POLICIES AND PROCEDURES

FOR THE

BOARD OF DIRECTORS

OF THE

SANTA CLARITA VALLEY WATER AGENCY (SCV WATER)

NOVEMBER 18, 2025

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I. INTRODUCTION

A. Purpose of the Board Policies and Procedures

The adoption of written guidelines regarding the conduct of public officials provides a sound foundation on which to build public trust and confidence. The policy of the Santa Clarita Valley Water Agency ("Agency") is to maintain the highest ethical standards for its Directors. The proper operation of the Agency requires that decisions and policy be made within the proper channels of governmental structure, that public office not be used for personal gain, and that Directors remain objective and responsive to the needs of the public they serve. Accordingly, it is the policy of the Agency that each of its Directors maintains the highest standards of personal honesty and fairness in carrying out their duties.

The purpose of these policies are to describe and guide the policies and practice of the Agency's Directors and to further the efficient operation of the Agency. They are not intended to be all-inclusive. These policies describe key legal and procedural duties of the Directors, set forth the basic ethical standards to be followed, and provide guidance for dealing with ethical issues. These policies are adopted by the Agency's Board of Directors and the Board of Directors has the right to amend, change, and supplement them at any time. These Policies and Procedures shall control to the extent the provisions are not in conflict or inconsistent with laws or regulations applicable to the Agency. If any policy or procedure is found to be unenforceable, such a decision shall not affect the remaining portions of these Policies and Procedures.

B. Agency Description

The Agency is a special act agency created by the State of California pursuant to SB 634, Chapter No. 833, 2017, and codified in the California Water Code Appendix (the "Act"). It is the successor agency to the Newhall County Water District and Castaic Lake Water Agency and it came into existence on January 1, 2018. The Agency's functions include the ability to acquire, hold, and utilize water and water rights and to provide, sell, manage, and deliver surface water, groundwater, and recycled water for municipal, industrial domestic, and other purposes at retail and wholesale throughout its boundary.

As stated in the Act, the purpose of the Agency is to unify and modernize water resource management in the Santa Clarita Valley through the efficient, sustainable, and affordable provision, sale, management, and delivery of surface water, groundwater, and recycled water for municipal, industrial, domestic, and other purposes at retail and wholesale within the territory of the Agency and to do so in a manner that promotes the sustainable stewardship of natural resources in the Santa Clarita Valley.

The Agency encompasses an area of approximately 195 square miles in the northwestern portion of Los Angeles County and the southeastern portion of Ventura County. The city of Santa Clarita and the communities of Canyon Country, Castaic, Newhall, Saugus, Stevenson Ranch, Valencia and Val Verde are located within the Agency. The boundaries of the Agency are shown on Plate 1.

Unless otherwise provided for by action of the Board of Directors, all meetings of the Board of Directors shall be held at the principal place of business of the Agency. The official address and principal place of business of the Agency is:

SANTA CLARITA VALLEY WATER AGENCY
27234 Bouquet Canyon Road
Santa Clarita, CA 91350
(661) 297-1600; Fax (661) 297-1611

Access to the Agency's office and facilities may be restricted subject to known or expected security conditions.

C. Governing Body

Nine Directors serve as the governing Board of Directors of the Agency (hereinafter referred to collectively as "Board"). The nine Directors hold elective office and represent one of three divisions. The current division boundaries are shown on Plate 1. An employee of the Agency may not be sworn in as Director unless he or she resigns as an employee. Any Director who is elected or appointed to a public office of another public entity, the duties of which may require action contradictory to or inconsistent with the interests of the Agency, is required to resign from the Board.

II. DIRECTORS, OFFICERS AND ADMINISTRATION

A. Introduction

The Board is the governing body of the Agency. As the governing body, the Board generally implements its actions by a majority vote of the membership of the Board (five) and may act by ordinance, resolution or motion (Act, Section 13(a)). Pursuant to Section 14 of the Act, the Board may only take certain actions by an affirmative vote of four-fifths of the Board (seven). In certain other limited matters, the Board is required by law to have a two thirds vote (six).

B. Officers and Appointments

The officers of the Board are the President and Vice President. The Board may in its discretion appoint from its members additional officers, including a second Vice President, and may define the duties of those officers (SB 634, Section 12). The Board also appoints a General Manager, Secretary, and a Treasurer or Auditor (Act, Section 16), and employs a General Counsel (Act, Section 13(a)). The Board in most situations processes its business through the General Manager, General Counsel and Secretary and then to various Committees of the Board as needed for processing and recommendations for action to the Board.

C. Board Principles

The Board of Directors of the Agency recognizes its actions affect the Agency's ability to fulfill its mission. The Board has identified the following practices it deems essential in order for the Board to positively affect the Agency's ability to efficiently and effectively operate. The members of the Board of Agency affirm their commitment to act in accordance with the following practices identified as being compatible with the efficient and effective operation of the Agency:

1. Stay true to the Agency's mission.

2. Maintain a high level of integrity and follow through with all commitments.

3. Work only as a Board, with no rogue, tangential, or hidden agendas.

4. Always strive for consensus, but remember unanimity is not required.

5. Once the Board has made a decision, acknowledge it.

6. Understand the Board's role is to set policy and ensure staff understands this, while facilitating staff's ability to implement policy.

7. Abide by the separation of responsibilities between the Board and the General Manager and staff.

8. Clearly understand the expectations and the responsibilities of the Board President and other Board officers.

9. Correctly identify the issues.

10. Realistically select important issues that are worthy of the Board and staff's time and energies.

11. Make sure all major policy decisions are well thought out from a legal perspective, all options have been explored, and that advantages and disadvantages for the community have been explored and weighed.

12. Accept the responsibility to bring to the Board any issues related to the Agency's mission.

13. Communicate all facts accurately and fully.

14. Encourage open discussion by all Board members on all subjects.

15. Ensure that every member has a chance to give and explain his or her point of view.

16. Truly listen to each other and genuinely try to understand other points of view.

17. Attend and actively participate in meetings, keeping absences to a minimum.

18. Come to meetings prepared, having reviewed the materials provided by staff.

19. Ask the General Manager or designee for background and/or additional information as needed prior to Board or Committee meetings.

20. Never hesitate to ask questions at a Board or Committee meeting or request additional information.

D. Directors Responsibilities*

1. Responsibilities of Public Office

Directors are obligated to uphold the Constitution of the United States and the Constitution of the State of California. Directors shall comply with applicable laws regulating their conduct, including conflict of interest, financial disclosure (Political Reform Act; Government Code §81000 *et seq*.), and open government laws for public agencies (see: Ralph M. Brown Act, Government Code §54950 *et seq*.), and shall fulfill the reporting requirements related to campaign finances and expenditures (Political Reform Act; Government Code §81000

* *See also*, Section IV F, "Ethics Training for Directors"

et seq.). Directors shall strive to work in cooperation with other public officials unless prohibited from so doing by law or officially recognized confidentiality of their work.

