

# AGENDA

## SANTA MARGARITA WATER DISTRICT

### BOARD OF DIRECTORS

#### SPECIAL BOARD MEETING

##### Ad Hoc Committee

JANUARY 7, 2015

5:00 P.M., CONFERENCE ROOM, DISTRICT OFFICE

26111 ANTONIO PARKWAY, RANCHO SANTA MARGARITA, CALIFORNIA

*Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to Kelly Radvansky Secretary, Board of Directors, at (949) 459-6642 at least 48 hours before the meeting if possible.*

**NOTE:** This agenda may include new items or items continued from other District meetings held previously this month. All Agenda items previously discussed at District meetings will not be reconsidered unless requested by a member of the public or Board member.

#### ITEMS DISTRIBUTED TO THE BOARD LESS THAN 72 HOURS PRIOR TO MEETING

Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection in the lobby of the District's business office located at 26111 Antonio Parkway, Rancho Santa Margarita, California 92688, during regular business hours. When practical, these public records will also be made available on the District's Internet Web Site, accessible at <http://www.smwd.com>.

#### 1. PUBLIC FORUM

*Persons wishing to address the Board of Directors on matters not listed on the Agenda may do so at this time. "Request To Be Heard" forms are available at the entrance to the Board Room. Comments are limited to three minutes, unless further time is granted by the Presiding Officer. Please submit the form to the Recording Secretary prior to the beginning of the meeting.*

President, Betty H. Olson  
Vice President, Charley Wilson  
Finance Committee Chair, Charles T. Gibson  
Engineering Committee Chair, Justin McCusker  
Director, Sandra F. Jacobs  
General Manager, Daniel R. Feron

*Those wishing to address the Board of Directors on any item listed on the Agenda should submit a “Request To Be Heard” form to the Recording Secretary before the Presiding Officer announces that agenda item. Your name will be called to speak at that time.*

2. **CONSENT CALENDAR**

- 2.1 Consideration and Action on the November 24, 2014 Special Board Meeting  
Ad Hoc Committee Minutes.....**Page 3**

**Staff Recommendation:** Approve the November 24, 2014 Special Board Meeting Ad Hoc Committee Minutes.

3. **AD HOC COMMITTEE**

- 3.1 Consideration and Action on Draft SMWD Board Operating Policy .....**Page 4**

**Staff Recommendation:** Provide recommendations to the Board on the Policy.

# BOARD OPERATING POLICY COMMITTEE MEETING - MINUTES

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NOVEMBER 24, 2014

## Attendees:

Director Sandra F. Jacobs

Director Betty H. Olson

Director Charley Wilson

Daniel R. Ferons/General Manager/SMWD

Kelly Radvansky/Board Secretary/SMWD

Joyce Crosthwaite/Assistant to the General

Manager/SMWD

Scott Smith/General Counsel/Best Best & Krieger

## The meeting started at 7:30 AM.

All agreed that the objective of the meeting was to draft an operating policy that improves the efficiency of the Board's structure and policy making decisions.

Recommendations for the policy were discussed. They include:

- Changing the language to reflect that policies are guidelines;
- Clarifying the role and authority of Board officers, especially the President;
- Complying with California's open meeting laws regarding communication among the Board, the General Manager, the staff and outside organization;
- Ensuring that staff does not "drop the ball" on projects and that the Board has a complete understanding of the schedule and next steps;
- Avoiding mission creep in projects;
- Including brainstorming sessions of the Board;
- Safeguarding the District's ability to be nimble;
- Defining the process and difference between internal and external communications; and
- Clarifying the purpose of the "re-cap" on the Board's agendas.

A discussion ensued about the different definitions of strategy and strategic goals. Does the Board only develop strategic goals at the 30,000 foot level? Does the Board also help develop and facilitate external affairs and legal action plans and talking points? How does the District guarantee "one voice" messages to outside organizations—i.e., when all the Board members know and understand the District's position relative to the overall goals? Several examples were discussed including San Juan Basin Authority and MWDOC. The committee also discussed the role of the proposed committees--specifically when and what topics to refer to committees.

