REGULAR BOARD MEETING  
Closed Session Begins at 4:30 PM  
March 11, 2020 - 5:30 PM  
31111 Greenspot Road, Highland, CA 92346

AGENDA

"In order to comply with legal requirements for posting of agenda, only those items filed with the District Clerk by 12:00 p.m. on Wednesday prior to the following Wednesday meeting not requiring departmental investigation, will be considered by the Board of Directors".

CALL TO ORDER

ROLL CALL OF BOARD MEMBERS

PUBLIC COMMENTS

Any person wishing to speak to the Board of Directors is asked to complete a Speaker Card and submit it to the District Clerk prior to the start of the meeting. Each speaker is limited to three (3) minutes, unless waived by the Chairman of the Board. Under the State of California Brown Act, the Board of Directors is prohibited from discussing or taking action on any item not listed on the posted agenda. The matter will automatically be referred to staff for an appropriate response or action and may appear on the agenda at a future meeting.

AGENDA - This agenda contains a brief general description of each item to be considered. Except as otherwise provided by law, no action shall be taken on any item not appearing on the following agenda unless the Board of Directors makes a determination that an emergency exists or that a need to take immediate action on the item came to the attention of the District subsequent to the posting of the agenda.

1. Approval of Agenda

RECESS INTO CLOSED SESSION

CLOSED SESSION

2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
3. CONFERENCE WITH LABOR NEGOTIATORS
   [Government Code Section 54957.6]
   District Negotiator: William Kelly
   General Manager/CEO: John Mura

5:30 PM RECONVENE MEETING

PLEDGE OF ALLEGIANCE

ROLL CALL OF BOARD MEMBERS

ANNOUNCEMENT OF CLOSED SESSION ACTIONS ITEMS

PUBLIC COMMENTS

4. APPROVAL OF CONSENT CALENDAR
   All matters listed under the Consent Calendar are considered by the Board of Directors to be routine and will be enacted in one motion. There will be no discussion of these items prior to the time the board considers the motion unless members of the board, the administrative staff, or the public request specific items to be discussed and/or removed from the Consent Calendar.
   a. January 22, 2020 regular board meeting minutes
   b. February 12, 2020 regular board meeting minutes
   c. Approve Directors' fees and expenses for February 2020

INFORMATIONAL ITEMS

5. Sterling Natural Resource Center Update

DISCUSSION AND POSSIBLE ACTION ITEMS

6. Consider 2010 and 2013 Revenue Bond Refinancing Opportunity

7. Consider Transfer Agreement for the East Trunk Sewer Line

8. Review and Consider Approval of revised Board of Directors Handbook and Policies

9. Review General Manager/CEO Achievement of Goals & Objectives and Determination of Performance Award

10. Consider possible Amendments to General Manager/CEO Employment Agreement
11. Consider Approval of General Manager/CEO's 2020/21 Goals and Objectives

REPORTS

12. Board of Directors' Reports

13. General Manager/CEO Report

14. Legal Counsel Report

15. Board of Directors' Comments

ADJOURN

PLEASE NOTE:
Materials related to an item on this agenda submitted to the Board after distribution of the agenda packet are available for public inspection in the District's office located at 31111 Greenspot Rd., Highland, during normal business hours. Also, such documents are available on the District's website at www.eastvalley.org subject to staff's ability to post the documents before the meeting.

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

MINUTES

The Chairman of the Board called the meeting to order at 5:30 p.m. Mr. Mays led the flag salute.

PRESENT: Directors: Carrillo, Coats, Goodrich, Morales, Smith

ABSENT: None

STAFF: John Mura, General Manager/CEO; Brian Tompkins, Chief Financial Officer; Jeff Noelte, Director of Engineering and Operations; Justine Hendrickson, District Clerk; Eileen Bateman, Senior Administrative Assistant

LEGAL COUNSEL: Jean Cihigoyenetche

GUEST(s): Members of the public

PUBLIC COMMENTS

Chairman Smith declared the public participation section of the meeting open at 5:31 p.m.