Directors and persons elected but who have not yet assumed office as Directors shall fully comply with the provisions of the State's open meeting laws for public agencies, also known as the Brown Act.

2. Conflict of Interest

Each Director of the Agency shall file Statements of Economic Interests in accordance with the requirements of the Political Reform Act (Government Code §81000 *et seq*.).

To the extent prohibited by law, Directors shall not have a financial interest in a contract with the Agency, be a purchaser at a sale by the Agency, or be a vendor of the Agency (Government Code §§1090-1099). A financial interest may be direct or indirect and unless the financial interest is considered a "non-interest" or a "remote interest," any contract entered into with the Agency where a Director has a financial interest is void. Recusal is not an option in such situations. Directors shall not recommend the employment of a relative by the Agency, nor recommend the employment of a relative to any person known to be bidding for or negotiating a contract with the Agency.

No Director shall make, participate in making, or in any way attempt to use his or her official position to influence a governmental decision in which he or she knows or has reason to know that he or she has a financial interest with respect to the matter. If a Director becomes aware of a potential conflict of interest, the Director shall notify the Board President, the General Manager and/or the Agency's General Counsel, either before the Board meeting at which the matter will be discussed or immediately upon becoming aware of the potential conflict during the meeting (Government Code §§1090-1099; Political Reform Act, Government Code §§87100-87105).

A Director who has a financial interest in a decision or action being considered by the Board shall publicly identify the financial interest that gives rise to the actual or potential conflict of interest in detail sufficient to be understood by the public, recuse himself or herself from discussing, voting on, or otherwise participating in the decision, and leave the meeting room until after the discussion, vote, or other disposition of the matter is concluded (unless the matter is on the consent calendar and is uncontested). Such action by a Director to disqualify him or herself from participation in the decision shall be noted in the Board minutes (Government Code §§1090 – 1099; Political Reform Act, Government Code §§87100 – 87105).

3. Fair Treatment and Use of Authority

Directors, in the performance of their official duties, shall not discriminate against or harass any person on the basis of race, religious creed, color, age, marital status, national origin, ancestry, gender, sexual orientation, medical condition, mental disability, or physical disability. A Director shall not grant any special consideration, treatment, or advantage to any person or group beyond that which is available to every other person or group in similar circumstances (Government Code §12940).

A Director shall not directly or indirectly use or attempt to use the authority or influence of his or her position for the purpose of intimidating, threatening, coercing, commanding or influencing any other person for the purpose of preventing such person from acting in good faith to report or otherwise bring to the attention of the General Manager or the Board any information that, if true, would constitute a work-related violation by a Director or Agency employee of any law or regulation; gross waste of Agency funds; gross abuse of authority; a specified and substantial danger to public health or safety due to an act or omission of an Agency official or employee; use of an Agency office or position or Agency resources for personal gain; or a conflict of interest of a Director or Agency employee. Further, a Director shall not use or threaten to use any official authority or influence to effect any action as a reprisal against another Director or an Agency employee who reports or otherwise brings to the attention of the General Manager any information regarding any of these subjects (Cal. Const. Art. XVI, §6; Penal Code §§68; 424; Government Code §12940).

4. Use of Confidential Information

A Director is not authorized, without approval of the Board, to disclose information that qualifies as confidential information under applicable provisions of law to a person not authorized to receive it (Brown Act; Government Code §54963; Government Code §1098).

Qualified confidential information includes, but is not limited to, information that has been received for or during a closed session meeting of the Board; information protected from disclosure under the attorney/client or other evidentiary privilege; information that is exempt from disclosure under the California Public Records Act ("CPRA") (Brown Act; Government Code §54963(a), (e) and (f); and CPRA, Government Code §6254(k)).

5. Political Contributions

Directors shall not solicit or direct political contributions or in-kind services at Agency functions or from Agency employees or from vendors or consultants that have a material financial interest in a contract while that matter is pending before the Board (Government Code §1090). A Director shall not use the Agency's seal, trademark, stationary, or other indicia of the Agency's identity or facsimile thereof in any solicitation for political contributions (Government Code §3205).

6. Filing and Disclosure Requirements Under Government Code §87200

Directors are subject to the filing and disclosure requirements of Government Code §87200 *et seq*. Under that section, any person who holds an office specified in §87200 shall, as specified by the Fair Political Practices Commission, file a statement disclosing his or her investments, interests in real property and income during the period of time since the previous statement filed per FPPC regulations. Section 87200 applies to all "public officials who manage public investments." (Government Code §87200). It is not limited to those officials engaged in "the actual hands-on management of funds," but also includes those who "set or approve policy relating to the investment of funds." (Condrashoff Advice Letter, FPPC No. I-09-111, at pp.*6-7, *see also*, FPPC Regulation 18701 subds, (b)(1)(A), (b)(4).). Directors approve the Agency's investment policy annually. Therefore, all Directors are "public officials who manage public

investments" and are subject to §87200's filing and disclosure requirements (*Accord*, Condrashoff Advice Letter, *supra* [advising that water agency Director is subject to §87200 because agency board bears responsibility for adopting investment policy.).

7. Use of Agency Property

A Director shall not use or permit the use of Agency-owned vehicles, equipment, telephones, materials or property for personal benefit or profit. A Director shall not ask or require an Agency employee to perform services for the personal benefit or profit of a Director or employee (Government Code §8314).

Each Director must protect and properly use any Agency asset within his or her control, including information recorded on paper or in electronic form. Directors shall safeguard Agency property, equipment, monies, and assets against unauthorized use or removal, as well as from loss due to criminal acts or a breach of trust (Cal. Const. Art. XVI Art. 6; Penal Code §424).

E. Elected Directors

1. Qualifications

To hold the office of divisional Director, any candidate seeking election must be an elector residing within the boundaries of the division (Act, Section 9(c)). Consistent with the Uniform District Election Law, candidates must be an elector residing within the boundaries of the division at the time of filing a declaration of candidacy.

2. Nomination of Candidates

Candidates seeking election to the office of Director of the Agency must file nomination papers with the Los Angeles County Registrar-Recorder during the period beginning on the 113th day before the election date and ending at 5:00 p.m. on the 88th day prior to the election date (Election Code §10510).

3. Candidate's Statement

Each candidate for the office of Director of the Agency who elects to include a printed statement in the voters' pamphlet mailed by the Los Angeles County Registrar-Recorder shall pay the costs of printing, handling, translating and mailing of such candidate's statement. Payment shall be made to and in the amount determined by the Los Angeles County Registrar-Recorder as authorized by the California Election Code. Directors who are candidates shall not include false or misleading information in a candidate's statement.

4. Election Date of Elected Directors

The election for the office of Director is conducted on the date of the General Election, the first Tuesday of November of each even-numbered year. Term of Office for Elected Directors

The term of office for all elected Directors is four years and as described in Section 9 of the Act. Elected Directors shall take office on the first Monday of the January after the election (Act, Section (9)(c)).