It was agreed that the General Manager has to ask the Board for clarification on actions and that the Board has to give clear direction. It was further agreed that the General Manager is the conduit for Board communication to/from staff and that it is the President's responsibility to restate issues that are not clear. All agreed that the language used to bring issues to the Board may not always be flawless and that some ambiguity in language is acceptable. It was noted that it is a liability for Board to direct staff work.

## The meeting adjourned at 9:00 AM.

## **BOARD OF DIRECTORS OPERATING POLICY**

The Santa Margarita Water District (District), as a public agency, sets the highest standards of excellence to promote the trust of its customers and to protect their interests. The purpose of this Board of Directors Operating Policy is to ensure that the governmental structure of the District operates effectively and efficiently by:

- Providing clear and unified Board direction to staff;
- Maintaining a well-organized and responsive Board schedule;
- Engaging the Board fully in the vetting of information;
- Resulting in timely Board decision-making; and
- Supporting efficient and cost-effective staff work.

Effective and efficient operations are the result of the strategic direction given by the Board. Policies are adopted by the Board; procedures are developed by the General Manager and implemented by the staff.

### **Purpose of Board**

As the governing authority of the District, the primary responsibility of the Board is developing and approving policy. Apart from a Board member's normal duties, each Board member has no individual authority. As individuals, Board members may not commit the District to any policy, act or expenditure.

Specifically the Board of Directors:

- Holds regular meetings;
- Acts only by ordinance, resolution or motion;
- Represents the interests of the entire District;
- Adopts rules or bylaws for its proceedings;
- Approves an individual member's representation of the District at a public event;
- Sets the vision and the direction for the District; and
- Appoints a general manager and legal counsel.

The General Manager:

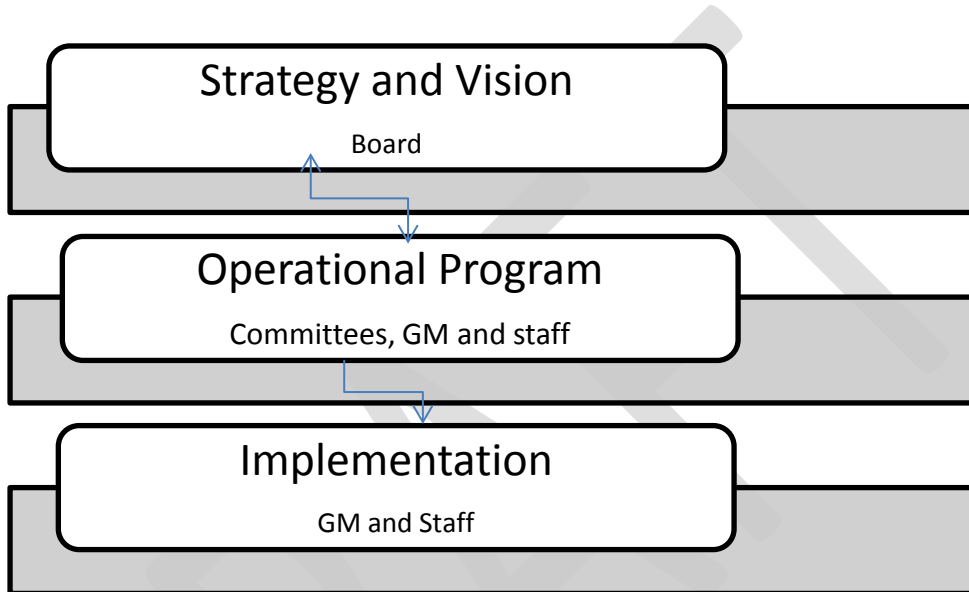
- Suggests and implements the vision and direction of the Board of Directors;
- Suggests and implements the policies adopted by the Board of Directors;
- Appoints, supervises, disciplines and dismisses District employees, consistent with the employee relations procedures;
- Supervises the District's facilities and services; and
- Supervises the District's finances.

### **STRUCTURE OF THE BOARD**

As an effective public agency, the Board partners with the staff to create a culture of both insight and oversight. Insight is strategy and vision--acutely observing and deducing trends that make the District a stronger organization. Strategy and vision are Board functions and are discussed during strategic planning sessions.

