



ROWLAND WATER DISTRICT ETHICS GUIDELINES FOR DIRECTORS

Updated February 9, 2016

Preamble:

The most fundamental principle of public service ethics was stated by Henry Clay in 1829: "Government is a trust, and the officers of government are the trustees; and both the trust and the trustees are created for the benefit of the people."

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Section 1. Purpose and Scope.

The policy of the Rowland Water District is to maintain the highest ethical standards for its Board members. The proper operation of the District requires decisions and policy to be made in the proper channels of governmental structure, that public office not be used for personal gain, and that board members remain impartial and responsive to the needs of the public they serve. Accordingly, it is the policy of the District that Board members and District employees will maintain the highest standard of personal honesty and fairness in carrying out their duties. This policy sets forth the basic ethical standards to be followed by the Board of Directors of the Rowland

Water District. The objectives of this policy are (1) to provide guidance for dealing with ethical issues, (2) heighten awareness of ethics and values and critical elements in Board members' conduct, and (3) improve ethical decision-making and values-based management.

Section 2. Responsibilities of Public Office.

Board members are obligated to uphold the Constitution of the United States and the Constitution of the State of California. Board members will comply with applicable laws regulating their conduct, including conflict of interest, financial disclosure and open government laws. Board members will work in cooperation with other public officials unless prohibited from so doing by law or officially-recognized confidentiality of their work.

(Government Code Section 1360; Article 20, Section 3 of the California Constitution.)

Section 3. Fair and Equal Treatment.

Board members will not in the performance of their official functions, discriminate against or harass any person on the basis of race, religion, color, creed, age, marital status, national origin, ancestry, sex, sexual preference, medical condition or disability. A Board member will not grant any special consideration, treatment or advantage to any person or group beyond that which is available to every other person or group in similar circumstances.

(See, e.g., Article 1, Section 31 of the California Constitution; Age Discrimination in Employment Act of 1967 (29 U.S.C., §§ 621-634); Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.); Fair Employment and Housing Act (Government Code §§12900 et seq.); Rehabilitation Act of 1973 (29 U.S.C., §§ 2000e et seq.); Title VII of the Civil Rights Act of 1964; Labor Code Section 1102.1.)

Section 4. Proper Use and Safeguarding of District Property and Resources.

Except as specifically authorized, a Board member will not use or permit the use of District-owned vehicles, equipment, telephones, materials or property for personal benefit or profit. A Board member will not ask or require a District employee to perform services for the personal benefit or profit of a Board member or employee. Each Board member must protect and properly use any District asset within his or her control, including information recorded on paper or in electronic form. Board members will safeguard District property, equipment, moneys and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust.

(Article 16, Section 6 of the California Constitution, Government Code § 8314, Penal Code § 424, see *People v. Battin* (1978) 77 Cal. App. 3d 635.)

Section 5. Use of Confidential Information.

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

B. This section does not prohibit any of the following: (1) making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury that are necessary to establish the alleged illegality of an action taken by the District, an elected official or employee, (2) expressing an opinion concerning the propriety or legality of actions taken by the District in closed session, including disclosure of the nature and extent of the allegedly illegal action, or (3) disclosing information acquired by being present in a closed session that is not confidential information. Prior to disclosing confidential information pursuant to (1) or (2), above, however, a Board member will first bring the matter to the attention of either the President of the Board or the full Board, to provide the Board an opportunity to cure an alleged violation.

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

(Government Code Section 54963.)

Section 6. Conflict of Interest.

A. A Board member will not have a financial interest in a contract with the District, or be purchaser at a sale by the District or a vendor at a purchase made by the District, unless the Board member's participation was authorized under Government Code Sections 1091 or 1091.5 or other provisions of law. A Board member will not participate in the discussion, deliberation or vote on a matter before the Board of Directors, or in any way attempt to use his or her official position to influence a decision of the Board, if he or she has a prohibited interest with respect to the matter, as defined in the Political Reform Act, Government Code sections 81000, and following, relating to conflicts of interest.