5. Vacancies of Elected Directors[†]

(a) Vacancy

A vacancy shall exist when a declaration of resignation executed by an elected Director is received by the Secretary; upon the death of an elected Director; or as otherwise provided by law. Pursuant to Section 9(c) of the Act, a vacancy will occur if an elected director moves outside of the division he or she represents and does not reestablish residency in that division within 180 days.

(b) Replacement Process for Elected Directors

In the event a vacancy should occur, the Board may appoint a qualified person to fill the vacancy. Such appointment shall require the approval of a majority vote of the remaining Directors. Appointment by the Agency's Board shall occur within 60 days following the effective date of the vacancy (Government Code §1780(c) and (d)(1)).

At least 15 days before an appointment is made, a notice of the vacancy must be posted in three or more conspicuous places within the division in which the vacancy exists. Posting on the Agency's website and news releases to local newspapers may be used in place of posting in three or more conspicuous places as set forth above. Applicants may also be solicited by newspaper advertisement (Government Code §1780(d)(1)).

The Agency shall announce a schedule for receipt of applications and interviews of applicants. Applicants shall complete and file an application on an Agency form with the Secretary on or before an established due date. Interviews of applicants shall take place during open public meeting(s) with the order of interview determined by lot (Government Code §1780 (d)(1)).

In the event the Board does not appoint a qualified person to fill the vacancy, the Board may, upon approval of a majority of the remaining Directors, within 60 days of the vacancy call an election or at such later time as determined reasonable by the Board of Directors. The election shall be held on the next election date that is 130 or more days after the date the Agency's Board calls the election (Government Code §1780(e)(1)).

In the event that the Board neither makes an appointment nor calls an election within 60 days of the vacancy and the Board does not decide by majority vote to not fill the vacancy as allowed by the Act, then the Board of Supervisors of Los Angeles County may, within 90 days of the vacancy, make an appointment or order the Agency to call an election. The election shall be held on the next election date that is 130 or more days after the date the Board of Supervisors calls the election.

[†] Appointed Directors, See § II F(3).

If no action is taken by either the Agency's Board within 60 days of the vacancy or the Board of Supervisors within 90 days of the vacancy, then the Agency shall call an election to fill the vacancy. The election shall be held on the next election date which is 130 or more days after the date the Agency calls the election.

(c) Term of Office of Replacement Elected Directors

Persons elected to fill a vacancy shall hold office for the unexpired balance of the term of office. Persons appointed to fill a vacancy shall hold office until the next election date that is scheduled 130 or more days after the date the county elections official is notified of the vacancy. If that election does not coincide with the end of the term of the Director who caused the vacancy, then the election shall be for the balance of the unexpired term.

(d) Adjustment of Division Boundaries for Elected Directors

The Board shall adjust the electoral division boundaries following the decennial census by resolution pursuant to Chapter 8 (commencing with Section 22000) of Division 21 of the Elections Code. If division boundaries are approved such that a Director is no longer a resident of the division from which he or she was elected, the Director may continue in office to the end of the term.

F. Selection and Succession of President and Vice President

The Board shall elect one of its members to serve as President and one or two of its members to serve as Vice President(s) at the first regular meeting in January following an election, or as soon as practicable thereafter. Both the President and the Vice President(s) shall serve at the pleasure of the Board. The term of the President and Vice President(s) will be two years,. The President shall serve as chairperson of all meetings of the Board. In the absence of the President, the Vice President(s) shall serve as the chairperson.

If for any reason the office of President is vacant, the Board shall select another Director to serve the unexpired term as President. If for any reason the office of Vice President(s) is vacant, the Board shall select another Director to serve the unexpired term as Vice President.

The Board, in its discretion, may appoint a second Vice President to serve as an officer of the Board. In such an instance, the two Vice Presidents shall serve in an equal capacity unless otherwise decided by the Board.

H. Committees

Except as provided below, a Committee consists of not more than four (4) Directors appointed, at a Board meeting or otherwise, by the President. The Board shall promptly be notified of the appointment of Directors to all Committees. A Committee shall be defined at the time of creation as either standing or special (Ad Hoc) (Brown Act; Government Code §54952(a)).

A standing Committee is one appointed to monitor, review and report on a general subject area on an ongoing basis. A special Committee is one created to undertake a specific, limited, and often sensitive or complex assignment, and shall exist for a specified length of time or until its assignment is declared complete by the President (Brown Act; Government Code §54952(b)). Additional related assignments may be given to special Committees prior to completion of the original assignment.

The President shall designate a Chair for each Committee. Each standing Committee shall establish the date, time, and place of regular meetings required for the conduct of business by the Committee. The date, time and place of each meeting of a special Committee shall be determined by the Chair on an as-needed basis (Brown Act; Government Code §54952(a) & (b)).

Committees shall only have the power to recommend action to the Board and consequently do not establish policy for the Agency (Brown Act; Government Code §54952(b)).

Notwithstanding the limitations above, at the discretion of the Board, a Committee may consist of more than a majority of the Directors appointed, at a Board meeting or otherwise, by the President. However, if the President appoints more than a majority of Directors to a Committee, such Committee may only meet if its meetings are noticed as joint meetings with the Board of Directors.

I. Appointment of Agency Officers

1. Secretary

The Agency shall, by resolution, appoint a person to the office of Secretary, who shall be hired by the Agency as an employee. The Secretary may not be a Director. The Secretary is responsible for recording actions of the Board in regular or special meetings, preparing agendas, receiving and preparing written correspondence, attesting to the signature of the President on documents, certifying resolutions, receiving and filing statements with the Fair Political Practices Commission, and performing other duties as directed by the Board. The Secretary may administer oaths of office and affirmations in connection with the taking of testimony at any hearing, investigation, or other matter pending before the board.

2. Assistant Secretary

The Agency's General Counsel shall serve as Assistant Secretary. The Assistant Secretary shall act only in the absence of the Board's regular Secretary, with responsibilities limited to taking Board minutes and certifying Agency and/or Board actions, generally as a counter-signatory to other Agency officers.

3. Treasurer

The Agency shall, by resolution, appoint a Treasurer. The Treasurer may not be a Director. The Treasurer is responsible for management and investment of Agency funds according to the Investment Policy adopted by the Board.

J. Bonding of Officers and Other Employees

The General Manager, Assistant General Manager, Chief Financial and Administrative Officer, Director of Finance and Administration and Controller shall be covered by a Fidelity Insurance Policy in the amount of not less than $1,000,000 per individual. All other employees (except as exempted by classification by the Agency General Manager) and Directors shall be covered by a Fidelity Insurance Policy in the amount of not less than $1,000,000. The cost of such insurance shall be paid by the Agency.

K. Other Professional Services

1. Appointment of Auditor

The Board shall appoint an accounting firm with sufficient expertise to perform the annual audit of the Agency's financial records, issue an audit opinion and serve as consultant on accounting procedures ("Auditor"). The executed contract for the Auditor shall include terms of an agreed fee schedule.

