



BUSINESS ACTION ITEM STAFF REPORT

Item 3.A. Discussion and Direction to Staff regarding the amended Policies and Procedures Manual (Board of Directors and Board Meeting sections) for the District.

During the April Board meeting this item was discussed and it was determined that the updates to the policy and procedures manual be considered during a special meeting that would occur prior to the regular Board meetings.

Since the April Board meeting staff has realized that the presence of District counsel at a monthly special Board meeting will likely result in the community incurring additional legal fees. Additionally, the overall process could take 6 or more meetings before the manual is updated.

At this time staff suggests that the Board Chairperson may want to consider appointing an ad-hoc committee (2 Board members) to review the draft version of the procedures manual. Staff also suggests the following:

- 1) Two Board members could meet on a weekly or bi-weekly basis with Cortney Murguia to discuss needed changes and/or updates to the draft manual. Once the manual has been reviewed in its entirety, a summary of the suggestions will be brought to a Special Meeting, so the full Board and members of the public can comment on the draft procedures manual. No changes would be incorporated without formal Board action.
- 2) The draft version reviewed by the ad hoc committee will be made available to the public and the Board to review prior to the Special Meeting referenced above.
- 3) After the Special Meeting, staff will incorporate all the final suggested edits and bring the fully updated procedures manual to a Regular Meeting where members of the public and the Board will have one final chance to comment on the procedures manual.

A recap of the changes that have been approved by the Board is as follows:

During the **March** meeting the following items were approved:

- 1) Substitute the term President and Vice President for Chair and Vice-Chairperson.
- 2) Section 1.02 - All language after "shall be one (1) year." Is to be removed from the manual.
- 3) The recommended changes to Section 4.01 were approved.
- 4) The recommended changes to Section 6.01 and 6.05 were approved.

During the April meeting the following items were approved:

- 1) **Section 1.02 Officers** - the language “following a general election” will be removed.
- 2) The recommended changes to Section 6.11 were approved.
- 3) The recommended changes to Section 7.01 were approved.
- 4) A grammatical error under 7.04.01 be corrected (add a space between byname).
- 5) The recommended changes to 7.04.01 and 7.04.02 were approved.
- 6) The recommended changes to 7.02 were approved. Additionally the language “Pacific Premiere Bank” will be changed to “an offsite location”.
- 7) The numbers one thru ten shall be written out as words to be in line with traditional grammatical practices.
- 8) **Section 5.03 Recording** - A motion was made to leave the special meeting language and add language about special meetings being audio recorded.

Staff also asks that the Board revisit the decision to audio recorded special meetings. The potential issue for this type of record keeping is that there will be no formal way to determine who is actually speaking on the audio recordings. Staff would like clarification regarding this matter.

Section **6.02 Consent Calendar** needs to be discussed per a request made by Director Russell. District Counsel has prepared additional language for this policy. This language has been added in red font to this document.

Once 6.02 has been discussed, the starting place for this discussion is page 7 section **9.01**.

SAN SIMEON COMMUNITY SERVICES DISTRICT

**POLICIES AND PROCEDURES OF THE
SAN SIMEON COMMUNITY SERVICES DISTRICT**

TABLE OF CONTENTS

SECTION 1.00 Board of Directors
SECTION 2.00 Duties of the Board of Directors
SECTION 3.00 Staff and Consultants
SECTION 4.00 Duties of Staff
SECTION 5.00 Board Meetings: Time, Place and Manner
SECTION 6.00 Board Meeting Agendas
SECTION 7.00 Board Meeting Minutes
SECTION 8.00 Rules of Order for Board Meetings
SECTION 9.00 Actions and Decisions of the Board of Directors
SECTION 10.00 Deviations
SECTION 11.00 Records
SECTION 12.00 Committees of the District
SECTION 13.00 Board of Directors Conduct
SECTION 14.00 Training, Education and Conferences
SECTION 15.00 Ordinance Adoption Policy
SECTION 16.00 General Policies
SECTION 17.00 Complaints/ Claims Procedures

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SAN SIMEON COMMUNITY SERVICES DISTRICT

POLICIES AND PROCEDURES OF THE BOARD OF DIRECTORS OF THE SAN SIMEON COMMUNITY SERVICES DISTRICT

SECTION 1.00 Board of Directors (PREVIOUSLY THE 5000 & 6000 SERIES)

1.01 Authority of the Board. The Board of Directors is the governing body of the District. The Board shall act only at its regular meeting, regular adjourned meetings, special meetings or emergency meetings.

1.02 Officers. At the regular meeting in December ~~following a general election,~~ the Directors shall elect one of their members Chairperson of the Board and another of the members Vice Chairperson of the Board. Term of office for each shall be one (1) year. ~~The elected Chairperson or the Vice Chairperson may succeed him or herself in office once, for two (2) terms or two (2) years in office. Should the Chairperson or Vice Chairperson vacate his or her office prior to the end of the prescribed one year term, a replacement shall be appointed by the Directors to complete the term of the replaced officer.~~

Commented [RL1]: On 4/11/18 it was decided that the language "following a general election" be removed.

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1.03 Attendance at Meetings. Members of the Board of Directors shall attend all regular and special meetings of the Board unless there is good cause for absence.

Commented [RL2]: The Board approved removal of this language on 3/14/18

1.04 Vacancy. A vacancy shall occur if any member ceases to discharge the duty of his/her office for the period of three (3) consecutive months except as authorized by the Board of Directors.

1.05 Remuneration. Members of the Board of Directors shall receive a monthly "Director's Fee," the amount of which shall be annually established by the Board as set forth in the adopted budget. However, a member of the Board who does not attend the regular monthly meeting of the Board is not entitled to the monthly "Director's Fee".