Generally, a Director has a financial interest in a matter if it is reasonably foreseeable that the Board decision would have a material financial effect (as defined by the Fair Political Practices Commission's (FPPC) regulations) that is distinguishable from the effect on the public generally on (a) a business entity in which the Director has a direct or indirect investment in the amount specified in FPPC regulations; (b) real property in which the Director has a direct or indirect investment interest, with a worth in the amount specified in FPPC regulations; (c) a source of income of the Director in the amount specified in FPPC regulations, within twelve months before the Board decision; (d) a source of gifts to the Director in an amount specified in FPPC regulations within twelve months before the Board decision; or (e) a business entity in which the Director holds a position as a director, trustee, officer, partner, manager or employee. An "indirect interest" means any investment or interest owned by the spouse or dependent child of the Director, by an agent on

behalf of the Director, or by a business entity or trust in which the Director, or the Director's spouse, dependent child or agent, owns directly, indirectly or beneficially a ten percent interest or greater.

A Director will not accept gifts or honoraria that exceed the limitations specified in the Fair Political Practices Act or FPPC regulations (\$440.00 for calendar years 2013 and 2014, subject to adjustment in 2015). Board members will report all gifts, honoraria, campaign contributions, income and financial information as required under the District's Conflict of Interest Code and the provisions of the Fair Political Practices Act and the FPPC Regulations.

(Government Code sections 1090 and following and Government Code Sections 87100, 87103 and 89503, and California Code of Regulations Title 2 Section 18940.2.)

B. If a member of the Board believes that he or she may be disqualified from participation in the discussion, deliberations or vote on a particular matter due to a conflict of interest, the following procedure will be followed:

- (a) If the Director becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Director will notify the District's General Manager and the District's legal counsel of the potential conflict of interest, so that a determination can be made whether it is a disqualifying conflict of interest;
- (b) If it is not possible for the Director to discuss the potential conflict with the General Manager and the District's legal counsel before the meeting, or if the Director does not become aware of the potential conflict until during the meeting, the Director will immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is a disqualifying conflict of interest; and
- (c) Upon a determination that there is a disqualifying conflict of interest, whether prior to or at the meeting, the Director shall do all of the following:
 1. at the meeting, the Director shall publicly identify the financial interest that gives rise to the conflict,
 2. the Director shall not participate in the discussion, deliberation or vote on the matter for which a conflict of interests exist, and
 3. the Director shall leave the room until after the discussion, vote and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters, except that the Director may speak on the issue during the time that the general public speaks on the issue.
- (d) The identification of the conflict of interest and the Director's recusal and absence during discussion and action shall be noted in the minutes.

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

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

(Government Code Sections 1090, and following, 81000, and following, and 87105; Penal Code § 68 (soliciting or receiving bribes); Penal Code § 70 (acceptance of gratuities).)

Section 7. Soliciting Political Contributions.

Board members are prohibited from soliciting political funds or contributions at District facilities or from District employees. A Board member will not accept, solicit or direct a political contribution from (a) District employees, officers, consultants or contractors, or (b) District vendors or consultants who have a material financial interest in a contract or other matter while that contract or other matter is pending before the District. A Director will not use the District's seal, trademark, stationery or other indicia of the District's identity, or facsimile thereof, in any solicitation for political contributions contrary to state or federal law.

(Government Code Sections 3204, 3205 and 3205.5.)

Section 8. Incompatible Offices.

Any Board member appointed or elected to a public office of another public entity, the duties of which may require action contradictory or inconsistent with the interests of the first entity (as determined under applicable law), will resign from the former office.

(See generally, 73 Ops. Cal. Atty. Gen. 357 (1990). See also Government Code § 53227, under which an employee of a special district may not be sworn into office as an elected or appointed member of the Board of the same special district unless he or she resigns as an employee.)

Section 9. Board-General Manager Relationship.

A. The Board sets the policy for the District. The District's General Manager (a) has full charge and control of the maintenance, operation and construction of the water system and other facilities of the District, (b) has full power and authority to employ and discharge all employees and assistants, consistent with District policy and other provisions of law, (c) prescribes the duties of employees and assistants, consistent with District policy, and (d) fixes and alters the compensation of employees and assistants, subject to approval by the Board. (Water Code §30580). The General Manager shall perform other duties imposed by the Board and shall report to the Board in accordance with the Board's instructions. The Board will, after considering the recommendation of the General Manager, appoint the District's Financial Officer/Treasurer (who will report to the General Manager). The Chief Financial Officer/Treasurer will install and maintain a system of auditing and accounting that will completely and at all times show the financial condition of the District in accordance with generally accepted accounting principles and legal requirements. The Board will retain and periodically review the work of an auditor as an independent contractor of the District (other

than the Chief Financial Officer/Treasurer), who will report to the Board, to conduct an annual audit of the District's books, records and financial affairs.