There being no written or verbal comments, the public participation section was closed at 5:32 pm.

APPROVAL OF AGENDA

M/S/C (Carrillo-Coats) that the January 22, 2020 agenda be approved as submitted.

DISBURSEMENTS

M/S/C (Goodrich-Coats) that the General Fund Disbursements #255184 through #255353 which were distributed during the period of November 1, 2019 through November 30, 2019, bank drafts, and ACH Payments in the amount of $4,712,579.90 and $562,480.80 for payroll and benefit contributions, totaling $5,275,060.78 be approved.

APPROVE THE FINANCIAL STATEMENTS FOR NOVEMBER 2019

M/S/C (Goodrich-Coats) that the Board approve the financial statements for November 2019.
APPROVE INVESTMENT REPORT FOR QUARTER ENDED DECEMBER 31, 2019

M/S/C (Goodrich-Coats) that the Board accept and file the investment report for the quarter ended December 31, 2019

APPROVE THE FINANCIAL STATEMENTS FOR DECEMBER 2019

M/S/C (Goodrich-Coats) that the Board approve the financial statements for December 2019.

DISBURSEMENTS

M/S/C (Goodrich-Coats) that the General Fund Disbursements #255354 through #255502 which were distributed during the period of December 1, 2019 through December 31, 2019, bank drafts, and ACH Payments in the amount of $ 8,676,544.61 and $358,294.02 for payroll and benefit contributions, totaling $9,034,838.63 be approved.

ADOPT 2020 IRS MILEAGE RATE

M/S/C (Goodrich-Coats) that the Board adopt the standard mileage reimbursement rate established by the IRS for 2020.

LEGISLATIVE UPDATE AND CONSIDER APPROVAL OF THE 2020 LEGISLATIVE PLATFORM

The Districts’ lobbyists, Mrs. Pilar Oñate-Quintana, Mr. David Quintana and Mr. Cook provided information to the Board including but not limited to the following: Primary elections will be held March 3, 2020, political dynamics, Safe and Affordable Drinking Water Funds that were established as an alternative to the water tax, pending legislation activities, State Budget Highlights and general political updates. Mr. Jarell Cook was introduced to the Board as the newest member of East Valley Water Districts lobby team from Quintana, Watts, and Hartmann.

The Director of Strategic Services presented detailed information regarding the District’s legislative platform including but not limited to the following: roles and responsibilities of the Board of Directors, General Manager/CEO and staff as well as the guidelines for legislative advocate considerations.

M/S/C (Coats-Carrillo) that the Board approve the Legislative platform as submitted.

SCHEDULE PUBLIC HEARING TO CONSIDER ADOPTING WATER AND WASTEWATER RATE INCREASES

The Chief Financial Officer gave a brief update of the District’s current rates, cost of service analysis, debt service and proposed rate adjustments for water and wastewater.
Mr. Habib Isaac, IB Consulting provided a detailed presentation including but not limited to the following: the development of a 5-year financial plan, updated consumption analysis and financials, rate study components, financial planning, rate design, budget structure, cost of service analysis and proposed water and wastewater collection rates.

M/S/C (Morales-Coats) that the Board schedule a public hearing to consider adopting water and wastewater rate increases on April 8, 2020.

2020 COMMITTEE AND REPRESENTATIVE ASSIGNMENTS

Chairman Smith stated that he reviewed Representative and Committee assignments with Vice Chairman Goodrich and announced the new representative and Standing Committee assignments.

BOARD OF DIRECTORS’ REPORTS

Director Carrillo reported on the following: January 16 he attended the Community Heritage and Education Foundation Committee meeting where they reviewed the preliminary design building proposal and attended the Inland Empire Economic Partnership annual installation award dinner where Mr. Mura received the 2019 Chairman’s Award. He expressed his gratitude for the recognition Mr. Mura received on behalf of the District.