1.06 Reimbursement. Members of the Board of Directors shall be reimbursed for all legitimate expenses incurred in attending any meetings or in making any trips on official business of the Board when so authorized in accordance with policies. Reimbursement for the cost of the use of a Director's vehicle shall be on the basis of total miles driven and at the rate specified in the Internal Revenue Service Guidelines in effect at the time of the vehicle.

1.07 Membership in Associations. The Board of Directors shall ordinarily hold membership in and attend meetings of such national, state, and local associations as may exist which have applicability to the functions of the District, and shall look upon such memberships as an opportunity for in-service training. The Board of Directors shall maintain membership in the California Special Districts Association and shall insure that annual dues are paid when due. The Chairperson shall be selected to represent the District in accordance with said chapter's constitution/bylaws, and the Vice Chairperson shall serve as an alternate for the representation.

SECTION 2.00 Duties of the Board of Directors

2.01 Presiding Officer. The Chairperson shall preside at all meetings of the Board. The Vice Chairperson shall preside at all meetings of the Board in the absence of the Chairperson.

If both the Chairperson and Vice Chairperson are absent, the Directors in attendance shall select a Director to preside over the meeting.

2.02 Duties of the Chairperson. The Chairperson of the Board shall preserve order and decorum and shall decide questions of order, subject to appeal to the Board of Directors. The Chairperson from the chair may place a motion before the Board, second a motion and vote irrespective of the existence of an otherwise tie vote.

The Chairperson shall act as spokesperson for the Board with respect to its actions and policies, and those of the District. This provision, however, shall not preclude any other member of the Board from making appropriate comments within the scope of his or her position.

The Chairperson, or any member of the Board or staff person so designated, shall represent the Board where it is appropriate or desirable for the District to appear, at meetings of other public agencies, private entities, before public or private groups, or on other public or private occasions. However, this provision shall not limit the attendance of any Director or authorized officer or employee of the District in conformance with the requirements of the Brown Act.

The Chairperson shall work through the General Manager, counsel or other officer of the District to obtain such information as may be necessary and appropriate to assist the Board in its deliberations, and may direct staff to implement the policies and decisions of the Board. Individual members of the Board shall not act independently to direct staff in the performance of their duties, unless specifically provided for in these policies or as approved by the Board.

2.03 Duties of the Vice Chairperson. The Vice Chairperson shall act if the Chairperson is absent or unable to act and shall exercise all of the powers of the Chairperson on such occasions.

2.04 Authority of Individual Board Members. All powers of the District shall be exercised and performed by the Board as a body. Individual Board Members, except as provided in these policies or otherwise authorized by the Board, shall have no independent power to act for the District, or the Board, or to direct staff of the District.

SECTION 3.00 Staff and Consultants

3.01 Staff. The Board shall, as necessary, appoint a General Manager and a District Secretary. The General Manager may also act as District Secretary, but no Director shall be appointed as General Manager or District Secretary. The General Manager, District Secretary or a third party may also be appointed as the Finance Officer.

3.02 Consultants and Compensation. The Board may also appoint and employ, fix the compensation of, and prescribe the duties and authorities of other officers, employees, attorneys, engineers, and other professional consultants as necessary or convenient for the business of the District.

SECTION 4.011 Duties of Staff

4.01 Duties of General Manager. The General Manager shall be responsible for all of the following:

- The implementation of the policies established by the Board of Directors for the operation of the District.
- ~~The appointment, supervision, discipline, and dismissal of the District's employees, consistent with the employee relations system established by the Board of Directors.~~
- The supervision of the District's facilities and services.
- The supervision of the District's finances.

Commented [RL3]: It is recommended that this language be removed because the District does not have any employees. This is a matter that would be handled by the contractor.

CHANGE APPROVED ON 3/14/18

4.02 Duties of District Secretary. The District Secretary shall prepare and mail or send by electronic media to each person entitled thereto copies of agendas, minutes of the preceding meeting, and notice of meetings. The District Secretary shall prepare minutes for adoption by the Board of Directors setting forth all actions taken by the Board and shall preserve minutes and other records of actions of the governing Board. Upon Board Action, a recording secretary may be appointed to record and transcribe the minutes of meetings.

SECTION 5.00 Meetings: Time, Place and Manner

5.01 Time. The time for regular meetings of the Board of Directors shall be the second Wednesday of each calendar month at 6:00 p.m. The date, time and place of regular Board meetings shall be reconsidered annually at the annual organization meeting of the Board.

5.02 Place. The place of meetings of the Board of Directors shall be in Cavalier Banquet Room located at 250 San Simeon Avenue, San Simeon, California, unless otherwise designated by the Board of Directors.

5.03 Recording. The proceedings of all regular ~~and special~~ meetings shall be recorded by audiotape or other electronic media. Recordings shall be retained for a period of 10 years. Video and audio taping of regular ~~or special~~ meetings shall conform to Government Code Sections 54953.5 & 54953.6.

Commented [RL4]: On 4/11/18 it was decided that the language special meetings remain in this section. Additionally, the Board determined that special meetings will be audiotaped.

After the fact staff realized that audio taping the meetings will be problematic because you will be unable to tell who is talking. Staff is asking that the taping of special meeting language be revisited for clarification purposes.

5.04 Special and Emergency Meetings. The time, place and manner of calling all other meetings of the Board of Directors shall be undertaken as prescribed in the Government Code Section 54950 *et seq.*

5.05 Adjourned Meetings. A majority vote by the Board of Directors may terminate any 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.

5.06 Compliance with the Brown Act. All meetings of the Board of Directors and Committees shall be open and public and all persons shall be permitted to attend any public meeting of the Board of Directors except as provided by law; provided, however, that closed sessions may be held when permitted by law.