During performance of the annual audit, the Auditor shall review Per Diem payments to Directors and expense reimbursements to Directors and management staff to ensure compliance with the Agency's written procedures. The scope of the annual audit shall include sufficient testing of material and non-material transactions to demonstrate compliance with Board established policies and procedures related to purchasing, investments and reserves.

2. Appointment of General Counsel

The Board appoints legal counsel as General Counsel whose duties are to advise the Agency's Board and General Manager concerning their respective legal responsibilities and to present either written or oral recommendations to the Board and/or General Manager, as appropriate, on matters of legal concern. The Agency's General Counsel shall report to the Board of Directors and take direction from the Board, and may also take direction from the General Manager.

3. Employment of Consultants

Other consultants may be employed pursuant to procedures established in an Agency Purchasing Manual. The services of the consultants shall thereafter be at the request of the Board or the General Manager.

4. Ratepayer Advocate

The Agency Act required the Board to develop a rate setting process by January 1, 2019 that includes an independent ratepayer advocate to advise the Board and provide information to the public before the adoption of new wholesale and retail water service rates and charges. The ratepayer advocate shall be selected by and report directly to the Board and shall be independent from Agency staff. The Board may eliminate the ratepayer advocate position at any time pursuant to the Act (Act, Section 14(b)–14(d)).

III. BOARD AND COMMITTEE MEETINGS

A. Board Meetings

1. Quorum and Voting

Five (5) or more Directors constitute a quorum of the Board. No Board meeting may be called to order nor may any action be taken without the presence of a quorum.

The Board shall act, at properly noticed Board meetings, only by ordinance, resolution, or motion. Adoption of any ordinance, resolution, or motion requires an affirmative vote by a majority of the Board unless the action being taken specifically requires otherwise. Directors should vote (yes, no, or abstain) on all proposed Board actions unless a Director declares the matter to be a conflict of interest prior to discussion of the subject, in which case the affected Director should recuse him or herself from discussing and/or voting on the matter and leave the room until after the discussion, vote and disposition of the matter is concluded (Political Reform Act, Government Code §§87100-87105).

Voting on ordinances shall be by roll call vote, with the yes's and no's recorded in the minutes. When conducting a roll call vote, the Secretary shall call for the vote of each Director and for the vote of the President last.

Voting on resolutions and motions may be by voice or electronic system vote, ruled upon as either passing or failing by the President. The President or the Board Secretary shall announce if an action was unanimous and if it was not, which Directors voted against the action. On demand of any Director, a roll call vote shall be called to confirm the ruling of the President as to the outcome of a voice or electronic system vote.

Directors may participate in Board meetings by teleconference with Board approval, at the request of the Board president, or by approval of the Board President if circumstances are such that obtaining Board approval is not practicable. Unless requested by the Board President, Directors wishing to participate in a Board meeting using teleconference shall submit a written request to the Board President that indicates why it is important for them to attend by teleconference. The Board President shall place the item on the next Board agenda for consideration. It is the Board's preference that Directors participate in Board meetings in person. Any teleconferenced meeting shall comply with all of the requirements of the Brown Act. Directors may participate in a Board meeting remotely for just cause or due to emergency circumstances pursuant to the provisions of Government Code section 54953(f).

2. Regular Board Meetings

(a) Meeting Schedule

The Board shall hold regular meetings on the first and third Tuesdays of each month, or as the Board otherwise designates. Unless otherwise provided for by resolution or ordinance, each regular meeting shall begin at 6:00 p.m. and be held at the principal place of business of the Agency.

The General Manager and/or a majority of the Board may determine which additional persons (employees, consultants etc.) should attend a Board meeting. The General Manager, or designated Board or staff representative, shall reply to questions raised by the public at Board meetings, if appropriate, or as directed by the President.

The President, in consultation with the Agency's General Counsel, shall be responsible for assuring that the requirements of the Brown Act are observed at all Board meetings.

The Board may adjourn any regular meeting to be continued at a specific time and place. A notice of adjournment and continuance shall be conspicuously posted on or near the door of the location where the regular meeting was held within 24 hours of the adjournment (See Brown Act; Government Code §54954.2(b)(3)).

(b) Agenda

Before each Board meeting the General Manager and Secretary shall prepare the agenda. The agenda is sent to General Counsel and to the Board President for approval. When the President is not available, the agenda is sent to the Vice President for approval.

Agenda items desired by any Director shall be submitted to the President or requested at the second Board meeting of each month as agendized, at which time the Board President shall either place the items on a future agenda, appropriately phrased, or submit the agenda item, appropriately phrased, to the Board for its determination of whether and when to consider the agenda item or, alternatively, to assign the agenda item to a Committee for review. In making determinations as to agenda items, the President shall consider Agency priorities and the availability of Agency resources (Brown Act; Government Code §54954(a)).

The agenda shall be posted by the Secretary at least 72 hours before the start of a regular meeting on the Agency website and on a message board at the outermost SCV Water Administration Building E. G. "Jerry" Gladbach Water Treatment Plant entrance gate, which is located at the intersection of Central Park and Bouquet Canyon Road (Brown Act; Government Code §54954.2(a)).

(c) Action on Items not on the Posted Agenda

The Board may take action on items of business not appearing on the posted agenda only under any one of the following conditions:

- Upon a determination by a majority vote that an emergency situation exists (Brown Act; Government Code §54956.5).
- Upon a determination by a two-thirds vote or, if less than two-thirds of the Directors are present, a unanimous vote of those present that there is a need to take immediate action on a matter that came to the attention of the Board subsequent to the agenda being posted (Brown Act; Government Code §54954.2).

- The item was posted on the agenda of a regular meeting that occurred not more than five (5) calendar days prior to the date action is taken, and at the prior meeting the item was continued to the meeting at which action is taken (Brown Act; Government Code §54954.2(b)(3)).

3. Special Board Meetings

A special meeting of the Board may be called by the President or by a majority of the Board. Written notice must be delivered at least 24 hours before the time of the meeting to each Director, and to each local newspaper of general circulation and radio or television station requesting the notice in writing (Brown Act; Government Code §54956).

The written notice shall specify the time and place of the special meeting and the business to be transacted or discussed. No other business shall be considered by the Board at such special meeting (Brown Act; Government Code §54956).

The call and notice must be posted at least 24 hours before the time of the meeting on the Agency's website and on a message board at the outermost SCV Water Administration Building E. G. "Jerry" Gladbach Water Treatment Plant entrance gate, which is located at the intersection of Central Park and Bouquet Canyon Road (53 Ops.Cal.Atty.Gen. 245 (1970)).

The written notice may be dispensed with as to any Director who, at or prior to the time the meeting convenes, files with the Secretary a written waiver of notice. The written notice may also be dispensed with as to any Director who is actually present at the meeting at the time it convenes (Brown Act; Government Code §54956(b)).