The Board is also involved in operational programs which are the plans that translate the strategy and vision adopted by the Board into cohesive and consistent actions and responses. The operational program specifies how the District will use its resources—political, personal and financial--to achieve the District's goals. The operational program is the work of the various standing and ad hoc committees and involves committee members, the General Manager and staff as deemed necessary by the General Manager.

Implementation of the strategic and operational program is a staff function supervised by the General Manager and executed by staff.



### Regular Meetings

The Board conducts its business through regular meetings. The full Board has two regular meetings each month—the first Wednesday at 7:00 PM and the third Friday at 7:30 AM. This schedule of meetings allows certainty of schedule and maximum participation by the public.

The Board has a wide variety of items that may be decided at each regular meeting. Responsibilities include, but are not limited to, adoption or rejection of regulations or policies, resolutions, ordinances, contracts/expenditures consistent with the Purchasing Policy, any proposal which commits funds or facilities, and matters that require the Board and/or employees to take action and/or provide services. The Board may also receive departmental updates to assess the progress toward strategic goals. Due to the quantity and time sensitive nature of many business items, detailed questions by Board members about items on regular meeting agendas are answered during briefings by General Manager.

In addition the Board holds semi-annual strategic planning sessions as scheduled by the President and the General Manager.

### Committees of the Board

The Board has both standing and ad hoc committees. All standing committees consist of two Board members and one alternate. Ad Hoc Committees are for specific purposes and consist of two Board

members only. Alternates attend standing committee meetings only in the absence of regular committee members. The General Manager selects the staff assigned to all committees.

In order to ensure transparency of the District's operations and to ensure compliance with California's open meeting laws, if additional Board members (including alternates) wish to attend a committee meeting, the full Board must agree prior to the committee meeting which then becomes a regularly noticed and recorded Board meeting.

Board members volunteer to serve on both standing and/or ad hoc committees. All standing committee appointments are approved by the Board no later than the Board's first regular meeting in January of each year.

### **Standing Committees**

While standing committees do not have a regular schedule of meetings, meetings of standing committees shall conform to all open meeting laws (e.g., "Brown Act") if applicable. The following shall be standing committees of the Board:

1. Water Policy and Innovation Committee;
2. Finance and Administration Committee;
3. Engineering and Operations Committee.

Typically meetings will be scheduled for the second Friday of the month.

### **Ad Hoc Committees**

The Board shall form ad hoc committees as deemed necessary at any time. The duties of the ad hoc committees shall be limited and shall be outlined specifically, including a schedule for completion, at the time of appointment. The committee shall be considered dissolved when its final report has been made.

### **Industry Related Memberships**

The District belongs to water and wastewater-related organizations (Attachment A). Board members volunteer to represent the District at meetings of these organizations. During strategic planning sessions, the Board develops the message to be relayed to each organization. The General Manager determines what staff support, if any, is needed to support the Board member.

## **BOARD PROCEDURES**

### **Regular and Strategic Planning Meetings**

The President of the Board of Directors serves as chairperson at Board meetings unless specified otherwise by the full Board. The President actively facilitates the Board meetings so decision making is timely and the dialogue is productive. Additionally, the President also ensures that the Board's standards and practices regarding conduct are upheld. This may involve managing interjections, interaction, and other conversation among the Board and staff.

The President has the same rights as the other Board members to discuss and vote on any issue but the President typically does not move or second any motion unless they step down as the presiding officer for that particular item.

The President's responsibilities are:

- Signing resolutions;
- Calling the meeting to order at the appointed time;
- Announcing and summarizing each item on the agenda;
- Enforcing the Board's policies regarding the conduct of meetings;
- Recognizing persons who desire to speak;
- Protecting the speaker who has the floor from disturbance or interference;
- Restating motions before the Board to guarantee clarity;
- Ruling on parliamentary procedure; and
- Putting motions to a vote and state clearly the results of the vote.

The President's summary of the Board's decision and direction serves as the official, unified direction to staff. If individual Board members do not agree with the summation, it is their responsibility to speak up.