5.07 Secret Ballots. Secret ballots are not allowed.

SECTION 6.00 Agendas.

6.01 Setting of Agenda. The General Manager, in consultation with the Board Chairperson, shall set the agenda. Committee recommendations on topics to be updated on the agenda shall be given to the ~~Board Chairperson or their designee~~ **General Manager**. ~~Individual Directors may request items to be placed on the agenda by notifying the General Manager of their request, no later than 5:00 p.m. 10 days prior to the meeting date.~~

Commented [RL5]: It is recommended that this language be removed. There is a place on the agenda which allows for future agenda items to be discussed. This method allows for a consensus to be reached in order for an item to be placed on the next agenda.
CHANGE APPROVED ON 3/14/18

6.02 Consent Calendar. Agendas of Board meetings shall incorporate a consent calendar listing items of a routine nature not normally requiring discussion. The following is a listing of consent calendar items, which may be amended from time to time by the direction of the Board of Directors or by the General Manager and the District Secretary, as they deem appropriate: (1) Approval of Minutes, (2) Reports, (3) Approval of Bills Paid (4) Informational Items. Approval of the consent calendar shall take place by a motion and a second of the Board and passed by a roll call vote indicating a majority ~~vote.~~

Commented [RL6]: On 4/11/18 Director Russell asked that this item be discussed to ensure that the language was consistent with the District's current consent agenda process.

This language listed below was drafted by District Counsel and added into the draft version of the policies on May 3, 2018:

The District adopts the following general guidelines in reviewing and approving consent agenda items.

1. The Chairperson shall announce the item and read each consent agenda item into the record.
2. The Chairperson shall ask if there are any public comments on any item within the consent agenda.
3. Once all public comments are done, the Chairperson shall ask the Board members if they would like to pull an item off the consent agenda for full discussion. If an item is "pulled off" the consent agenda, it shall be added as a Business Item for full Board discussion.
4. The Chairperson shall next ask if the Board members have any minor comments (typographical/ spelling errors) or minor questions about any of the consent agenda items. If so, the Board member shall then make the minor comment or ask staff a question.
5. Once all minor comments/ questions have been dealt with, the Chairperson shall ask if there is a motion to approve the consent agenda (if motion is not already made independently by another Board member). The motion, if it passes, shall approve all items within the consent agenda.

6.03 Distribution. The District Secretary shall prepare an agenda for each regular meeting and shall post and mail or send by electronic media the agenda to persons entitled thereto at least 72 hours prior to the meeting. The District Secretary shall prepare an agenda for each special meeting and post this agenda 24 hours prior to the meeting.

6.04 Additional Distribution. Agendas shall be mailed or sent by electronic media to any person who has on file a written request to receive agendas, after the District has received payment of the appropriate fees to cover either faxing or mailing of said agendas.

~~**6.05 Request to Appear.** Any person who desires to address the Board at length on a matter, which is not on the agenda, shall make a request to do so to the District Secretary at least forty-eight hours in advance of the posting of the agenda (five (5) business days before the meeting). This provision shall not prevent any person from addressing the Board at a time designated therefore on the agenda.~~

Commented [RL7]: It is recommended that this item also be removed. If the agenda has not been posted yet then how would someone know if they should make this request. Additionally, there is a place on the agenda which allows for a person to discuss items not on the agenda. Also see section 6.08
CHANGE APPROVED ON 3/14/18

6.06 Agenda Change. The Board can add an item to the agenda with a 2/3 vote of the Board if the body determines that the matter in question constitutes an emergency or for other cause permitted under Government Code Section 54954.2(b).

6.07 Public Comments on Agenda Items. Any member of the public may address the Board on any item on the agenda at the time that item is being considered by the Board. Speakers will be limited to three (3) minutes per agenda item as monitored by the District Secretary. Additional time may be extended by the Chairperson. Speakers shall not be allowed to “split” their time, nor shall they be permitted to “reserve” all or any portion of their allotted time. If any person fails or refuses to abide by these rules, the Chairperson, after warning the speaker, may declare that the speaker is disrupting, disturbing or impeding the orderly conduct of the meeting and order the speaker to leave the meeting room.

6.08 Public Comments on Items Not on the Agenda. Any member of the public may address the Board on any item of interest to the public that is within the subject matter jurisdiction of the District that is not on the agenda, subject to the time limits and restrictions for public comments on agenda items. No action shall be taken on any item not appearing on the agenda unless authorized in accordance with the procedures set forth in Government Code Section 54954.2. The Board shall not engage in debate, dialogue, or take action on any matter brought to its attention under public comment, except to refer the matter to staff or to determine that the matter should be included on a future agenda for consideration and action.

6.09 Manning of Address the Board by an Individual. A member of the public addressing the Board may give his or her name – in an audible tone of voice for the record. All remarks shall be addressed to the Board as body, not to any individual Director. No person, other than a Director, General Manager or District Counsel, and the person having the floor, shall be permitted to enter into any general discussion without the permission of the Chairperson.

6.10 Manner of Addressing the Board by a Group of Persons. Whenever members of the public wish to address the Board on the same subject matter, it shall be proper for the Chairperson to request that a spokesperson be chosen by the group to address the Board and, in case additional matters are to be presented at the time by any member of that group, to limit the number of persons so addressing the Board, so as to avoid repetition before the Board. The Chairperson may set a time limit for each side of an issue. Government Code 54957.9 permits the legislative body to clear the room if the meeting is willfully interrupted so as to render further conduct of the meeting unfeasible.

