager/CEO, more than one hour of staff time will be required to complete the requested task/project, the item may be agendized to solicit Board authorization to expend the additional time necessary on the proposed item. Staff responses to Board member requests shall be provided to the General Manager/CEO and distributed to all Board members.

Interactions with Staff

District staff serves the entire Board of Directors as a whole. Consequently, the Board should adhere to the following guidelines in its interaction with the staff:

1. A Board member shall not direct staff to initiate any action, change a course of action, or prepare any report without the approval of the General Manager/CEO and, if necessary, a majority of the Board.

2. Board members shall not attempt to pressure or influence discussions, recommendations, workloads, schedules, or priorities.

3. When preparing for Board meetings, Board members should direct questions ahead of time to the General Manager/CEO so that staff can provide the desired information at the Board meeting.

4. Any concerns by a member of the Board regarding the behavior or work of a District employee should be directed to the General Manager/CEO privately to ensure that the concern is addressed. Board members shall not reprimand employees directly nor should they communicate their concerns to anyone other than the General Manager/CEO.
5. Soliciting political support from staff (e.g., financial contributions, display of posters or lawn signs, name on support list, etc.) is prohibited. District staff may, as private citizens with constitutional rights, support political candidates, but all such activities must be done away from the workplace and may not be conducted while on the job.
Chapter 5 – Governance

The orderly conduct of District business is guided by certain rules, regulations and procedures that are intended to afford equal opportunity for input on policy-making decisions to both Board members and the public. While many governance guidelines are embodied in State law, others are subject to Board discretion.

Election of Officers

The Chair and Vice Chair of the Board will be elected by the members of the Board. The election will be held at the first regular meeting in December of every other year.

The Board shall also designate the General Manager/CEO, Board Secretary and Chief Financial Officer.

Roles of the Chair and Vice Chair of the Board of Directors

1. The Chair of the Board of Directors is selected following the normal board election cycle for a 2-year term, unless otherwise modified by the Board.

2. The Chair of the Board is selected by the Board of Directors. In addition to the duties of the Chair described below, the Chair presides at all Board of Directors meetings, makes rulings on procedural points of order, and should keep meetings on track and productive. The Chair should encourage open discussion and allow all members the opportunity to express their views. The Chair should lead and guide the Board of Directors and provide a stabilizing influence and bring out the best in all members. The Chair appoints all committees, standing and Ad Hoc; coordinates the efforts of committees; integrates committee work with that of the Board of Directors, and defines committee relationships the General Manager/CEO. The Chair makes declarations, extends official recognition of groups or events, and regularly communicates with the General Manager/CEO. The Chair can request an item to be placed on the Board agenda.

3. The Vice-Chair remains as one member of the Board and has no rights or authority different from any other member of the Board. However, in the event of a temporary absence of the Chair, or an early vacancy in the position of Board Chair, the Vice-Chair shall become the Board Chair and shall continue as such until the Board Chair’s temporary absence is complete or for the remaining portion of the outgoing Board Chair’s term as Board Chair.

4. The Board shall govern the succession of the Chair and Vice-Chair.
5. In the event of an early vacancy in the position of Vice-Chair, the Board shall determine, by vote, a replacement to fulfill the remaining portion of the outgoing Vice-Chair's term.

6. The Chair acts as the ceremonial head or representative of the District at various civic functions, and in his/her absence, the Vice-Chair serves in this capacity.

7. The Chair is the designated spokesperson for the Board of Directors when requests are made from external sources. The Chair may elect to appoint one of the other Board members to serve in this capacity.

8. The Chair acts as the signatory on all documents requiring the Board's execution. The Vice-Chair may do so in the Chair's absence.

9. The Chair makes appointments to the Representative Assignments annually.

**Time and Place for Regular Meetings**

The regular monthly meeting of the Board of Directors will be held on the second and fourth Wednesday of each month commencing at 5:30 pm at a site determined by the Board.

**Quorum Requirements**

Three members of the Board will constitute a quorum for the transaction of business.

**Board Meeting Protocol**

1. All noticed meetings of the Board of Directors shall be conducted using Roberts Rules of Order. Robert's Rules provide for constructive and democratic meetings and are intended to help, not hinder, the business of the Board. Under no circumstances should "undue strictness" be allowed to intimidate or limit full participation.

2. The General Manager/CEO is responsible for setting the agenda for the meetings of the Board. Any member of the Board may request that an item be placed on the agenda through notification to the General Manager/CEO and Chair.

3. Public comment shall be received pursuant to the Ralph M. Brown Act.

4. The Board shall treat members of the public with courtesy and respect.

5. Corrections to official minutes of the Board of Directors public meetings are passed on to the General Manager/CEO as soon as reasonably possible and shall be approved at the next regular Board meeting.

6. The General Manager/CEO shall inform the Board of items of significance that will be placed on future agendas.

7. The General Manager/CEO meets with the Board Chair and/or Vice Chair prior to the Board meetings to review and prepare for the upcoming meeting.

8. At the direction of the General Manager/CEO, department heads or appropriate departmental managers will be present at every meeting if they have an item on the agenda.

Adopted October 8, 2014
9. The time during the Board Announcements Board of Directors’ Report portion of the Agenda shall be utilized for public education purposes regarding District programs and services. It is not intended to allow Board members to ask staff for studies and reports or to express complaints. Such input should be conveyed to the General Manager/CEO outside of the Board meeting, members of the legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting pursuant to Government Code Section 53232.3.(d).

9.10. The Board Comment portion of the Agenda shall be an opportunity for Members of the Board to make brief statements regarding non-agendized items.