4. Emergency Board Meetings

If the Board calls an emergency meeting due to a work stoppage, a crippling activity, or other activity that severely impairs public health or safety, the President or his or her designee shall give notice of the meeting by telephone to each local newspaper of general circulation and radio or television station that has requested notice of special meetings, at least one hour prior to the meeting (Brown Act; Government Code §54956(b)).

If the Board calls an emergency meeting due to crippling disaster, mass destruction, terrorist act, or threatened terrorist activity that poses peril so immediate and significant that requiring one-hour notice may endanger the public health or safety, then notice shall be given at or near the time that the Directors are notified of the emergency meeting (Brown Act; Government Code §54956(b)).

B. Committee Meetings

1. Standing Committees

(a) Regular Meetings

Regular meetings of standing Committees shall be open to the public. The Chair shall cause notice of each standing Committee meeting and the agenda for the meeting to be

posted on the Agency's website and on a message board at the outermost SCV Water Administration Building E. G. "Jerry" Gladbach Water Treatment Plant entrance gate, which is located at the intersection of Central Park and Bouquet Canyon Road not less than 72 hours in advance of the Committee meeting (Brown Act; Government Code §54952(b)).

The chair shall further cause notice to be delivered to each Committee member and to others who receive notice of Committee meetings not less than 72 hours in advance of the meeting. Unless the Agency has received a written request for mailed notice, the latter notice may be delivered orally or by email.

(b) Special Meetings

In the event a special meeting of a standing Committee is called, written notice must be delivered at least 24 hours before the time of the meeting to each Committee member and to others who receive notice of Committee meetings. The written notice may be dispensed with as to any Director who, at or prior to the time the meeting convenes, files with the Secretary a written waiver of notice. The written notice may also be dispensed with as to any Director who is actually present at the meeting at the time it convenes (Brown Act; Government Code §54956(b)).

Notice must also be posted at least 24 hours before the time of the meeting on the Agency's website and on a message board at the outermost SCV Water Administration Building E. G. "Jerry" Gladbach Water Treatment Plant entrance gate, which is located at the intersection of Central Park and Bouquet Canyon Road (Brown Act; Government Code §§54952(b); 54954(a); 54954.2).

The notice shall specify the time and place of the special meeting and the business to be discussed. No other business shall be considered.

2. Special Committees

Meetings of special Committees composed entirely of Directors need not be open to the public unless, in the discretion of the Committee or its Chair, such meetings are specifically ordered to be noticed and open to the public in the same manner and to the same extent as standing Committee meetings (Brown Act; Government Code §54952; *Joiner v. City of Sebastopol* (1981) 125 Cal.App.3d 799).

3. Other Directors' Attendance at Regular or Special Meetings of a Standing Committee

Any Director may attend any open and public regular or special meeting of a standing Committee of the Agency. A Director who is not a Committee member, however, may not participate in any manner, either verbally or non-verbally, in Committee affairs. In order to avoid a "serial" meeting in violation of the Brown Act, a Director who is not a member of the Committee shall not participate in the "public comment" section of a Committee meeting nor use a series of communications of any kind, directly or through intermediaries to discuss, deliberate, or take action on any item of business that is within the subject matter jurisdiction of the Committee (Brown Act; Government Code §54952.2(b)(1)).

A Director who is not a Committee member shall not attend meetings of any special Committee unless the meeting is noticed and open to the public.

The Chair of the Committee or the Vice Chair of the Committee shall promptly expel from a Committee meeting any Director who violates these policies.

4. Committee Reports

The Committee Chair, or designated representative, shall report at regular Board meetings on committee activities. Such report may be either oral or in writing. Committee reports shall be included on the Board's regular meeting agenda, either upon request by the Committee chair or as a standing agenda item.

C. Distribution of Agenda Packets

Any person may request a copy of the agenda or a copy of all the documents constituting the agenda packet, or both, of any meeting of the Board or of a Board standing Committee. Upon receipt of the written request, the Secretary shall cause the requested materials to be mailed at the time the agenda is posted pursuant to legal requirements under the Ralph M. Brown Act, or upon distribution to all or a majority of Directors or members of a Board standing Committee, whichever occurs first (Brown Act; Government Code §§54954.2(a), 54957.5; *Carlson v. Paradise Unified Sch. Dist*. (1971) 18 Cal.3d 196).

Any request for mailed copies of agendas or agenda packets shall be valid for the remainder of the calendar year in which it is filed, and must be renewed each following January 1 for each subsequent year. The Board may establish a fee for mailing the agenda and/or the agenda packet, which fee shall not exceed the cost of providing the service.

As provided in the Brown Act, in the event a requester fails to receive the agenda or agenda packet, such failure shall not constitute grounds for invalidation of the actions taken by the Board at the meeting for which the agenda or agenda packet was not received.

IV. ORGANIZATIONAL POLICIES

A. Duties of Directors

Directors shall:

1. Attend Board meetings or inform the Secretary if unable to attend.

2. Serve on Committees of the Board as appointed by the President. If a Director is unable to serve effectively, he or she should so advise the President.

3. Read and be familiar with the subject matter on the meeting agenda. If possible, questions of clarification should be addressed to staff prior to the meeting. Directors shall also have access to engineering, legal and financial consultants for information, subject to any Board-imposed reasonable limitations, which take into account the cost of such consulting services. The President or General Manager should provide approval for anything that would require a substantive amount of work.

4. Express approved policy of the Board when called upon to do so. Public comment by or the opinion of a Director shall not be binding on the Board.

B. Duties of the President

The President shall:

1. Preside over and reasonably control all meetings of the Agency's Board, and recognize all speakers and the makers of all motions, resolutions and ordinances.

2. Call for public participation during meetings of the Board.

3. Rule on passage or failure of motions, resolutions, or ordinances brought before the Board.

4. Ensure that all Directors have an equal opportunity to speak during discussion of issues. The President may be involved in discussion on any matter, but his or her right of expression shall be no greater than that of any other Director.

5. Appoint Directors to Committees of the Board subject to the provisions of these policies and assign Committee Chairs and Vice Chairs.

6. Set the time and place for special meetings of the Board.

7. Represent or designate another Director to represent the Agency in any public ceremony.

8. Serve as the public spokesperson of the Agency and express approved policy of the Agency when called upon to do so. Public comment by or the opinion of the President shall not be binding on the Board.

9. Cast the Agency's vote for election of special district representatives to serve on the Local Agency Formation Commission (LAFCO) and other organizations as appropriate.

10. Nominate or appoint, as appropriate, Directors to serve on Committees and advisory boards at organizations such as Association of California Water Agencies, California Special Districts Association and others, and approve attendance at non-preapproved events.