~~**6.11—Correspondence to the Board.** All written or electronic correspondence addressed to the Board of Directors is to be sent to the District office. Copies of the written or electronic correspondence and written responses in reply thereto, if any, shall be distributed to each member of the Board together with the next regular agenda or at the next regular meeting of the Board, depending on date of receipt or response.~~

SECTION 7.00 Minutes

7.01 Minutes. The District Secretary shall keep minutes of regular and special meetings of the Board. ~~In addition, the Secretary shall mail or send by electronic media copies of the proposed minutes to the Board Chairperson for review.~~ Copies of said minutes shall be made

Commented [RL8]: It is recommended that this language be removed. There is not a way for staff to enforce this. The current practice is that any correspondence that this mailed to a Board member is distributed to each Board member. If a member of the public emails one Board member only, there is not a way for staff to enforce the distribution of this correspondence.
Change approved on 4/11/18

for distribution to each member of the Board with the agenda for the next regular Board meeting.

Commented [RL9]: It is recommended that this language be removed. The minutes are approved by Board action each month.
Change approved on 4/11/18

~~7.02 Audio/ Video Recordings. A video and/or audio tape recording of any meeting of the Board of Directors, including closed sessions, may be made at the request of the Secretary, General Manager or any Director when such request is approved by a majority of the whole Board. Recordings made during closed sessions of the Board are deemed not to be public records.~~

Commented [RL10]: It is recommended that this language be removed. Closed sessions items are to be kept confidential. Recording of a closed session meeting could potentially create issues for the District.
Change approved on 4/11/18

7.03 Record of Motions, Resolutions and Ordinances. Motions, resolutions or ordinances shall be recorded as having passed or failed, and individual votes will be recorded unless the action was unanimous. All resolutions and ordinances adopted by the Board shall be numbered consecutively starting new at the beginning of each fiscal year.

7.04 Procedure for Minutes. The minutes of Board meetings shall be maintained as hereinafter outlined.

7.04.01 Procedure:

- Date, place and type of each meeting;
- Directors present and absent by name;
- Call to order;
- Arrival of tardy Directors by name;
- Pre-adjournment departure of Directors by name, or if absence takes place when any agenda items are acted upon;
- Adjournment of the meeting;
- ~~Record of written notice of special meetings; and,~~
- ~~Record of items to be considered at special meetings.~~

Commented [RL11]: It is recommended that this language be removed. There are separate agendas and minutes taken for special meetings.
Change approved on 4/11/18

7.04.02 Board Actions:

- Approval or amended approval of the minutes of preceding meetings;
- ~~Complete information as to each subject of the Board's deliberation;~~
- Complete information as to each subject including the roll call record of the vote on a motion if not unanimous;
- All Board resolutions and ordinances in complete context, numbered serially for each fiscal year;
- ~~A record of all contracts entered into;~~
- ~~All employments and resignations or terminations of employment within the District;~~
- ~~A record of all bid procedures, including calls for bids authorized, bids received, and other action taken;~~
- A record by number of all warrants approved for payment;
- Adoption of the annual budget;
- Financial reports, including water and wastewater sales, balances of District checking accounts, and a monthly balance sheet. ~~collections received and deposited and sales of District property, shall be presented to the Board every month;~~
- ~~A record of all important correspondence;~~
- A record of the General Manager's report to the Board;
- ~~Approval of all policies and Board adopted regulations; and~~

Commented [RL12]: It is recommended that this language be removed. It is redundant. The item listed below it covers this information.
Change approved on 4/11/18

Commented [RL13]: It is recommended that this language be removed for several reasons. The General Manager has purchasing authority under a specified amount. This language is redundant because entering into a contract for an amount over the General Manager's limit requires Board action. The District does not have any "employees". Record of all bid procedures, etc. would be included under the specific agenda item. Record of all important correspondence. I am unclear how staff would go about making this determination without Board action. The last two items are already included as part of the minutes.
Change approved on 4/11/18

Commented [RL14]:

~~• A record of all visitors and delegations appearing before the Board.~~

7.02 Storage. The official minutes of the regular and special meetings of the Board shall be saved on the District computer. This computer shall be backed up onto a hard drive that is stored in a safe deposit box that is located at Pacific Premiere Bank, shall be kept in a fire-proof vault or in fire-resistant, locked cabinets. Minutes of the Board of Director meetings shall be public records open to inspection by the public. The Secretary shall make copies available to any person who has made a request in compliance with the California Public Records Request Act.

Commented [RL15]: It was decided that Pacific Premiere Bank be changed to "in on offsite location"

Changes approved on 4/11/18

Commented [RL16]: It is recommended that this language be edited. In the event of a natural disaster storing paper copies of minutes onsite does not protect these items.

Change approved on 4/11/18

SECTION 8.00 Rules of Order for Meetings

8.01 General. Action items shall be brought before and considered by the board by motion in accordance with this policy. These rules of order are intended to be informal and applied flexibly. The board prefers a flexible form of meeting and, therefore, does not strictly follow Robert's Rules of Order.

8.02 Obtaining the Floor. Any member of the Board desiring to speak should address the Chairperson and upon recognition by the Chairperson, may address the subject under discussion.

8.03 Motions. Any member of the Board, including the Chairperson, may make or second a motion. A motion shall be brought and considered when a member of the Board makes a motion and another Director seconds the motion. The motion is then open to discussion and debate. After the matter has been fully discussed and debated, the Chairperson will call for the vote.

8.04 Motion to Amend. A main motion may be amended before it is voted on, either by the consent of the members of the Board who moved and seconded, or by a new motion and second.

8.05 Motion to Postpone. A main motion may be postponed to a certain time by a motion to postpone, which is then seconded and approved by a majority of the Board.