B. The District's General Manager serves at the pleasure of the Board. The Board will provide policy direction and instructions to the General Manager on matters within the authority of the Board by majority vote of the Board during duly-convened Board and Board committee meetings. Members of the Board will deal with matters within the authority of the General Manager through the General Manager, and not through other District employees, except as it pertains to the functions of the Chief Financial Officer/Treasurer and District consultants, including the District auditor. Members of the Board will refrain from making requests directly to District employees (rather than to the General Manager) to undertake analyses, perform other work assignments or change the priority of work assignments. Members of the Board may request non-confidential, factual information regarding District operations from District employees.

(Water Code §§ 30575-30582)

**Section 10. Improper Activities and the Reporting of Such Activities;
Protection of "Whistle Blowers."**

A. The General Manager has primary responsibility for (1) ensuring compliance with the District's personnel policies and procedures, and ensuring that District employees do not engage in improper activities, (2) investigating allegations of improper activities, and (3) taking appropriate corrective and disciplinary actions. The Board has a duty to ensure that the General Manager is operating the District according to law and the policies approved by the Board. Board members are encouraged to fulfill their obligation to the public and the District by disclosing to the General Manager to the extent not expressly prohibited by law, improper activities within their knowledge. Board members will not interfere with the General Manager's responsibilities in identifying, investigating and correcting improper activities, unless the Board determines that the General Manager is not properly carrying out these responsibilities. Nothing in this section affects the responsibility of the Board to oversee the performance of the General Manager.

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

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

(Labor Code § 1102.5, et seq., Government Code §§ 53298 and 53298.5.)

Section 11. Compliance with the Brown Act.

The members of the Board of Directors, and persons elected but who have not yet assumed office as members of the Board of Directors, will fully comply with the provisions of the State's open meeting law for public agencies (the Ralph M. Brown Act). (Government Code § 54952.1 and § 54959). A copy of the Brown Act will be provided to each member of the Board of Directors and to each person elected to serve as director who has not yet assumed the duties of office. (Government Code §54952.7) A quorum of the Members of the Board shall not meet, or use any form of direct communication, personal intermediaries, or technological devices to develop a collective concurrence as to action to be taken on an item within the subject matter jurisdiction of the District, except as a part of an open and noticed public meeting, or pursuant to an authorized closed session. (Government Code § 54952.2).

(Government Code sections 54950, and following.)

Section 12. Directors' Compensation and Expense Reimbursement.

The members of the Board of Directors will fully comply with the provisions of the following Board's "Policy on Directors' Compensation and Expense Reimbursement" as set forth in this section.

A. Compensation for Attendance at Conferences and Meetings

Board members will be compensated at the daily rate (i.e. *per diem*) determined by the Board consistent with applicable law for attendance at meetings of the Board, including Board committee meetings, for each day's service rendered as a member of the Board as approved by the Board, and for travel days to and from any conference, meeting or other event where service is rendered as a member of the Board, as approved by the Board. Pursuant to Water Code Section 20202, the Board may not authorize such compensation to be paid for more than a total of ten days in any calendar month. The current policy established by the Board of Directors limits the number of days for which a director may receive *per diem* compensation to a maximum of ten days per calendar month. Such compensation will be provided in addition to any reimbursement for meals, lodging and travel expenses incurred in attending any conference, meeting or approved event. Compensation will be paid only if the Board member submits a written form that sets forth the date, location and the District purpose of the meeting for which compensation is requested.

Pursuant to Government Code Section 53232.1 (a) and (b), the Board of Directors authorizes the payment of *per diem* compensation to Directors, and/or payment of necessary costs for attending the following meetings and other activities as follows.