Consent Calendar

1. The District utilizes a Consent Calendar to approve routine business matters, such as minutes, production reports, cash reports, some resolutions, and previously approved budgetary items.

2. If a Board member has a question on a Consent Calendar item, they are encouraged to contact the General Manager/CEO for clarification prior to the official meeting, rather than having it pulled for separate discussion during the meeting.

Voting

A majority of all members of the Board present at a meeting will be required to approve any ordinance, resolution or motion, unless a different voting requirement to approve a particular action is specified under State law.

1. Each member may speak on an item prior to the making of a motion.

2. Roll call votes are required on all ordinances considered by the Board. On other items, a roll call vote may be requested by any member of the Board, but is at the discretion of the Chair.

3. Once an agenda item has been voted on, the disposition is considered as the “action” of the Board of Directors and subsequently supported by the individual members of the Board.

Closed Session

1. All closed session discussions and materials are considered legal and confidential information, and as such, are not shared outside the closed Session Conference unless specific action is taken, and then must be reported out of Closed Session.

2. Closed session staff reports are to be returned to the General Manager/CEO and/or District counsel immediately following the meeting. Electronic copies of the reports will not be provided to the Board.
3. Closed Session meetings may be held at times other than the regular meetings of the Board of Directors so long as the meeting is posted pursuant to the prevailing open meeting or Brown Act rules.

4. A Board Member should refer a request for information regarding a closed session item to the General Manager/CEO who in concert with the District's legal counsel, will prepare an appropriate response.
Chapter 6 – Public Interaction

As a public body, it is important for the East Valley Water District Board of Directors to establish a working environment that encourages public participation and trust. During their time as elected officials, Board members will have a wide range of interactions with the public including written communication (i.e., letters, email, etc.), social media, phone calls, face-to-face, social functions, regular and special Board meetings, etc. The following guidelines represent Board member “best practices” for interacting with the public.

Customer Concerns and Complaints

1. All customer concerns and inquiries shall be referred to the General Manager/CEO.

2. The General Manager/CEO or his designee Staff will provide the Board with a written or verbal report of customer concern or inquiry that cannot be handled as a routine manner. The Board will also be provided with a response to the concern or inquiry.

3. The Board will be informed of significant, politically sensitive, urgent and/or repetitive telephone or electronic communication inquiries. Staff will research the request as soon as possible, and provide the General Manager/CEO with the appropriate follow-up and response. The General Manager/CEO will review the communication prior to dissemination to the Board.

4. Copies of any written or electronic responses to customer concerns provided by a member of the Board shall be provided to the other members of the Board of Directors as well.

5. Information that may expose the District to liability will be shared with the Board at a noticed, closed session meeting of the Board of Directors.

Public Input on the Agenda

1. Prior to public input on an agenda item, the Board will consider reports, questions from the Board, and a response.

2. Agenda items noticed on the agenda for public hearing will follow procedures as outlined by the District’s legal counsel.

3. The Chair of the Board may elect to defer action on an item brought forward by the public until such time as staff can prepare an appropriate response.
4. The Chair is responsible for maintaining an orderly progression of the business before the Board, and to the extent possible regulates the amount and type of input from the public and from members of the Board and staff.

5. Generally, Board members will not respond to public comments except for the Chair referring matters to the General Manager/CEO for follow-up. Board members may, through the Chair, ask clarifying questions to ensure that staff provides an appropriate response. Occasionally, a prompt response may be offered by the Chair or the General Manager/CEO when an obvious answer or resolution is available. The Board will not enter into a debate or make decisions in response to public comments that are not on the agenda for consideration.

6. Questions by a Board member to staff or consultants making presentations shall be directed to the Chair who will refer it to the General Manager/CEO for a response.

**Representing an Official District Position**

In order to ensure that they are properly representing their positions as elected officials of the East Valley Water District, Board members should adhere to the following guidelines:

1. Board members may use their title only when conducting official District business, for information purposes, or as an indication of background and expertise.

2. Once the Board of Directors has taken a position on an issue, all official District correspondence regarding that issue will reflect the Board’s adopted position.

3. In most instances, the Board will authorize the Chair of the Board to send letters stating the District’s official position to appropriate legislators.

4. **No Board member** is permitted to attend a meeting of any outside agency or organization (including Representative Assignments) as an official representative of the District without prior Board authorization from the Chairman. Meetings of outside agencies and organizations that are included on the District’s list of Representative Assignments are to be attended by the designated Board member and/or alternate. **If the designated Board member and/or alternate cannot attend an assigned meeting, a duly appointed substitute may attend on their behalf.**

5. If a member of the Board appears before the meeting of another governmental agency organization to give a statement on an issue affecting the District (including Representative Assignments), the Board member shall indicate the majority position and opinion of the Board. (NOTE: Board members shall report on any actions taken at the next Board meeting).

6. Personal opinions and comments that may be contrary to adopted policy may be expressed only if the Board member clarifies that these statements do not reflect the official position of the Board or the District.

7. Board members should exercise caution when utilizing the news media, social media or other forms of communications to specifically express views which are in opposition to adopted Board policy.
When two Board members are authorized/assigned by the Board to attend a meeting as the District’s official representative, other Board members may not participate at the meeting in order to avoid violations of the Ralph M. Brown Act.
Chapter 7 – Director’s Code of Conduct

In order to promote the public’s trust in Board policies and to ensure the most effective and efficient delivery of District services, members of the Board shall abide by the following Director’s Code of Conduct:

1. Board members shall refrain from abusive conduct, personal charges, or verbal attacks upon the character or motives of other members of the Board, committees, staff, or the public.