8.06 Motion to Refer to Committee. A main motion may be referred to a Board committee for further study and recommendation by a motion to refer to committee, which is then seconded and approved by a majority vote of the Board.

8.07 Motion to Close Debate and Vote Immediately. As provided above, any member of the Board may move to close debate and immediately vote on a main motion.

8.08 Motion to Adjourn. A meeting may be adjourned by motion made, seconded, and approved by a majority vote of the Board before voting on a main motion.

8.09 Decorum. The Chairperson shall take whatever actions are necessary and appropriate to preserve order and decorum during Board meetings, including public hearings. The Chairperson may eject any person or persons making personal impertinent or slanderous remarks, refusing to abide by a request from the Chairperson, or otherwise interrupting the meeting or hearing.

SECTION 9.00 Actions and Decisions

9.01 Method of Action. The Board of Directors shall act only by ordinance, resolution or motion in accordance with these policies.

Commented [RL17]: On 4/11/18 Director Russell asked that this item be discussed at the 5/9/18 workshop.

9.02 Majority/ Quorum. The majority of the Board shall constitute a quorum for the transaction of business.

9.03 Majority Vote Required. No ordinance, resolution or motion shall be passed or shall become effective without the affirmative vote of at least a majority of the members of the Board. Three (3) Directors represent a quorum for the conduct of business. Actions taken at a meeting where only a quorum is present, therefore, require all three (3) votes to be effective (unless a 4/5 vote is required by policy or other law). A member abstaining in a vote is considered as absent for that vote.

Example 1: If 3 of 5 Directors are present at a meeting, a quorum exists and business can be conducted. However, if 1 Director abstains on a particular action and the other 2 -cast "aye" votes, no action is taken because a "majority of the Board" did not vote in favor of the action.

Example 2: If an action is proposed requiring a two-thirds vote and 2 Directors abstain, the proposed action cannot be approved because 4 of the 5 Directors would have to vote in favor of the action.

Example 3: If a vacancy exists on the Board and a vote is taken to appoint an individual to fill said vacancy, 3 Directors must vote in favor of the appointment for it to be approved. If 2 of the 4 Directors present abstain, the appointment is not approved.

9.04 Recordation of Vote Exceptions. For action taken by motion without the unanimous vote of all Directors present voting, the names of the Ayes and Noes shall be entered in the minutes. For passage of all ordinances and resolutions, the names of the Ayes, Noes, Abstain and Absent shall be entered into the minutes of the Board.

9.05 Direction to Staff. The Board may give directions, however, which are not formal action. Such directions do not require formal procedural process. Such directions include the Board's directives and instructions to the General Manager. The Chairperson shall determine by consensus a Board directive and shall state it for clarification. Should any two Directors challenge the statement of the Chairperson, a voice vote may be requested. A formal motion may be made to place a disputed directive on a future agenda for Board consideration, or to take some other action (such as refer the matter to the General Manager for review and recommendation, etc.). Informal action by the Board is still Board action and shall only occur regarding matters which appear on the agenda for the Board meeting during which said informal action is taken.

SECTION 10.00 Deviations

10.00 Deviations. No deviation from or failure to follow the procedures set forth in this Code shall invalidate any action or decision of the Board of Directors unless such deviation or failure has substantially prejudiced the rights of an interested person.

SECTION 11.00 Records

11.01 Records. Public records of the San Simeon Community Services District shall be open to inspection as provided in the California Public Records Act.

SECTION 12.00 Committees

12.01 Standing Committees. The District has the following standing committees:

- ~~Policy/ Ordinance – This committee shall be concerned with the formulation of plans for arranging, realizing and achieving District goals and concerned with proposed ordinances, resolutions and/or District policies.~~
- Budget/ Finances – This committee shall be concerned with the financial management of the District, including the preparation of an annual budget and major expenditures.
- ~~Water/ Facility – This committee shall be concerned with the formulation of plans for arranging, realizing and/or achieving the District's goals in regard to alternative water sources and facility maintenance and upgrades.~~

Commented [RL18]:

12.02 General Rules Governing Committees. The Chairperson of the Board of Directors shall appoint members of the Board of Directors to serve on these Standing Committees. The Chair shall appoint, subject the Board approval, and publicly announce the members of the standing committees for the ensuing year no later than the Board's regular meeting in January. Committees shall be governed by the following policies and rules.

- No more than two Directors of the Board shall serve on any one Committee. Other Directors may attend Committee meetings as observers in accordance with the Brown Act, but have no authority to participate in any way in Committee discussions.
- Committees should focus on matters, which typically require extensive research and review, but should not operate in such a way that they make management decisions better left to paid staff.
- A Committee may take no action. Recommendations for formal action of the Board of Directors are made in the Committee reports.
- Any Committee that is appointed by action of the Board of Directors and/or has members of the public serving on the Committee shall then come under the posting requirements of the Brown Act and shall be open to the public.
- The meetings of Standing Committees shall be held when called by the Chair or other Director member.
- Duties and Functions: At the time the Chairperson forms the Standing Committee, he/she shall give instructions of the duties for each Committee. Additional duties and functions may be delegated by the Chairperson, as the needs arise.
- The Committee shall give a report at the regular meeting of the Board of Directors and if a need to take action should arise, the Committee shall bring a recommendation to the Board of Directors at any duly noticed meeting. The Committee Chairman shall notify the General Manager of items to be placed on the agenda where action is needed, if possible, one week prior to the meeting.

Commented [RL19]: Many of the items that are discussed at the Water Committee (WC) meetings are later presented to the Board. The issue of Board members that are not part of the WC wanting to attend these meetings has been addressed several times. The Board may want to consider just handling WC business as part of the regular Board meetings? Or the WC could meet on an as needed basis when there are specific tasks assigned to them.