11. Sign checks of the Agency as authorized by resolution.

12. Review the travel and other reimbursable expenses of the Directors and the General Manager as necessary.

C. Duties of the Vice President(s)

The Vice President(s) shall:

1. Perform all the duties of the President during any absence of the President.

2. Express approved policy of the Agency when called upon to do so. Public comment by or the opinion of the Vice President(s) shall not be binding on the Board.

3. If for any reason the office of President is vacant, act in place of the President until a new President is elected.

4. Review and approve, subject to the concurrence of the General Manager, the President's requests for expense reimbursement.

5. Sign checks of the Agency as authorized by resolution.

D. General Manager's and Directors' Relationship

The Board shall by contract or resolution employ a General Manager, who serves at the pleasure of the Board (Act, Section 16). The General Manager acts as the chief executive officer of the Agency and its operations and has full charge and control of the Agency's water system and facilities, including their construction, operation and maintenance, all in accordance with Agency policies and procedures established by the Board. The General Manager has the power to do the following:

1. Advise, recommend and carry out policy.

2. Plan, organize and direct Agency operations.

3. Employ and supervise Agency personnel.

4. Serve as the primary liaison to the Board and, in so doing, implement and follow Board policy and direction and keep the Board informed and advised of all Agency activities.

5. Take full charge and control of the construction, maintenance and operation of the water system and other facilities of the Agency, including Administrative Actions pursuant to the California Environmental Quality Act ("CEQA"), including initial studies; notices of preparations; exemption; determination and completion.

6. Except for Board appointed positions, exercise full power and authority to employ and discharge employees and assistants, consistent with the Employee Manual's guidelines.

7. Investigate and take appropriate corrective and disciplinary actions with regard to improper activities within the Agency.

8. Manage Agency financial operations and expend Agency funds in conformity with a Board-approved annual Agency budget, which is a general expenditure projection.

9. Review budget status and revenue and expenditure patterns on a quarterly basis. Promptly inform the Board when forecasted revenues or expenditures materially vary from the budget and propose corrective action when appropriate.

10. Make purchases and maintain capital assets, subject to the Purchasing Manual's guidelines.

11. Serve as the Agency's primary spokesperson or designate an appropriate spokesperson regarding community and news media inquiries and coordinate all Agency activities with other governmental agencies.

12. Manage the safeguarding, conservation and maintenance of all Agency property.

13. Declare, in writing, that an emergency exists, whenever a condition occurs which adversely affects, either in a dire manner or potentially, the ability of the Agency to perform its services, or which puts Agency property or personnel in jeopardy, or which may jeopardize the health and safety of the community.

    (a) The General Manager, following a declaration of emergency, may take whatever steps and commit whatever funds are necessary to meet the emergency.

(b) The General Manager shall inform the Board of such emergency, as well as the steps and expenditures incurred.

14. Tangible Personal Property. The General Manager may dispose of tangible personal property of the Agency that has a fair market value, as reasonably determined by the General Manager or his/her representative, of $100,000 or less subject to compliance with any applicable legal requirements. Disposal of tangible personal property with a fair market value of $100,000 or more must be authorized by the Board of Directors.

15. Real Property

(a) The Board reserves for itself the sole authority to convey and dispose of all interests in real property, except as provided below.

(b) Easements. The General Manager is authorized to grant easements upon real property, or relinquish easements held by the Agency, including, but not limited to, easements for construction, inspection, access, storage, operations, maintenance, and emergency service, as follows:

(1) Temporary easements not to exceed five years in duration; and

(2) Permanent easements, including by way of quitclaim, with a fair market value, as reasonably determined by the General Manager or his/her representative, of $150,000 or less.

(c) Accepting and Acquiring Real Property. The General Manager is authorized to accept and acquire, by dedication or purchase, real property, which includes but is not limited to deeds, and grants of interests in and easements upon real property, on behalf of the Agency and in a form approved by General Counsel to the Agency, for the purposes of expanding, maintaining and operating the Agency and its water system and have a fair market value, as reasonably determined by the General Manager or his/her representative of $150,000 or less.

(d) The General Manager shall provide a semi-annual report of transactions executed pursuant to the authority granted in this section to the Engineering and Operations Committee.

16. License Agreements. The General Manager is authorized to enter into license agreements related to the access and/or use of real property, and amendments to such license agreements, that have a fair market value, as reasonably determined by the General Manager or his/her representative, of $150,000 or less. All other such license agreements require Board authorization.

17. Perform all functions and activities which the Board shall direct the General Manager to perform, regardless of whether such functions or activities are included herein. In so doing, the General Manager may delegate responsibilities and obligations to other employees and representatives of the Agency as the General Manager deems appropriate.

18. The Board shall provide policy direction and instructions to the General Manager on matters within the authority of the Board during duly-convened Board and Committee meetings.

19. The Board has a duty to ensure that the General Manager is operating the Agency according to law and the policies approved by the Board.

20. Directors shall disclose to the General Manager, and the General Manager shall disclose to the Board, to the extent not expressly prohibited by law, improper activities within their knowledge. Directors shall not interfere with the General Manager's responsibilities in identifying, investigating, and correcting improper activities, unless the Board determines that the General Manager is not properly carrying out these responsibilities.

21. If a Director has need of non-confidential, actual information on a specific topic, he or she should contact the Agency General Manager or his or her designee, or Board Secretary. The General Manager shall review any request for information with the Board President as necessary for concurrence, scheduling, or prioritization so as not to unreasonably interfere with Agency business.

22. In cases where the General Manager is absent, the General Manager may delegate his or her duties to an Assistant General Manager or other designee in the absence of an Assistant General Manager, and such person shall have the authority to perform the duties of the General Manager, including the ability to execute Agency documents.

E. Directors' Relationship with Agency Staff

1. Individual Directors shall deal with matters within the authority of the General Manager through the General Manager, or his or her designee, and not through other Agency employees.

2. Individual Directors shall not do the following:

   (a) Interfere with or direct Agency staff.

   (b) Frequent Agency premises on any basis different than the general public.

   (c) Make requests directly to Agency employees to undertake analyses, perform other work assignments, or change the priority of work assignments.

F. Ethics and Fair Employment Training for Directors

Every Agency Director shall receive two (2) hours of training in general ethics principles, ethics and fair employment (sexual harassment) laws relevant to his or her position in public service every two years. Incoming Directors shall receive such training as soon as is practicable; usually within his or her first year, and then every two (2) years thereafter (Government Code §52335(b); 12,900 et seq).

An Agency Director who serves on more than one agency board satisfies such requirements if he or she receives the training once every two (2) years (Government Code §53235.1(c); 12,900 et seq).

All Directors who participate in such training shall be given a proof of participation form by the provider and shall submit a copy to the Board Secretary. This form shall state the following:

- The date of the training; and
- The person or company who provided the training
  (Government Code §52335.2(a)(1) & (2); 12,900 et seq)

The Agency shall record participants' participation in its records, which must be retained for five (5) years. These records are public records subject to disclosure under the California Public Records Act (Government Code §6250 *et seq*; AB 1234, Government Code §§53232 – 53232.3; 12,900 et seq.).