2. Board members duties shall be performed in accordance with the processes and rules of order established by the Board.

3. Communication between Board members, including electronic, verbal and written, shall comply with all State-mandated open meeting law requirements (Brown Act).

4. Board members shall inform themselves on public issues, listen attentively to public discussions before the body, and focus on the business at hand.

5. Board decisions shall be based upon the merits and substance of the matter at hand.

6. Board members shall represent the official policies and positions of the Board. When presenting their personal opinions or positions publicly, members shall explicitly state they do not represent the Board or the District.

7. Board members shall respect and preserve the confidentiality of information provided to them concerning the confidential matters of the District. They must neither disclose confidential information without proper legal authorization nor use such information to advance or adversely affect the personal, financial, or private interests of themselves or others.

8. It is the responsibility of Board members to publicly share substantive information that is relevant to a matter under consideration that they have received from sources outside of the public decision-making process with all other Board members and the public prior to taking action on the matter.

9. Appropriate District staff should be involved when Board members meet with officials from other agencies and jurisdictions to ensure proper staff support as needed and to keep the General Manager/CEO informed.

10. Board members shall not attend internal staff meetings or meetings between District staff and third parties unless invited by the General Manager/CEO or directed by the Board to do so.

11. Board members shall disclose to the appropriate authorities and/or to the Board any behavior or activity that may qualify as corruption, abuse, fraud, bribery or other violation of the law.
12. Board members, by virtue of their public office, shall not take advantage of services or opportunities for personal gain that are not available to the public in general. They shall not accept gifts, favors or promises of future benefits that might compromise their independence of judgment or action or give the appearance of being compromised. Likewise, Board members shall not appear on behalf of, or advocate for, the private interests of a third-party before the Board.

**Conflict of Interest**

In order to assure their independence and impartiality on behalf of the public good, state law prohibits Board members from using their official positions to influence government decisions in which they have a financial interest or where they have an organizational responsibility or a personal relationship that would present a conflict of interest under applicable State law. In accordance with applicable State laws, the following provisions shall apply to all Board member actions:

1. A Board member will not have a financial interest in a contract with the District, or be a purchaser at a sale by the District or a vendor at a purchase made by the District, unless the Board member’s participation was authorized under Government Code sections 1091 or 1091.5, or other provisions of law.

2. A Board member 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, and following, relating to conflicts of interest. Generally, a Board member has a financial interest in a matter if it is reasonably foreseeable that the Board decision would have a material financial effect (as defined by the Fair Political Practices Commission’s (“FPPC”) regulations) that is distinguishable from the effect on the public generally on:

   a. A business entity in which the Board member has a direct or indirect investment in the amount specified in the then-effective FPPC regulations;
   
   b. Real property in which the Board member has a direct or indirect investment interest, with a worth in the amount specified in the then-effective FPPC regulations;
   
   c. A source of income of the Board member in the amount specified in the then-effective FPPC regulations, within twelve months before the Board decision;
   
   d. A source of gifts to the Board member in an amount specified in the then-effective FPPC regulations within twelve months before the Board decision;
   
   e. A business entity in which the Board member holds a position as a director, trustee, officer, partner, manager or employee;
   
   f. The Board member’s personal expense, income, assets or liabilities, and those of his or her immediate family, are likely to go up or down in a 12-month period as a result if the decision by the amount specified in the then-effective FPPC regulations.

3. If a Board member 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:

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Adopted October 8, 2014
a. If the Board member becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Board member will notify the District’s General Manager/CEO and the District’s 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 Board member to discuss the potential conflict with the General Manager/CEO and the District’s legal counsel before the meeting, or if the Board member does not become aware of the potential conflict until during the meeting, the Board member will immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is a disqualifying conflict of interest;

c. Upon a determination that there is a disqualifying conflict of interest, the Board member: (1) 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 (2) 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 (i.e., the consent calendar), in which case the Board member will identify the nature of the conflict and not vote on the specified item on the consent calendar. If the item is agendized for discussion and possible action, the Board member may speak on his or her personal interests in the matter during the time that the general public speaks on the issue but must leave the room during Board discussion and action on that item.

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

**Handling of Legal Matters**

The Board appoints the District’s legal counsel to provide a wide range of professional legal services, assistance, and legal advice to the Board of Directors, General Manager/CEO and all District departments and offices.

1. The following guidelines shall be employed by Board members when dealing with legal and/or other confidential matters:

   a. All written materials and verbal information provided to Board members on matters that are confidential and/or privileged under State law shall be kept in complete confidence to ensure that the District's position is not compromised. No disclosure or mention of any information in these materials may be made to anyone other than Board members, the General Manager/CEO or the District’s legal counsel.

   b. Confidential materials provided in preparation for and during Closed Sessions shall not be retained and electronic copies must be deleted or documents returned to staff at the conclusion of the Closed Session.

   c. Confidential materials provided to Board members outside of Closed Sessions must be destroyed, deleted, or returned to staff within thirty (30) days of their receipt.

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Adopted October 8, 2014
d. Board members may not request confidential written information from staff that has not been provided to all Board members.

2. All Board members who are desirous of contact with the District’s legal counsel, his or her staff, and/or attorney(s) contracted to work on behalf of the District shall obtain prior approval from the General Manager/CEO. Board members cannot enjoy or establish an attorney-client relationship with said attorney(s) by consulting with or speaking to same. Any attorney-client relationship established belongs to the District, acting through the Board of Directors, and as may be allowed in State law for purposes of defending the District and/or the Board in the course of litigation and/or administrative procedures, etc.