12.03 Ad Hoc Committees. Ad hoc Committees may be created by the Board of Directors to undertake special assignments on behalf of the Board. An ad hoc Committee shall exist for a specified term or until its special assignments are completed, whichever comes first, but its existence may be extended for an added term or added assignments by action of the

Commented [RL20]: Depending on what is decided this language may need to be edited or even removed.

Board. Unless otherwise specified, members of an ad hoc Committee shall be appointed by the Chairperson of the Board and shall serve at the Chairperson's pleasure.

12.04. Special Committees. Special Committees may be created by the Board of Directors to undertake special assignments on behalf of the Board. A Special Committee shall continue in existence indefinitely. Unless otherwise specified, members of a Special Committee shall be appointed by the Chairperson of the Board and shall serve at the Chairperson's pleasure.

12.05 Subcommittees. Subcommittees may be created by any Standing Committee of the Board of Directors to undertake specific assignments on behalf of the Committee. The Standing Committee creating a Subcommittee shall establish such term, as it deems desirable. Unless otherwise specified, members of a Subcommittee shall be appointed by the Chairman of the Subcommittee's parent Committee and shall serve at the Chairperson's pleasure.

SECTION 13.00 Board Conduct

13.01 Conflict of Interest. No Director shall make, participate in or in any way attempt to use his or her official position to influence a decision on any issue when prohibited from doing so by the Political Reform Act of 1974 (Government Code Section 81000, *et seq.*), or any other law. A Director shall, when an agenda item is called, declare that he or she has a conflict of interest, state what the conflict of interest is, and shall remove him or herself from the Board room during the discussion. The Director's removal shall be noted on the record by the District Secretary, who shall also note the Director's return when the item is completed.

13.02 Ethics. Directors shall at all times comply with the District's Ethics Policy for Board of Directors. Directors shall comply with the requirements of Government Code Section 53235 by receiving at least two hours of training in general ethics principles and ethics laws relevant to District service every two years and shall file with the District Secretary a copy of the certificate verifying the completion of such training.

13.03 Decorum of Board of Directors during Board Meetings. The Directors shall adhere to the following guidelines for conduct during all meetings.

- The dignity, style, values and opinions of each Director shall be respected.
- Responsiveness and attentive listening in communication is encouraged.
- The needs of the District's constituents should be the priority of the Board of Directors.
- Directors should commit themselves to emphasizing the positive, avoiding double talk, hidden agendas, gossip, backbiting, and other negative forms of interaction.
- Directors should commit themselves to focusing on issues and not personalities. The presentation of the opinions of others should be encouraged. Cliques and voting blocs based on personalities rather than issues should be avoided.
- Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions, but without being disagreeable. Once the Board of Directors takes action, Directors should not create barriers to the implementation of said action.
- In handling complaints from residents and property owners of the District, said complaints should be referred directly to the General Manager.

- The work of the District is a team effort. All individuals should work together in the collaborative process, assisting each other in conducting the affairs of the District.
- When responding to constituent requests and concerns, Directors should be courteous, responding to individuals in a positive manner and routing their questions through the General Manager.

13.04 Other Procedures for Directors. Directors should practice the following procedures:

- In seeking clarification on informational items, Directors may directly approach professional staff members to obtain information needed to supplement, upgrade, or enhance their knowledge to improve legislative decision-making.
- In handling items related to safety, concerns for safety or hazards should be reported to the General Manager or to the District office. Emergency situations should be dealt with immediately by seeking appropriate assistance.
- In seeking clarification for policy-related concerns, especially those involving personnel, legal action, land acquisition and development, finances, and programming, said concerns should be referred directly to the General Manager.
- When approached by District personnel concerning specific District policy, Directors should direct inquiries to the appropriate staff supervisor. The chain of command should be followed.
- The work of the District is a team effort. All individuals should work together in the collaborative process, assisting each other in conducting the affairs of the District.
- When responding to constituent requests and concerns, Directors should be courteous, responding to individuals in a positive manner and routing their questions through appropriate channels and to responsible management personnel.
- Directors should develop a working relationship with the General Manager wherein current issues, concerns and District projects can be discussed comfortably and openly.
- Directors should function as a part of the whole. Issues should be brought to the attention of the Board as a whole, rather than to individual members selectively.
- Directors are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.
- Directors shall thoroughly prepare themselves to discuss agenda items at meetings of the Board of Directors. Information may be requested from staff or exchanged between Directors before meetings.
- Information that is exchanged before meetings shall be distributed through the General Manager, and all Directors will receive all information being distributed.
- Directors shall at all times conduct themselves with courtesy to each other, to staff and to members of the audience present at Board meetings.
- Directors shall defer to the chairperson for conduct of meetings of the Board, but shall be free to question and discuss items on the agenda. All comments should be brief and confined to the matter being discussed by the Board.
- Directors may request for inclusion into minutes brief comments pertinent to an agenda item, only at the meeting that item is discussed (including, if desired, a position on abstention or dissenting vote).
- Directors shall abstain from participating in consideration on any item involving a personal or financial conflict of interest. Unless such a conflict of interest exists,

however, Directors should not abstain from the Board's decision-making responsibilities.

- Requests by individual Directors for substantive information and/or research from District staff will be channeled through the ~~General Manager~~. ~~Board Chairperson~~

SECTION 14.00 Training, Education and Conferences.

14.00 Educational Conferences. Members of the Board of Directors are encouraged to attend educational conferences and professional meetings when the purposes of such activities is to improve District operation. Hence, there is no limit as to the number of Directors attending a particular conference or seminar when it is apparent that their attendance is beneficial to the District. "Junkets" (a tour or journey for pleasure at public expense), however, are not permitted.