Category I

For regular, adjourned and special meetings of the Boards of the following agencies and organizations, the attendance of the designated Board members is required and no further instruction or authorization is needed. Directors who are members of the following agencies, the District shall pay *per diem* compensation and all necessary expenses of attendance:

- Board of Directors of Rowland Water District – all Directors
- Standing and ad hoc committees of the Board of Directors – committee members, or if the primary committee member is unavailable, a designated alternate.
- Puente Basin Water Agency – the appointed representative, alternate, or other Director designated to attend in the place of the District’s representative or alternate.
- Pomona-Walnut-Rowland Joint Waterline Commission – the appointed representative, alternate, or other Director designated to attend in the place of the District’s representative or alternate.
- Three-Valleys Municipal Water District – the designated District representative or alternate.
- The County of Los Angeles Local Agency Formation Commission - the Director and alternate designated by the Board of Directors to attend such meetings, or an alternate designated by the Board to attend in place of the regular Director or alternate.
- Association of California Water Agencies – any elected member of that Board.
- Association of California Water Agencies, Joint Powers Insurance Agency – any elected member of that Board.
- Regional Chamber of Commerce/San Gabriel Valley – the designated District representative or alternate.
- Los Angeles County Sheriff’s Department Walnut/Diamond Bar Sheriff Station Community Advisory Committee. (1-13-09)
- Rowland Heights Community Coordinating Council

Category II

The meetings and events in Category II include educational workshops, seminars, meetings of agencies directly related to the District’s functions, and other events which may be helpful to Directors in carrying out their public duties. It is the policy of the Board to consider such events at a Board Meeting prior to the event and authorize attendance of those Directors for whom the Board determines attendance is of benefit. Authorized attendance is considered service rendered as a member of the Board. A Director will be entitled to payment of *per diem* compensation and District payment of registration, and expenses for such events provided the Board of Directors has approved attendance by the Director at a Board meeting prior to the event.

- Workshops, seminars and forums sponsored by Three Valleys Municipal Water District, other than meetings of the Three Valleys MWD Board of Directors.
- Conferences held by the Association of California Water Agencies (“ACWA”); Region 8 meetings of ACWA; meetings held jointly by Region 8 of ACWA and any other region of ACWA; and special programs and seminars sponsored by ACWA.
- Meetings, conferences and seminars put on by the California Special Districts Association.
- Meetings, workshops, seminars and similar events put on by the Metropolitan Water District of Southern California.
- Meetings of the Puente Basin Watermaster.

- Meetings of the San Gabriel Basin Watermaster.
- Meetings of the San Gabriel Basin Water Quality Authority.
- Meetings of the Public Water Agencies Group.

Category III – Social and Community Events

The functions and events in Category III are social and community events, at which attendance by Board members is considered of benefit to the District through the development of community contacts and relationships, but not considered a duty of office. The District shall pay the cost of admission, registration or other fee for a Director's attendance at the following functions and events, subject to prior approval of attendance at a Board Meeting, however, a Director shall not be entitled to *per diem* compensation for attending such activities:

- Breakfast, luncheon or dinner programs and receptions put on by the Industry Manufacturer's Association.
- Breakfast, luncheon or dinner programs and receptions put on by the Southern California Water Utilities Association.
- Breakfast, luncheon or dinner programs and receptions put on by the San Gabriel Valley Water Association.
- Breakfast, luncheon or dinner programs of the Metropolitan Water District of Southern California or Three Valleys Municipal Water District.
- Briefings and informational events held by elected officials or political candidates; provided that the District shall not expend public funds for admission, registration or other attendance costs if the purpose of the event is, in any part, political campaigning or fundraising for or against any candidate or ballot measure.

A Director shall receive *per diem* compensation and reimbursement of expenses for attendance at any other meeting, function or occasion not specified as authorized in this policy only if such attendance has been specially authorized by the Board of Directors at a Board of Directors meeting prior to the date of the function or occasion. The District shall not pay the cost of admission, registration or other fee, nor shall the District reimburse any costs or mileage for a Director or any other person's attendance at any function or event that is given for the purpose of political fundraising or is sponsored in whole or in part by any political campaign committee or organization promoting or opposing any ballot measure. (3-11-08)

B. Directors Expenses

1. **General Principles.** Each member of the Board of Directors is encouraged to participate in those outside activities and organizations which in the judgment of the Board further the interests of the District. Expenses incurred by Board members in connection with such activities are reimbursable, where participation is authorized under this Policy or in advance by the Board. The following rules apply:

- (a) Only expenses that are actual, reasonable and necessary are reimbursable, and Directors are encouraged to exercise prudence in all expenditures.