**Ethics Training**

AB 1234 requires elected or appointed officials who are compensated for their service or reimbursed for their expenses to take two hours of training in ethics principles and laws every two years. Those who enter office after January 1, 2006 must receive the training within a year of starting their service. They must then receive the training every two years after that.

The training must cover general ethics principles relating to public service and ethic laws including:

1. Laws relating to personal financial gain by public officials (including bribery and conflict of interest laws);
2. Laws relating to office-holder perks, including gifts and travel restrictions, personal and political use of public resources, and prohibitions against gifts of public funds;
3. Governmental transparency laws, including financial disclosure requirements and open government laws (the Brown Act and Public Records Act);
4. Laws relating to fair processes, including fair contracting requirements, common law bias requirements, and due process.

**Sexual Harassment Prevention Training**

AB 1661 requires elected or appointed officials who are compensated for their service or reimbursed for their expenses to receive at least two hours of sexual harassment prevention training and education within the first six months of taking office or commencing employment, and every two years thereafter.

The training must include information and practical guidance regarding the federal and state statutory provisions concerning the prohibition against, and the prevention and correction of, sexual harassment and the remedies available to victims of sexual harassment in employment.

**Enforcement**

Any actual or perceived violation of District policies, including the Code of Conduct, by a Board member should be referred to the Chair of the Board or the full Board of Directors for investigation, and consideration of any appropriate action warranted. A violation of this policy may be addressed by the use of such remedies as are available by law to the District, including but not limited to:

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Adopted October 8, 2014
1. **Reassignment of committee positions.**

1.2. Adoption of a resolution expressing disapproval of the conduct of the Board member who has violated this policy (i.e., censure);

2.3. Injunctive relief;

3.4. Referral of the violation to the District Attorney.
Appendix 1 – Board Member Acknowledgement

This Board of Directors Handbook, which includes the Director’s Code of Conduct, shall be considered to be the definitive document relating to ethical conduct by the East Valley Water District Board of Directors.

I affirm that I have received a copy of the East Valley Water District Board of Directors Handbook and that I have read and understand its provisions.

__________________________________________  _______________________
Board Member Signature                        Date
## DIRECTOR EXPENSE / REIMBURSEMENT
### ACTIVITY SHEET

Name: ___________________________  Month / Year: _____________________

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Subtotal Meetings’ Stipend: (0) Meetings  $0.00

Subtotal Mileage: 0.00 X 0.58/mi  $0.00

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<th>No.</th>
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Subtotal Reimbursement: $0.00

TOTAL PAYMENT: $0.00

I certify that the above is correct and accurate to the best of my knowledge.

Date of Approval

Administration Signature
As part of the District’s commitment to transparency, please provide a brief description of any meeting/event(s) that you will not be providing a report during the Board meeting at which your Director’s Expense Sheet is

1 Meeting Date: 
   Event Description: 
   Brief Description of Meeting/Event Value to EVWD

2 Meeting Date: 
   Event Description: 
   Brief Description of Meeting/Event Value to EVWD

3 Meeting Date: 
   Event Description: 
   Brief Description of Meeting/Event Value to EVWD

4 Meeting Date: 
   Event Description: 
   Brief Description of Meeting/Event Value to EVWD

5 Meeting Date: 
   Event Description: 
   Brief Description of Meeting/Event Value to EVWD
As part of the District's commitment to transparency, please provide a brief description of any meeting/event(s) that you will not be providing a report during the Board meeting at which your Director's Expense Sheet is

6 Meeting Date: 
Event Description: 
Brief Description of Meeting/Event Value to EVWD

7 Meeting Date: 
Event Description: 
Brief Description of Meeting/Event Value to EVWD

8 Meeting Date: 
Event Description: 
Brief Description of Meeting/Event Value to EVWD

9 Meeting Date: 
Event Description: 
Brief Description of Meeting/Event Value to EVWD

10 Meeting Date: 
Event Description: 
Brief Description of Meeting/Event Value to EVWD
As part of the District's commitment to transparency, please provide a brief description of any meeting/event(s) that you will not be providing a report during the Board meeting at which your Director's Expense Sheet is:

11. **Meeting Date:**
    Event Description: 
    Brief Description of Meeting/Event Value to EVWD:

12. **Meeting Date:**
    Event Description: 
    Brief Description of Meeting/Event Value to EVWD:

13. **Meeting Date:**
    Event Description: 
    Brief Description of Meeting/Event Value to EVWD:

14. **Meeting Date:**
    Event Description: 
    Brief Description of Meeting/Event Value to EVWD:

15. **Meeting Date:**
    Event Description: 
    Brief Description of Meeting/Event Value to EVWD:
As part of the District's commitment to transparency, please provide a brief description of any meeting/event(s) that you will not be providing a report during the Board meeting at which your Director's Expense Sheet is

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1.00 PURPOSE

The purpose of this policy is to comply with the provisions of Government Code Sections 53232, 53232.1, 53232.2 and 53232.3, as may be amended from time to time. This policy shall be applied in the implementation of Ordinance No. 388 of the East Valley Water District, as may be amended from time to time.

2.00 PROCEDURE

A. Enacted Assembly Bill 1234 provides amendments to the California Government Code, Section 53232, et seq., which requires the enactment of policies by public agencies relative to director’s compensation, and reimbursement of expenses incurred by public officials in performing official duties.

B. District Ordinance 388 establishes Director’s compensation.

C. Penalties for violations of the law are set forth in Government Code Section 53232.4.

2.01 DEFINITIONS

A. For purposes of this policy, the following definitions shall apply:

1. District: Shall mean the East Valley Water District.

2. Director: Shall mean an elected or appointed member of the Board of Directors of the District or outside Committee Members.