14.01 Reimbursement for Educational Conferences. It is the policy of the District to encourage Board development and excellence of performance by reimbursing expenses incurred for tuition, travel, lodging and meals as a result of training, educational courses, participation with professional organizations, and attendance at local, state and national conferences associated with the interests of the District.

14.01.01 ~~The General Manager is~~ ~~The Board member is~~ responsible for making arrangements for ~~Directors for~~ conference and registration expenses, and for per diem. Per diem, when appropriate, shall include reimbursement of expenses for meals, lodging, and travel. All expenses for which reimbursement is requested by Directors, or which are billed to the District by Directors, shall be submitted to the General Manager, together with validated receipts.

14.02 Approval by President. Attendance by Directors of seminars, workshops, courses, professional organization meetings, and conferences shall be approved by the President of the Board of Directors prior to incurring any reimbursable costs.

14.03 Expenses for Educational Conferences. Expenses to the District for Board of Directors' training, education and conferences should be kept to a minimum by utilizing recommendations for transportation and - housing accommodations put forth by the General Manager and by:

- Utilizing hotel(s) recommended by the event sponsor in order to obtain discounted rates.
- Directors traveling together whenever feasible and economically beneficial.
- Requesting reservations sufficiently in advance, when possible, to obtain discounted airfares and hotel rates.

14.04 No Educational Activities After Resignation. A Director shall not attend a conference or training event for which there is an expense to the District if it occurs after they have announced their pending resignation, or if it occurs after an election in which it has been determined that they will not retain their seat on the Board. A Director shall not attend a conference or training event when it is apparent that there is no significant benefit to the District.

14.05 Report to Board After Educational Conferences. Upon returning from seminars, workshops, conferences, etc., where expenses are reimbursed by the District, Directors will either prepare a written report for distribution to the Board, or make a verbal report during the next regular meeting of the Board. Said report shall detail what was learned at the session(s) that will be of benefit to the District. Materials from the session(s) may be delivered to the District office to be included in the District library for the future use of other Directors and staff.

15.00 Ordinance Adoption Policy

15.01 Adoption and Waiting Period. Ordinances should be adopted on a roll call vote. Unlike cities and counties, a community services district does not have a first and second reading prior to an adoption. Rather, the appropriate motion to adopt an ordinance would be to move adoption of Ordinance No.____ entitled "_____." Ordinarily, it is advisable to have a 30-day waiting period before the effective date of the ordinance, although, unlike city and county adopted ordinances, this is not a mandatory requirement.

15.02 Publication Requirements. Unlike cities and counties, there is no overall requirement for publication of all ordinances. However, it is a good practice to publish adopted ordinances in a newspaper of general circulation in the area (such as The Cambrian, Sun-Bulletin, or Telegram Tribune) within 15 days after passage. Some types of ordinances may have specific requirements for publication of the ordinance before their effective date. This sometimes includes Federal or State grant projects. Likewise, there is not a general requirement for all ordinances to be adopted after public hearing. However, some specific actions require public hearings, such as certain grant projects or increases in fees. District Counsel should either prepare all District resolutions and ordinances or carefully review drafts of such documents prior to their placement on the board's agenda to insure that any notice, hearing, or format requirements are met.

15.03 Reading and Alterations. All ordinances shall be read in full either at the time of introduction or passage, except when, after reading the title, further reading is waived by regular motion adopted by unanimous vote of the Board by the directors present. Corrections of typographical or clerical errors are not alterations within the meaning of this section.

15.04 Enacting Clause of Ordinance. The form of enacting clause of all ordinances passed by the Board shall be: "Be it ordained by the Board of Directors of the San Simeon Community Services District as follows".

15.05 Execution of Ordinances. All ordinances shall be signed by the Chairperson and attested by the District Secretary.

ADDED on May 4, 2018 By Natalie Frye Laacke

SECTION 16.00 General Policies

16.01 Purpose of Board Policies. It is the intent of the Board of Directors of the San Simeon Community Service District to maintain a Manual of Policies. Contained therein shall be a comprehensive listing of the Board's current policies, being the rules and regulations enacted by the Board from time to time. The Manual of Policies 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.

16.02 Conflicts with the Law. If any policy or portion of a policy contained within the Manual of Policies is in conflict with rules, regulations or legislation having authority over San Simeon Community Services District, said rules, regulations or legislation shall prevail.

16.03 Adoption/ Amendment of Policies. A Director or General Manager may initiate the consideration of a new policy or to amend a policy. A written draft of the proposed new policy or amendment should be submitted to the General Manager to be included for consideration on the agenda of the appropriate regular meeting of the Board of Directors. Adoption of a new policy or an amendment shall be accomplished at a regular meeting of the Board of Directors and shall require a 3/5 affirmative vote of the entire Board of Directors.

16.03.01 Process of Adopting or Amending Policy. Before considering to adopt or amend any policy, Directors shall have the opportunity to review the proposed adoption or amendment at the regular Board of Directors meeting prior to the meeting at which consideration for adoption or amendment is to be given. Copies of the proposed policy adoption or amendment shall be included in the agenda information packet for any meeting of consideration. The agenda information packets with said copies shall be made available to each Director for review at least three (3) days prior to any meeting of consideration.

SECTION 17.00 Complaints/ Claims Procedures

17.01 General Public Complaints. The Board of Directors desires that public complaints be resolved at the lowest possible administrative level, and that the method for resolution of complaints be logical and systematic. A public complaint is an allegation by a member of the public of a violation or misinterpretation of a District policy, state or federal statute of which the individual has been adversely affected.