G. Directors' Compensation and Expense Reimbursement

1. Board Meetings and Committee Meetings

Each Director may claim and receive up to the Board authorized Per Diem payment (Per Diem) for attendance at each regular, adjourned regular, special or adjourned special meeting of the Board. A Director may also claim and receive Per Diem for attendance at meetings of those standing or special Committees to which the Director has been appointed, including meetings with staff in connection with such committee meetings if required and at the request of the committee chair. At the next regular Board meeting, Directors shall provide a report, orally or in writing, of attendance at such meetings or events in which Per Diem and/or expenses are provided.

2. Conferences, Meetings, Events, and Other Activities

Subject to specific approval of the Board and pursuant to this Section G, Directors may claim and receive Per Diem for each day's attendance at conferences, meetings, events, or other authorized activities relevant to the business of the Agency. Authorized conferences, meetings, events, and activities constitute the performance of official duties for which compensation and reimbursement may be provided and may include, but are not limited to, educational conferences and similar gatherings, meetings of other public agencies or organizations that involve discussions of specific interest to the Agency, attendance at Agency-related ceremonial

functions, or formal appearances before or meetings with administrative, regulatory agencies, legislators, and their staff. Directors are encouraged to educate themselves about current issues, policies and best practices that are relevant to the business of the Agency. The Board Secretary shall provide the Board with information regarding relevant conferences, meetings and events.

Unless specifically approved by the Board or otherwise provided in this Section G, Director compensation and/or expense reimbursement for attendance at conferences, meetings, events, or other activities relevant to the business of the Agency shall be in accordance with the below categories and corresponding rules and restrictions. Participation in meetings or events related to Agency business, including meetings with staff, at the request of the General Manager, Board President or the Board is not subject to the below Category 1 and Category 2 rules and Directors may claim and receive Per Diem and expense reimbursement.

Directors who wish to receive Per Diem and/or expense reimbursement for conferences, meetings, events, or other activities that are relevant to Agency business that are not pre-approved or are not pursuant to a request of the General Manager, Board President or the Board may request Board approval and the Board shall consider such request. In determining whether to approve such requests, the Board shall consider the benefit of such participation to the Agency and its cost effectiveness.

Category 1 – Multi-Day Events. Directors may receive Per Diem payments and expenses for up to three (3) multi-day events per fiscal year. A "multi-day event" is a conference, meeting or event that takes place over two or more days and requires at least one night's lodging at Agency expense. The following are preapproved multi-day events for which Board approval is not required to attend.

- Association of California Water Agencies (ACWA) Conferences and Events
- ACWA/JPIA Conferences and Events
- California Special Districts Association Conferences and Events
- ~~California Water Policy Conference~~
- ~~National Water Resources Association Conferences and Events~~
- Urban Water Institute Conferences
- ~~WaterReuse Conference~~
- Water Education Foundation Events

A multi-day event not appearing on the above pre-approved list may be attended and Per Diem and expenses may be paid subject to advance approval of the Board. When deciding whether to approve such a request, the Board shall take into account the cost of the multi-day event and the benefit to the Agency. Attendance at any such multi-day event shall count towards the Category 1 limit of three (3) per fiscal year unless the Board makes a specific exemption.

Directors who attend pre-approved multi-day events as part of his or her authorized role on the governing Board or a Committee of the host organization may attend and receive Per Diem payments and expenses for such multi-day events and such will not count towards the Category 1 limit of three (3) multi-day events per fiscal year, provided that attendance for a Committee shall not exceed the number of days required for such Committee meeting.

Category 2 – Single-Day Events. A "single-day event" is a conference, meeting, or event that occurs on one day, regardless of the duration of the event during that day, and requires no more than one night's lodging at Agency expense. The following are preapproved single-day events for which Board approval is not required.

- ACWA Events
- ACWA Region 8 Events
- Alliance for Water Efficiency Events
- Association of Ventura Water Agencies Meetings
- California Special Districts Association Conferences and Events
- County Economic Outlook Meeting
- Integrated Regional Water Management Meetings
- Legal Seminars
- Public Officials Night Events
- Santa Clara River Watershed Meetings
- SCV Chamber of Commerce Events and Meetings
- Service Organization Events and Meetings, such as the Rotary Club of Santa Clarita
- Southern California Water Coalition Events
- Southern California Water Dialogue Events
- State of the City Luncheon
- State of the County Luncheon
- Urban Water Institute Events
- Valley Industry Association Events and Meetings
- Valley Industry and Commerce Association Events and Meetings
- Water Education Foundation Events

A single-day event not appearing on the above pre-approved list may be attended and Per Diem and expenses may be paid subject to advance approval of the Board. When deciding whether to approve such a request, the Board shall take into account the cost of the single-day event and the benefit to the Agency.

Directors who attend a pre-approved single-day event as part of his or her authorized role on the governing Board or a Committee of the host organization may attend and receive Per Diem payments and expenses for such single-day event provided that attendance for a Committee shall not exceed the number of days required for such Committee meeting.

3. Restrictions and Conditions

Per Diem payments may be claimed only for attendance at meetings of the Board or for each day's service rendered as a member of the Board. The Board shall determine in advance if a particular activity constitutes a meeting for the purpose of a Director claiming and receiving a Per Diem payment. As reasonably necessary, days spent traveling to and from an authorized event shall be considered compensable days of service.

No Director shall receive more than one Per Diem payment for any one day regardless of the number of meetings attended and/or events of service to the Board performed during that day.

No Director shall receive more than ten (10) Per Diem payments in any one calendar month for any combination of meeting attendance or service rendered as a member of the Board.

A Director-elect shall not be entitled to any Per Diem payments for traveling to or attending any meeting or conferences prior to assuming office.

Directors who attend an out-of-state conference or meeting as part of his or her authorized role on the governing Board or a Committee of the host organization may attend and receive Per Diem payments and expenses for such out-of-state conference or meeting and such will not count towards the Category Section G (2) limits, provided that attendance for a Committee shall not exceed the number of days required for such Committee meeting. Directors may not attend any other out-of-state conference, meeting or event without the prior approval of the Board or at the request of the Board President in connection with Agency business.

If a Director becomes aware of a conference, meeting, or event that requires Board approval after the conclusion of the most recent Board meeting and the conference, meeting, or event is taking place prior to the next Board meeting, the Director may only attend with the approval of the Board President or a Board Officer. Unless subsequently determined by the Board, attendance at any such conference, meeting, or event shall count towards the corresponding category limits established above.

Directors may not serve on a board or committee of another organization on behalf of the Agency without the prior approval of the Board.

Directors who attend authorized events are attending as representatives of the Agency and not in their personal capacities and are expected to identify themselves as Directors of the Agency.