3. Board: Shall mean the Board of Directors of the District.

4. Ordinance 388: Shall mean Ordinance 388 of the District, as may be amended from time to time.

2.02 COMPENSATION

The compensation of the Directors shall be as set forth in Ordinance 388.
2.03 REIMBURSEMENT FOR EXPENSES INCURRED IN PERFORMING OFFICIAL DUTIES

A. Reimbursement to Directors for actual and necessary expenses incurred in the performance of authorized duties shall be as set forth in Ordinance 388, Section 1.

1. Registration fees for conferences, seminars, training sessions including training required under Government Code Section 53234 et seq, shall be paid by the District in advance. All such registrations shall be made through the District Clerk. To the extent possible, personal credit cards shall not be used to pay for registration fees.

2. Cost of Accommodations - Reimbursement for the cost of overnight accommodations for a conference, seminar, or meeting shall be limited to the actual and reasonable cost of adequate accommodations. To the extent possible, lodging should be secured, in advance, through the District Clerk.

3. Transportation - To secure the most economical mode of transportation in keeping with availability, convenience, and propriety of the District. If possible, all travel arrangements shall be made through the District Clerk. When air travel is the most appropriate method of transportation, coach class shall be utilized. A private automobile may be used when necessary, but only when it is the least expensive alternative for travel. Mileage shall not be reimbursed to the extent that the mileage cost exceeds the cost of an available lower cost alternative form of transportation. A rental car may be used when appropriate public transportation is unavailable or more expensive and the cost thereof shall be reimbursed to the Director. Shuttle and metro services should be used when most appropriate in lieu of a taxi or car rental and the actual cost shall be reimbursed to the Director.

4. Expenses - A $200 per diem rate guideline is established for the Directors. The per diem is to be used for meals and other miscellaneous expenses such as parking fees, not including major transportation or registration fees. If the indicated guidelines are exceeded, written justification must be attached to the travel expense report to be approved by the Board of Directors or approval must be obtained in advance from the Board of Directors for locations where these amounts may not be practical. If a director exceeds the established per diem rate, the matter will be automatically referred to the Board of Directors for consideration.

5. In compliance with Ordinance 388, Section 7, after incurring an authorized expense, the Director shall submit to the District Clerk an Expense Report in the form as attached hereto collectively as Exhibit “A”. Receipts for claimed expenses shall be submitted as part of the Expense Report. All
documents related to reimbursable expenditures, including expense reports and receipts are public records subject to disclosure under the California Public Records Act. Personal information including credit card numbers may be redacted from any documents.

6. The following expenses are not reimbursable: alcoholic beverages, parking or traffic violation fines, entertainment, personal phone calls, auto repairs, personal auto insurance, the personal portion of any trip, including expenses for a spouse or family member, and personal losses incurred while performing District business.

2.04 REPORTING

A. Directors shall provide a brief report either written or oral, on meetings attended at the expense of the District.

2.05 POLICY VIOLATIONS

A. Violations of the policy shall be as provided in Government Code Section 53232.4.

6.0 EXHIBITS

1. Ordinance No. 388
2. Expense Report

APPROVED:

John Mura
Chief Executive Officer/General Manager
ORDINANCE NO. 388

ORDINANCE OF THE EAST VALLEY WATER DISTRICT, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING COMPENSATION, BENEFITS, AND AUTHORIZING REIMBURSEMENT OF EXPENSES AND ESTABLISHING TRAINING REQUIREMENTS FOR THE BOARD OF DIRECTORS

BE IT ORDAINED by the Board of Directors of the East Valley Water District ("District") as follows:

WHEREAS, it is recognized that each member of the Board of Directors expends a considerable amount of time and effort serving on committees and attending meetings including, but not limited to meetings of the Board of Directors; and

WHEREAS, the office of Director is a public service position and should not be considered an employment position for the purpose of generating income for the Director. This Ordinance seeks to establish a reasonable and just compensation for the time and effort put forward by Board members; and

WHEREAS, in consideration for the expenditure of time and effort, it is appropriate to provide reasonable compensation and to authorize reimbursement of expenses for the Board of Directors, pursuant to Section 30507 of the Water Code; and

WHEREAS, California Water Code Section 20202 provides that the Board of Directors may adopt an ordinance authorizing compensation for the Directors for a total of not more than ten (10) days in any calendar month and in an amount in excess of $100 per day, as may be adjusted each year.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the District as follows:

Section 1. Compensation. Subject to the limitation of Section 2 of this Ordinance, each member of the Board of Directors shall be compensated for attending:

(a) Regular, special, emergency, and adjourned meetings of the Board of Directors.

(b) Regular, special, emergency, and adjourned meetings of a committee of the Board of Directors, or a committee to which the Board member has been assigned by the Chairman of the Board of Directors, provided that attendance is as a member or alternate member of that committee. If the Board member has been assigned to an outside committee or board which also pays compensation to its committee or board members, then that compensation shall be accepted by the board
member first and, if the compensation paid by the outside committee or board is less than the compensation set forth in this Ordinance, the District shall pay the difference.

(c) A conference related to District business provided that such compensation shall not exceed the duration of the conference plus one day travel time to the conference and one day travel time from the conference.

(d) A meeting with the District's General Manager or designee concerning District operations or attendance at the District to perform District business.

(e) City Council meetings, other water agency meetings, and other community meetings where the member is requested to attend by the Board Chairman, General Manager, or Board authorization or is making a presentation on the District's behalf. This prohibition shall not apply to a Director who has held office less than 18 months.