17.02 Method of Handling General Public Complaints Against the District. The method of resolving complaints shall be as follows:

1. The individual with a complaint shall first discuss the matter with the District Manager with the objective of resolving the matter informally.
2. If the individual filing the complaint is not satisfied with the disposition of the matter by the General Manager, a written complaint may be filed with the Board of Directors within ten (10) days of receiving the General Manager's decision.
3. The Board may consider the matter at the next regular meeting, or call a special meeting. The Board will expeditiously resolve the matter. In making the final decision, the Board may conduct conferences, hear testimony, as well as utilize

the transcripts of written documentation. A written decision from the Board may be requested by the individual filing the complaint.

This policy in no way prohibits or is intended to deter a member of the community or staff member from appearing before the Board to present verbally a testimony, complaint, or statement in regard to actions of the Board, District programs and services, or impending considerations of the Board.

17.03 Complaints Concerning Employees or Contractors of the District. The Board states their support of employees and their expectation that each shall perform in the spirit of excellent service to the community. The Board wishes to defend employees against malicious complaints while upholding standards of performance for each employee and correcting problems. Board members individually will refer compliments, suggestions and criticisms about employees directly to the General Manager for appropriate consideration and action.

17.04 Method of Handling Complaints Against District Employees/ Contractors. The method of resolving complaints shall be as follows:

1. Complaints should first be made directly by the complainant to the employee against whom the complaint is lodged. Community members are encouraged to attempt to orally resolve concerns with the staff member personally as soon as possible, within 30 days of the occurrence.
2. If the issue cannot be resolved between the community member and the staff member informally, the complaint should be referred to the General Manager.
3. The General Manager shall investigate the complaint and shall take appropriate measures to address the complaint once the investigation is complete. The individual making the complaint shall be informed of the results of the investigation and with any actions/ measures that were taken.
4. If the General Manager deems it necessary, the matter may be referred to the Board. All charges or complaints against an employee brought to a Board meeting shall comply with the requirements of Cal. Gov't Code § 54950 et seq.
5. No anonymous complaints concerning employees will be processed by the District or Board. Such complaints shall be given to the General Manager, who shall note the content. Board and staff shall inform complainants that anonymous complaints will not be handled, receive attention or be acted upon.
6. Each person involved in a complaint shall act quickly so that the complaint may be solved promptly. Training on the appropriate resolution of complaints within the guidelines of this policy shall be held annually for Board aid employees.

17.05 Claims Against the District. The purpose of this policy is to provide direction to District staff for processing and resolving claims against the District. Inherent in this policy is the recognition that every claim will be unique, and that guidelines cannot be written to accommodate every case. Therefore, staff must use discretion and good sense in handling each claim.

17.05.01. Property (Land and Improvements) Damage Claims. In the course of District's operations, damage to land and improvements thereon occasionally occur due to the proximity of the District's facilities to the private property. When District employees are aware that property has been damaged in the course of their work, restorative measures are to be taken to return the property as close to its original condition as possible.

- When a property owner informs a District employee of damage to their property (by telephone or in person), the employee receiving the claim will document in writing the time and date, and a description of the stated circumstances and allegations. Employees should respond to questions, be cordial and respectful, but refrain from commenting on liability questions.
- As soon as possible after information about the damage has been received, it shall be given to the General Manager. The General Manager or his/her designee shall investigate the property owner's allegations.
- If the owner of damaged property informs a member of the Board of Directors, the information will be given to the General Manager. Directors should not independently investigate claims, but may go with staff to observe.
- Claims in excess of the District's insurance deductible shall be forwarded to the insurance company (Special District Risk Management Authority, SDRMA), and the claimant shall be advised of this action.
- Claims for personal injury/wrongful death shall not be investigated by District staff or Directors but shall be immediately forwarded to the District's insurance company.

17.05.02. Property (Vehicles and Unsecured Property) Damage Claims. All claims of damage to vehicles or other unsecured property shall be submitted to the General Manager. He/she shall review the damage claim and the requested restitution. If he/she determines that the damage is the District's responsibility, he/she may authorize repairs or reimbursement of expenses to an amount not to exceed \$500. Claims in excess of \$500 shall be forwarded to the insurance company.

17.05.03. Claims Form. All damage claims must be submitted in writing on a District claim form. This will ensure that a claim is valid and protect important rights of the District. District staff shall provide no assistance to the claimant in filling out the claim form. Claimant must fill out the claim form in its entirety and submit it via mail, FAX, or personal delivery to the District office. Upon receipt, office staff shall date-stamp the document.

If an individual does not wish to file a claim on the District form, he/she may present the claim by letter if it conforms to Section 910 and Section 910.2, California Government Code. Section 910 specifies that a claim needs to show all of the following:

- The name and post office address of the claimant.
- The post office address to which the person presenting the claim desires notices to be sent.
- The date, place, and other circumstances of the occurrence or transaction which gave rise to the claim asserted.
- A general description of the indebtedness, obligation, injury, damage or loss incurred so far as it may be known as the time of presentation of the claim.
- The name or names of the public employee or employees causing the injury, damage, or loss, if known.
- The amount claimed as of the date of presentation of the claim, including the estimated amount of any prospective injury, damage, or loss, insofar as it may be known at the time of presentation of the claim, together with the basis of computation of the amount claimed.
- Section 910.2 of the California Government Code specifies the following: "the claim shall be signed by the claimant or by some person on his behalf.

Claims against local public entities for supplies, materials, equipment or services need not be signed by the claimant or on his behalf if presented on a billhead or invoice regularly used in the conduct of the business of the claimant.”

- If the filed letter/claim does not meet the requirements of the California Government Code 910 and 910.2, then a letter shall be sent to the claimant informing them of this fact.