- (b) This policy is intended to result in no personal gain or loss to a Director.
- (c) The most economical mode and class of transportation reasonably consistent with scheduling requirements will be used, for the most direct and time-efficient route. In the event a more expensive class of transportation is used, the reimbursable amount will be limited to the cost of the most economical class of transportation available. Reimbursement for use of personal autos will be at the applicable IRS-approved rate.
- (d) Expenditures for food and lodging will be moderate and reasonable and in accordance with existing District policy. Notwithstanding the foregoing, the maximum reimbursement rates shall apply to reimbursement for actual expenses incurred in connection with travel, including lodging, meals and incidental expenses (parking, tips, cab fare, shuttles, rental car, telephone charges, internet access charges, etc.), unless a larger reimbursement maximum has been authorized in advance by the Board of Directors at a public meeting.
 - Lodging rate (per night) \$ 250.00

[If the travel involves a conference or other function providing a group rate for lodging at the event, the maximum reimbursement 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 booking.]

 - Meals (per day) \$ 150.00
 - Breakfast only \$ 30.00
 - Lunch only \$ 45.00
 - Dinner only \$ 75.00
 - Incidental expenses \$ 100.00
- (e) As a prerequisite for reimbursement from the District, Directors shall submit a request for reimbursement, accompanied by evidence of payment of such expenses or itemized receipts for all individual expenses.
- (f) All requests for reimbursement will be submitted to the District's Board (or its designee) within thirty (30) days after the expenses were incurred or expenditures made. Requests for reimbursement will be submitted, where possible, on forms provided by the District, and will (1) state the District-related purpose for the expenditure, and (2) be accompanied by itemized receipts evidencing each expense or other documentation deemed satisfactory by the Board or its designee. Expenditures that are improper or otherwise not accounted for; or not consistent with the prohibition against gifts of public funds set forth in the California Constitution, will not be reimbursed or accepted by the District. Where such improper expenses have been paid by the District, they will be promptly refunded to the District or deducted from monies otherwise due the Director. Alcoholic beverages and other non-essential expenses (including, but not limited to, in-room movies, Service Bar, etc.) will not be reimbursed.
- (f) To implement the reporting requirements of Government Code Section 53065.5, the District will prepare a list of the amount and purpose of each expense

reimbursement made to each Director for the preceding fiscal year, which will be available to the public.

- (g) Officials will be reimbursed for actual telephone and fax expenses incurred on District business.
- (h) Long-term parking should be used for travel exceeding 24-hours.

2. Travel Expenses. Directors will be reimbursed for expenses, incurred in traveling to and from conferences, meetings and other events that are attended on behalf of the District in their capacity as Directors. Travel expenses will include round-trip airfare, actual and necessary expenses for ground transportation to and from airports and hotels, car rental, and or mileage reimbursement (at the maximum allowable per mile rate established from time to time by the IRS) for use by Directors of privately-owned vehicles in the conduct of District business.

3. Overnight Accommodations. No reimbursement claim or request for overnight accommodations will be approved for expenses incurred within the District's service area, or within 50 miles outside the District's service area, except upon approval of the Board. Actual and reasonable accommodation expenses will be reimbursed only for authorized personnel and such expenses will not be reimbursed for guests or family members of the authorized personnel. Where reasonably possible, accommodations will be obtained in proximity to the conference or meeting site. In most cases overnight accommodations should be arranged and paid for through the District. (11-12-08)

4. Meal Expenses. Directors will be entitled to receive reimbursement for actual and reasonable cost of meals, including tips, of Members of the Board of Directors and District staff members. Meals for others, including constituents, legislators, and officials of other public entities attending the same meeting or function, will not be reimbursed. (See 85 Ops. Cal. Atty. Gen. 210, Op. No. 02-711 (Oct. 2002).

5. Telephone/Fax/Cellular. Telephone bills should identify which calls were made on District business. For cellular calls, when the Director has a particular number of minutes included in the Director's plan, the Director can identify the percentage of calls made on District business.