(f) Board Chairman authorized meetings with local, state, or federal elected officials or their staff members that are related to District business.

(g) Court hearings or other legal proceedings related to District business, including meetings with District counsel.

(h) Training sessions mandated by law including, but not limited to, ethics training and harassment training and other relevant training whether provided in person or through webcast.

(i) The Board of Directors may retroactively approve payment for attendance at any meeting/event attended by a member of the Board. Board members shall not be compensated for attending social gatherings, picnics, awards banquets, holiday events, retirement dinners, and similar functions unless previously approved by the Board of Directors. Except for Board members with 18 months or less of service on the Board, Board members shall not be compensated for attending meetings of other public agencies unless attendance was approved by the Chairman of the Board of Directors prior to attendance.

Section 2. Compensation Limits. Compensation for attendance at a meeting and/or conference as specified in Section 1, shall not exceed, on a per day basis, that amount of compensation as established by the Board, regardless of the number of meetings and/or conferences that are attended on the same day, provided that the total compensable days in a calendar month shall not exceed ten days. Attendance shall mean that the Director is present during not less than seventy-five percent (75%) of the duration of the meeting or conference presentations.

East Valley Water District
Ordinance No. 388
April 8, 2015
Page 2 of 5
Section 3. Reporting. Board members shall report briefly, orally or in writing, on their respective representative assignment and conference activities. If written, the reports shall be submitted concurrently with the Director's monthly expense reimbursement voucher.

Section 4. Directors’ Benefits. Members of the Board of Directors are eligible to enroll in District sponsored group insurance plans available to eligible employees for health, dental, vision, and life insurance. The benefits allowed to the members of the Board of Directors shall not be greater than the most generous schedule of benefits being received by any category of District employees.

(a) Continuation Benefits. Pursuant to California Government Code Sections 53200-53210, the District may, subject to the terms and conditions as may be established by the Board, contribute to the cost of health and dental insurance coverage to former Board members, and their spouses and dependents, who served in office after January 1, 1981; were not first elected to a term of office that began on or after January 1, 1995; served not less than twelve (12) years on the Board at the time of termination; and who are otherwise eligible to receive retirement benefits. The amount and duration of benefits described under this Section shall be commensurate with and equal to those benefits provided for in the “Memorandum of Understanding Between The East Valley Water District and The San Bernardino Public Employees Association July 1, 2014 through June 30, 2017”, as amended from time to time, which benefits are available to District retirees with twenty (20) years or more of service with the District.

(b) Subject to the terms and conditions as may be established by the Board of Directors of the District, the District shall make health and welfare benefits available to its former Board members who do not qualify under Section 3(a) of this Ordinance, and to the spouses and dependents of such Board members on a self-pay basis and who otherwise satisfy any and all additional eligibility requirements imposed by CALPERS. The election requirements for the insurance coverage provided herein, and the length of time in which said coverage shall be made available to such participants upon election, shall be the same as set forth in the continuation of benefits under the “Consolidated Omnibus Budget Reconciliation Act of 1985”.

Section 5. Training. All members of the Board of Directors and executive staff as designated by the Board shall complete training in the areas of ethics and sexual harassment as required by and in compliance with applicable law. The District
shall maintain records indicating the dates that District officials completed said training and the entity that provided the training. The District shall maintain these records for at least five (5) years after District officials receive the training. The records are public record subject to disclosure under the “California Public Records Act”.

Section 6. Ordinance Review. All compensation/benefits provided to members of the Board of Directors shall be reviewed as an information item at the first Board Meeting of December of each year. At that time, the Board of Directors may instruct staff to place the amendment of this Ordinance on the Board’s Agenda for the first Meeting in January of the following year for amendment. Currently the rate of compensation for members of the Board of Directors of the District shall be $175.00 per day’s service.

Section 7. Reimbursement of Expenses. Each member of the Board of Directors shall be reimbursed for reasonable out-of-pocket expenses incurred by such member in performing services rendered pursuant to Section 1, or in performing services otherwise authorized or ratified by the Board of Directors. Reimbursement for lodging, conferences, and travel expenses shall be in accordance with District Policy 1.1 Board of Director’s Expense Reimbursement Policy, as may be amended from time to time.

Section 8. Expense Vouchers. The Directors shall be paid based upon a duly executed District approved expense voucher submitted monthly by the Directors. Said vouchers shall be submitted to the District Clerk by noon Tuesday preceding the first regular Board Meeting of the following month. Expense vouchers will be accompanied by the appropriate receipts or affidavit of expense documenting each expense. The Board of Directors shall retain the discretion to reject reimbursement for expenses not supported by receipts, determination shall be made at a regularly scheduled Board meeting.

Section 9. Repeal of Prior Ordinances and Resolutions. Ordinance 371 and Resolution 2014.18 are repealed as of the effective date of this Ordinance and this Ordinance shall supersede any and all other prior ordinances or resolutions in conflict with the provisions hereof.

Section 10. Effective Date. This Ordinance shall become effective upon adoption.
ADMITTED: April 8, 2015

James Morales, Jr.
Board President of the East Valley Water District Board of Directors

ATTEST:

John Mura, General Manager/CEO of
East Valley Water District and
Secretary of the East Valley Water District
Board of Directors

STATE OF CALIFORNIA   
COUNTY OF            )SS
SAN BERNARDINO      )

I, John Mura, Secretary of East Valley Water District Board of Directors, DO HEREBY CERTIFY that the forgoing Ordinance being No. 388, was adopted at a regular meeting on April 8, 2015, of said District by the following vote:

AYES: Carrillo, Coats, Morales, Shelton

NOES: Coleman

ABSTAIN: None

ABSENT: None

John Mura
Secretary
Ms. Koide called the meeting to order at 3:30 p.m. and Mr. Tompkins led the flag salute.