4. Directors' Compensation Rate

Pursuant to Section 13(c) of the Act, Directors are authorized to receive compensation equal to the amount authorized for Castaic Lake Water Agency Directors as of December 31, 2017, which is $228.15, for each day's attendance at meetings of the Board, or for each day's service rendered as a member of the Board not to exceed ten meetings per month. The Board may adjust this compensation amount in accordance with Water Code Section 20200 et. seq.

Changes to Directors' compensation shall be done by ordinance adopted after a public hearing, notice of which has been published in a newspaper of general circulation once a week for two weeks, and shall not become effective for 60 days after adoption. Increases are subject to referendum.

5. Expense Reimbursement

Directors shall be reimbursed for reasonable and necessary expenses incurred incidental to services provided on behalf of the Agency and for authorized travel on Agency business, including two (2) hours of ethics training, subject to the following limits and restrictions. Such expenses will not be reimbursed when incurred for family members of the authorized Director. The President may review Directors requests for expense reimbursement and may disallow amounts deemed improper or otherwise not properly accounted for. In the case of requests for reimbursement by the President, the Vice President(s) may review such requests and disallow amounts deemed improper or otherwise not accounted for. Agency staff responsible for issuing payments to reimburse Directors for incurred expenses shall bring questionable matters to the attention of the President, or the Vice President(s) if the matter concerns the President, before check execution and payment.

A request for reimbursement shall be submitted on an expense report form provided by the Agency as soon as practicable after the expenses are incurred. The request shall be accompanied by detailed receipts or other documentation evidencing each expense and the Directors' payment thereof. A copy of a program agenda or such other document as may provide proof of attendance and/or that Agency-related business was conducted may also be required.

All documents related to reimbursable Agency expenditures are public records subject to disclosure under the California Public Records Act, Government Code §6250 *et seq*; AB 1234, Government Code §§53232 – 53232.3.

6. Payment Interval

Directors shall receive Per Diem payments and shall be reimbursed for any properly submitted and approved expenses on a monthly basis.

H. Types of Expenses

1. Transportation

Directors who attend approved Agency functions shall use the appropriate commercial or private means of transportation in the most efficient manner consistent with scheduling needs and cargo space requirements. In the event a more expensive means of transportation is used, the reimbursable amount shall be limited to the cost of the most reasonably economical means of transportation available.

No reimbursement shall be made for transportation expenses incurred to travel to a destination within Agency boundaries, if the travel begins and ends within Agency boundaries. Any travel made without approval shall be the sole personal responsibility of the involved Director.

When a Director elects to use a private vehicle for transportation, reimbursement shall be made at the currently approved rate per mile established and adjusted from time to time by the United States Internal Revenue Service for business use of a vehicle. This reimbursement rate

shall be considered to fully compensate for all vehicle operation and ownership expense. Reasonable mileage used for conducting Agency business as a Director will be reimbursed. Reasonable mileage is the most direct route to and from Agency business, unless traffic or unforeseen circumstances require an alternate route. Proof of mileage must be attached to a request for reimbursement. Proof may be obtained using one of the free, on-line map/driving direction providers (i.e. MapQuest) or an equivalent method. Agency staff may assist with the submittal of such proof.

Airplane travel shall be by air coach or economy class and, unless there is no alternative, shall be the lowest refundable fare. Directors may make their own travel arrangements or may request that the Board Secretary pre-purchase airplane tickets. Long-term parking should be used for travel exceeding 24 hours, however if Directors use other parking options they are responsible for paying the difference. If a Director travels to Agency business in an airplane that he or she owns, the reimbursement amount for such travel shall be the equivalent coach or economy class lowest refundable fare of a major commercial airline. The reimbursement rate for travel by personal plane to locations where there is no reasonable commercial fare, shall be the same as if the Director had travelled by private car. Other reimbursable transportation expenses may include, but are not limited to, ground transportation to and from airports and hotels, car rental, taxis (and reasonable tips) and parking fees. The expense of any traffic citation is not reimbursable (AB 1234, Government Code §53232.2(c)).

2. Meals and Lodging

Expenditures for food and lodging shall be moderate and reasonable. Such expenses will not be reimbursed when incurred for family members of the authorized Director.

Directors shall be entitled to receive reimbursement for the reasonable cost of meals, including tips, not to exceed $150 per person per day. Expenses incurred as a result of the presence of guests shall be reimbursable to the extent allowed by law in the event that their presence is appropriately related to Agency business. Reimbursements will not be made for alcoholic beverages.

Tipping Guidelines: Restaurant and food service providers have varying policies concerning tips. Some providers include tips in the food cost. Others provide a customer selection of tip percentages. Most providers leave the amount of the tip at the total discretion of the customer. Another factor to consider is the amount of time and special service that is required of the food server. It is the policy of the Agency that tips should be generally 15% to 20% of the cost of food depending on service and/or restaurant policy for larger group tables. Tips of a higher amount are subject to the reasonable and best judgment of the Director considering all such factors. If the tip for the cost of food is substantially more than such limit, the excess amount must be reasonably justified and approved by the President.

Lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the Director at the time of the booking. If the government or group rate is not available, the rate paid may be 25% higher than the government or group rate, whichever is higher. Where reasonably possible, accommodations shall be obtained in proximity to the conference or meeting site. All expenses

that do not fall within these guidelines must be approved by the Board, in a public meeting before the expense is incurred, or by the Board President in instances where Board approval is not practicable if there are extenuating circumstances. No reimbursement request for overnight accommodations shall be approved for expenses incurred within the Agency's service area, except upon approval of the Board or President.

Reasonable pre and post-conference or event lodging will be reimbursed for national travel requiring extensive travel time. Pre-conference or event lodging will be reimbursed for regional travel if the conference or event starts at an unreasonably early hour for travel and post-conference or event lodging will be reimbursed for regional travel if the conference or event ends after an unreasonable hour for travel. The President may pre-approve exceptions to this section.

3. Communications

Reasonable personal telephone calls will be reimbursed. Hotel internet/email or similar communication access will be reimbursed if used for reasonable Agency purposes (Government Code §§53232.2(a) and (f)).

4. Personal Expenses

The costs of medications, laundry/dry-cleaning, in-room movies, personal entertainment, the personal portion of any trip, and other personal expenses are not reimbursable (Government Code §§53232.2(a) and (g)).

I. Other Organizational Policies of the Agency

1. Disbursement Authorization

The Agency shall make disbursements of funds pursuant to its budget, which is a general expenditure projection, and in accordance with a duly adopted Purchasing Manuals.

The Board, by resolution, shall authorize the disbursement of Agency funds through withdrawal order, with signing authority granted to specific individuals holding the following positions:

(a) President
(b) Vice President(s)
(c) General Manager/Treasurer
(d) Assistant Treasurer

2. Management Procedure Orders

Management Procedure Orders (MPOs) are written rules and regulations promulgated by the General Manager to direct and guide Agency employees in performance of their duties. An MPO may be issued by the General Manager to govern areas of policy not reserved by the Board. An MPO may provide detailed instructions to comply with policy established by action of the Board.