6. Airport Parking. Long-term parking should be used for travel exceeding 24-hours.

7. Reports to the Governing Board. At the meeting of the Board of Directors following any conference, meeting or similar function attended at District expense, the Director or Directors attending the function shall briefly report on the conference or meeting. The report may be oral or written. If a Director desires to provide specific or detailed information gathered at a conference, meeting or similar function for the other Directors future reference, he or she is encouraged to provide the report in written form to be distributed to the other Board members. A written report will be deemed to satisfy the requirements of Government Code § 53232.3 and these Guidelines. If multiple Directors attended the same function, a joint report may be made.

8. Travel, Lodging and Meals Paid Directly by District. In most cases arrangements for travel and lodging for Directors attending events outside the District will be made and paid for in advance by the District, and meals while attending the event will be purchased directly by the District rather than by the Director. To the extent that the Director has discretion over the cost of such travel, lodging and meal expenses, the same standards of prudence and reasonableness shall apply as where the Director incurs the expense and requests reimbursement, i.e. travel will be by the most economical means consistent with scheduling constraints and meals and lodging will be moderate and reasonable and in accordance with District policy.

In connection with all issues arising out of reimbursement of expenses, it is appropriate that Directors of the District consider the following questions:

- *Does the law allow me to use public resources in this manner?*
- *How does this particular expenditure benefit the public's interest as opposed to my own personal interest?*
- *Is my motivation for an expense a desire to personally curry favor with the would-be beneficiary of the expense?*
- *How would I feel if a particular expenditure were reported in the local newspaper, or a political hit piece?*
- *How would my next door neighbor feel about my spending his or her tax dollars this way? Would he or she feel resentful?*
- *Am I making a spending decision out of a sense of reward or entitlement?*

(Source of questions: Institute of Local Self Government)

Section 13. Changes in Compensation.

Changes in the per diem compensation of the Board Members will require the approval of the Board during an open meeting of the Board held at least 60 days prior to the effective date of the change.

(Water Code sections 20200, and following.)

Section 14. Candidate's Statement.

A Board member will not include false or misleading information in a candidate's statement for a general District election filed pursuant to section 13307 of the Elections Code.

(Elections Code section 13313.)

Section 15. Ethics Training.

Each Director and the General Manager, the Director of Operations and the Finance Officer shall receive at least two hours training in ethics pursuant to Government Code Section 53235 prior to January 1, 2007, and at least two hours of ethics training every two years thereafter. The General Manager shall provide information to the Board of Directors on training available to meet the requirements for ethics training at least once annually, and shall schedule the training for the Directors and designated staff members. All costs and expenses associated with compliance with the ethics training requirements shall be paid by the District. Records of

the ethics training completed by Directors and designated staff members, including the date of attendance and the entity providing the training, shall be kept by the District for a minimum of five years after the completion of the training.

Section 16. Violation of Ethics Policy.

A perceived violation of this policy by a Board member should be referred to the President of the Board or the full Board of Directors for investigation, and consideration of any appropriate action warranted. A violation of this policy may be addressed by the use of such remedies as are available by law to the District, including but not limited to: (a) adoption of a resolution expressing disapproval of the conduct of the Board member who has violated this policy, (b) injunctive relief, or (c) referral of the violation to the District Attorney and/or the Grand Jury.

Section 17. Consulting District Counsel.

Any Board member who has a question about the application of this policy with respect to his own circumstances or conduct or the conduct of the Board or any of its members may make a confidential inquiry of District Legal Counsel for guidance. The intent of this section is to assist the Board members to avoid or correct violations of this ethics policy, (for instance to receive advice on returning a gift which exceeds the gift limitation.) The purpose of this provision is not to enable the cover-up of violations of legal requirements. Legal Counsel shall not be prohibited from reporting actual violations of legal requirements to the Board of Directors.

Section 18. Public Communication.

Board of Director may only speak publicly, including to the press, on behalf of the District with the prior approval of the Board of Directors. If a Board member speaks publicly or to the press without the approval of the Board of Directors, such Board member must make it clear that he or she is expressing his or her personal opinion only and that any statement or statements do not necessarily reflect the position of the Board of Directors or District policy. Failure to do so may lead to misunderstanding and be harmful to the District and may subject Directors to potential disciplinary action pursuant to Section 16 above.

Adopted by the Board of Directors on January 10, 2006

Revision Approved by Board on March 11, 2008

Second Revision Approved by Board on August 13, 2013

Third Revision Approved by Board on February 9, 2016