PRESENT: Directors: Coats, Morales

ABSENT: None

STAFF: Brian Tompkins, Chief Financial Officer; Kerrie Bryan, HR/Risk and Safety Manager; Justine Hendricksen, District Clerk; Christi Koide, Senior Administrative Assistant

GUEST(s): Members of the public

PUBLIC COMMENTS

The Senior Administrative Assistant declared the public participation section of the meeting open at 3:32 p.m.

Mr. Brown commented that he was unable to locate minutes from previously held meetings.

REVIEW BOARD OF DIRECTORS HANDBOOK AND POLICIES

The District Clerk stated that the District completes a comprehensive review of administrative policies and programs regularly and determined the need to review the following: Board of Directors Handbook (Handbook), Ordinance 388, Board of Directors Reimbursement Policy, and Director’s Expense Activity Sheet.

All revisions discussed during today’s meeting will be completed and brought back to this Committee for final review, prior to presenting the Handbook to the full Board.

Information only.
REVIEW RECORDS RETENTION POLICY

The District Clerk gave a brief history of how the District stored and disposed of records, in accordance with Government Code Sections 60200-60204, both on and off-site since 2010. In 2017, the District hired a Consultant to update the District’s records retention schedules to ensure retention periods reflected current changes in law.

Director Morales suggested that we retain Gladwell Governmental Services, Inc. every other year to ensure the District is current on all changes in law.

Information only.

ADJOURN

The meeting adjourned at 4:52 p.m.

James Morales, Jr.  
Governing Board Member

Ronald L. Coats  
Governing Board Member
Ms. Koide called the meeting to order at 3:32 p.m. and Ms. Hendricksen led the flag salute.

PRESENT: Directors: Coats, Morales

ABSENT: None

STAFF: Justine Hendricksen, District Clerk; Robert Peng, Information and Technology Manager; Shayla Antrim, Senior Administrative Assistant; Christi Koide, Senior Administrative Assistant

GUEST(s): Members of the public

PUBLIC COMMENTS

The Senior Administrative Assistant declared the public participation section of the meeting open at 3:34 p.m.

There being no written or verbal comments, the public participation section was closed.

APPROVE THE JULY 10, 2018 FINANCE AND HUMAN RESOURCES COMMITTEE MEETING MINUTES

M/S/C (Coats-Morales) to approve the July 10, 2018 Finance and Human Resources Committee meeting minutes as submitted.

REVIEW REMOTE ACCESS AND ACCESS CONTROL POLICIES

The Information and Technology Manager stated the importance of having access controls in place to protect the District’s systems and data. He also gave a brief overview of the following: privilege access, multi-factor authentication, email sandboxing, separation of duties for badge issuance, and a check list for new employees.

Directors Coats and Morales and the District Clerk recommend that staff take the Remote Access and Access Control Policies to the full Board for adoption.
REVIEW BOARD OF DIRECTORS HANDBOOK AND POLICIES

The District Clerk consulted with the District’s legal counsel and incorporated most of the edits previously discussed during the March 12, 2019 Committee review of the Board of Directors Handbook and Policies (Handbook). In addition, there are a few items that legal counsel is still researching, and all revisions discussed during today’s meeting will be completed and brought back to this Committee for final review, prior to presenting the Handbook to the full Board.

Information only.

ADJOURN

The meeting adjourned at 4:10 p.m.

James Morales, Jr.                                            Ronald L. Coats
Governing Board Member                                      Governing Board Member
Subject to Approval

EAST VALLEY WATER DISTRICT
FINANCE AND HUMAN RESOURCES COMMITTEE MEETING

MINUTES

Ms. Koide called the meeting to order at 3:30 p.m. and Director Morales led the flag salute.

PRESENT: Directors: Coats, Morales

ABSENT: None

STAFF: Brian Tompkins, Chief Financial Officer; Nate Paredes, Business Services Manager; Rudy Guerrero, Accountant; Christi Koide, Senior Administrative Assistant

GUEST(s): Members of the public

PUBLIC COMMENTS

The Senior Administrative Assistant declared the public participation section of the meeting open at 3:32 p.m.

There being no written or verbal comments, the public participation section was closed.

REVIEW ENGAGEMENT LETTER AND PLANNING DOCUMENT FROM CLIFTONLARSONALLEN, LLP FOR PREPARATION OF THE DISTRICT’S FY 2018-19 AUDIT

CliftonLarsonAllen, LLC (CLA) gave a brief overview of the Engagement Letter that explained the objectives of services that will be provided and the procedures that will be used during the District’s audit. In addition, CLA discussed the following subject matter from the “Overall Plan to Accomplish the Audit” (Planning Document): communications arising from the audit, litigation review, inquiry of fraud, timetable, new governmental accounting standards related to direct borrowing and leases, and the potential for a single-audit.

Information only.
REVIEW DELINQUENT WATER AND WASTEWATER CHARGES THAT WILL BE SENT TO THE COUNTY OF SAN BERNARDINO’S TAX ROLL FOR 2019-20

The Chief Financial Officer stated that all delinquencies are at least 60 days past due and that placing such accounts onto the County of San Bernardino tax roll is the best way for the District to collect payment.

Directors Coats and Morales agreed that Resolution 2019.10 should be taken to the full Board for adoption.

Information only.

ADJOURN

The meeting adjourned at 4:08 p.m.

__________________________________________  __________________________________________
James Morales, Jr.                              Ronald L. Coats
Governing Board Member                          Governing Board Member
Ms. Koide called the meeting to order at 3:30 p.m. and Director Coats led the flag salute.