### **Board Meeting Agendas**

The General Manager, in consultation with the Board President, prepares all agendas in accordance with the Ralph M. Brown Act (California Government Code Section 54950).

- A Director may request that an item be placed on a future agenda through an affirmative vote of the full Board.
- Members of the public may request that a matter related to District business be placed on the agenda, if the request and background material is in writing and is submitted to the General Manager at least ten business days before the meeting. The General Manager, in consultation with the President, will determine if the request is a "matter directly related to District business."
- The Board decides the total time to be devoted to any issue at any meeting and may limit the time allowed for any one person to speak on the issue at the meeting.

However, existing California law prevents the Board from taking testimony at meetings on matters which are not on the agenda. The Board shall not discuss or take action on such matters at that meeting.

California Government Code 54954.2 requires that agendas be posted at least 72 hours prior to the meeting. However, it is the practice of the District to post agendas and staff reports, including on the website, a week prior to the meeting. All information made available to the Board prior to the meeting (except confidential information per legal counsel authority) is also available for public review prior to the board meeting.

At every board meeting, items not needing discussion may be placed on the Consent Agenda to allow the Board to approve these items together without discussion or individual motions. Board members may, at their discretion, pull any item from the Consent Agenda. Typical Consent Agenda items are routine, procedural decisions, and decisions that are likely to be non-controversial. Examples include, but are not limited to:

- Approval of the minutes;
- Final approval of proposals, projects, contracts or reports on which the Board has been briefed, has been dealing with for some time and with which they are familiar;
- Routine matters such as appointments to committees;
- Reports provided for information only;
- Contracts and purchases that exceed the General Manager's approval limits;
- Monthly reports of Directors' expenses; and
- Bills for consideration.

## Committee Meetings

The General Manager, in consultation with the Committee Chair, prepares all agendas in accordance with any applicable portions of the Ralph M. Brown Act (California Government Code Section 54950) As with the President of the Board, the committee chair is responsible for maintaining order and ensuring that procedural rules are followed. A committee chair is responsible for summarizing and commenting on the meeting's deliberations.

In some instances, the Board may refer projects and/or issues for additional study or clarification to ad hoc or standing committees. The committee chair ensures that the scope of work assigned to the committee is specific, clear and recorded in the Board's minutes. The committee returns recommendations to the full Board on schedule.

Committee members, on an affirmative vote, can continue items under discussion or forward them to the full Board. However, any requirement or use of significant staff time or resources, as determined by the General Manager, is referred for the approval by the Board.

In order to ensure that adequate information reaches both the committee and the full Board the following procedures shall be observed:

- A first draft of staff reports shall be sent to the committee no less than 72 hours prior to the committee meeting.
- To ensure transparency, after committee meetings staff will prepare a final draft report that includes the first draft, brief notes summarizing the discussion (not minutes), recommendations from the committee member(s), staff's recommendations if different than the committee's, a schedule and next steps for all projects. Committee members are expected to attend the Board's public meetings to present the findings of their committee's deliberations.

## Board Conduct

The Board is committed to creating an environment that promotes personal and professional respect between the Board, the staff, consultants and customers. Directors at all times conduct themselves with courtesy to each other, to staff, to consultants, to customers and to members of the public. Upon an occurrence of what appears to be a breach of these standards of behavior, individual Board members shall first address the individual(s) involved privately before raising the issue with the full Board.

In order to allow other Board members uninterrupted access to information and to ensure that all the Board members have the same information, the use of cell phone and laptops by the Board and by staff is discouraged as are side conversations. The following guidelines enhance communication between the Board and the staff:

- The General Manager should be informed about meetings, phone calls or requests from a Board member to a staff member.
- Board members may request information and reports from the General Manager but may not direct staff work (e.g. by asking for reports that are not already prepared or by asking staff to perform tasks).
- New reports or tasks can only be requested through the General Manager and such requests must reflect direction from the full Board.
- Board members should direct staff complaints and personnel grievances to the channels specified in the personnel policies as contained in the District Handbook. The District has a whistleblower policy to protect staff and to comply with federal law.