PRESENT: Directors: Coats, Morales

ABSENT: None

STAFF: Nate Paredes, Business Services Manager; Rudy Guerrero, Accountant; Christi Koide, Senior Administrative Assistant

GUEST(s): Members of the public

PUBLIC COMMENTS

The Senior Administrative Assistant declared the public participation section of the meeting open at 3:32 p.m.

There being no written or verbal comments, the public participation section was closed.

APPROVE THE AUGUST 14, 2018 FINANCE AND HUMAN RESOURCES COMMITTEE MEETING MINUTES

M/S/C (Coats-Morales) to approve the August 14, 2018 Finance and Human Resources Committee meeting minutes as submitted.

REVIEW AUDITOR’S COMMUNICATION LETTER WITH THOSE CHARGED WITH GOVERNANCE

CliftonLarsonAllen, LLC (CLA) gave a brief overview of the Statement of Auditing Standards 114 (SAS 114) and discussed the following: financial statement disclosures, new accounting guidance GASB 88, land acquisition, and required supplementary information.

Information only.

REVIEW TRANSFER OF UNCLAIMED FUNDS INTO THE DISTRICT GENERAL FUND

The Business Services Manager stated that staff made significant efforts to contact District customers who are listed on both lists for unclaimed funds and will continue to
follow the procedure to notify these customers, by publishing notices in newspapers and posting on the District’s website.

Director Coats inquired about the $10,712.12 balance of the liability account and the Accountant clarified that this account also includes checks younger than three years and will continue to fluctuate as checks are cashed.

Directors Coats and Morales recommend that this item be brought to the full Board for approval.

Information only.

DISCUSS UPCOMING FINANCE AND HUMAN RESOURCES COMMITTEE MEETINGS

The Committee discussed and agreed to reschedule the meetings on November 12, 2019 to November 4, 2019; and December 10, 2019 to December 2, 2019.

ADJOURN

The meeting adjourned at 4:06 p.m.

James Morales, Jr.  
Governing Board Member

Ronald L. Coats  
Governing Board Member
Ms. Koide called the meeting to order at 3:46 p.m. and Mr. Tompkins led the flag salute.

PRESENT: Directors: Coats

ABSENT: Directors: Morales

STAFF: Brian Tompkins, Chief Financial Officer; Kelly Malloy, Director of Strategic Services; Justine Hendrickson, District Clerk; Jamie Leon, Accounting Technician; Christi Koide, Senior Administrative Assistant

GUEST(s): None

ADJOURN

The meeting adjourned at 3:47 p.m. due to lack of quorum.

James Morales, Jr. Ronald L. Coats
Governing Board Member Governing Board Member
Ms. Koide called the meeting to order at 3:34 p.m. and Mr. Tompkins led the flag salute.

PRESENT: Directors: Coats, Morales

ABSENT: None

STAFF: Brian Tompkins, Chief Financial Officer; Kerrie Bryan, HR/Risk and Safety Manager; Nate Paredes, Business Services Manager; Jamie Leon, Accounting Technician; Christi Koide, Senior Administrative Assistant

GUEST(s): Members of the public

PUBLIC COMMENTS

The Senior Administrative Assistant declared the public participation section of the meeting open at 3:36 p.m.

There being no written or verbal comments, the public participation section was closed.

APPROVE THE OCTOBER 3, 2018, OCTOBER 31, 2018, AND DECEMBER 3, 2018 FINANCE AND HUMAN RESOURCES COMMITTEE MEETING MINUTES

M/S/C (Coats-Morales) to approve the October 3, 2018, October 31, 2018, and December 3, 2018 Finance and Human Resources Committee meeting minutes as submitted.

REVIEW THE DISCONTINUATION OF RESIDENTIAL WATER SERVICE POLICY, RESOLUTION 2019.18, AND ORDINANCE 397

The Chief Financial Officer stated that the District has until February 1, 2020 to comply with all new regulations related to Water Code section 10617 and Senate Bill 998. He also gave a brief overview of the following: provide disconnection notice in multiple languages, extend disconnection date to 60 days (past due), reduce disconnection fee to $50, Disconnection of Residential Water Service Policy, changes to the disconnection timeline, publish the number of disconnections annually to the District’s website, and Ordinance 397.

Directors Coats and Morales recommend that this item be brought to the full Board for adoption.
Information only.

**REVIEW REVISED WATER AND WASTEWATER CAPACITY FEES, CERTAIN MISCELLANEOUS FEES, AND RESOLUTION 2019.19**

The Chief Financial Officer stated that on November 13, 2019 IB Consulting presented an analysis of the District’s Water and Wastewater Capacity Fees where he explained that a hybrid of two methodologies were used (Incremental/Marginal Cost and Buy-In methods) in determining the capacity fees. He also discussed the AMI Opt-Out Fee and Disconnect Fee.

Directors Coats and Morales recommend that this item be brought to the full Board for adoption.

Information only.

**REVIEW DRAFT POPULAR ANNUAL FINANCIAL REPORT FOR YEAR ENDED JUNE 30, 2019**

The Business Services Manager gave a brief overview of the Popular Annual Financial Report (PAFR) and stated the following: the District will submit an application to the Government Finance Officers Association (GFOA) for award consideration; and communicate to District customers through social media, a bill insert in January, and the District’s website.

Information only.

**ADJOURN**

The meeting adjournded at 4:34 p.m.

__________________________________________  ________________________________________
James Morales, Jr.                             Ronald L. Coats
Governing Board Member                        Governing Board Member