Vice Chairman Goodrich reported on the following: January 16 he met with Chairman Smith and Mr. Mura for agenda review and attended the Inland Empire Economic Partnership annual dinner.

Director Coats reported on the following: January 9 he attended the San Bernardino Valley Municipal Water District Advisory Commission on Water Policy where they discussed the conservation plan for the City of Rialto, BTAC Water Management Plan and Wash Plan update; January 10 he toured the Sterling Natural Resources Center site; January 14 he met with Mr. Mura to discuss District business and ongoing projects and also attended the Finance and Human Resources Committee meeting where they discussed revisions to the Board Member Handbook; January 16 he attended the Inland Empire Economic Partnership annual dinner; January 21 he attended the San Bernardino Valley Municipal Water District Board meeting.

Director Morales reported on the following: January 10 he toured the Sterling Natural Resources Center site; January 14 attended the Finance and Human Resources Committee meeting; January 16 he attended Inland Empire Economic Partnership annual installation award dinner where Mr. Mura received the 2019 Chairman’s Award. He congratulated Mr. Mura for receiving the 2019 Chairman’s award at the Inland Empire Economic Partnership annual dinner.

Chairman Smith reported on the following: January 9 he attended a meeting with Mr. Mura where they discussed the Sterling Natural Resources Center update; January 16 he met with Mr. Mura and Vice Chairman Goodrich for the agenda review and attended the Inland Empire Economic Partnership annual dinner.
Information only.

GENERAL MANAGER/CEO REPORT

The General Manager/CEO announced upcoming events and meetings: January 23 The Highland Area Chamber of Commerce is holding its annual Community Awards & Installation dinner at the Bear Springs Hotel Event Center; Saturday the district will have a booth that the Highland 5k YMCA Run with giveaways for participants and information on the District services; staff will be attending the San Bernardino County Regional Business Summit and State of the County on February 5; February 22 the District will host a Conservation Workshop to provide customer tips on staying within their water budget, information on rebate programs, and address questions regarding water legislation.

The General Manager/CEO informed the Board that he will be on vacation beginning January 30 through February 11; that in his absence Jeff Noelte, Director of Engineering and Operations will be assuming all his duties and authorities.

LEGAL COUNSEL REPORT

There were no comments at this time.

BOARD OF DIRECTORS’ COMMENTS

There were no comments at this time.

ADJOURN

The meeting adjourned at 7:01 p.m.

__________________________________________  
David E. Smith, Board President

__________________________________________  
John Mura, Secretary
The Chairman of the Board called the meeting to order at 5:30 p.m. Director Carrillo led the flag salute.

PRESENT: Directors: Carrillo, Goodrich, Morales, Smith

ABSENT: Director Coats

STAFF: John Mura, General Manager/CEO; Brian Tompkins, Chief Financial Officer; Jeff Noelte, Director of Engineering and Operations; Justine Hendricksen, District Clerk; Shayla Antrim, Senior Administrative Assistant

LEGAL COUNSEL: Jean Cihigoyenetch

GUEST(s): Members of the public

PUBLIC COMMENTS

Chairman Smith declared the public participation section of the meeting open at 5:31 p.m.

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

APPROVAL OF AGENDA

M/S/C (Morales-Carrillo) that the February 12, 2020 agenda be approved as submitted.

APPROVE THE NOVEMBER 13, 2019 REGULAR BOARD MEETING MINUTES

M/S/C (Goodrich-Morales) that the Board approve the November 13, 2019 regular board meeting minutes as submitted.

DIRECTORS’ FEES AND EXPENSES FOR JANUARY 2020

M/S/C (Goodrich-Morales) that the Board approve the Directors’ fees and expenses for January 2020 as submitted.
2019 TOP INLAND EMPIRE WORKPLACES PROGRAM

The Human Resources/Safety Risk Manager announced that East Valley Water District received second place in the Press-Enterprises’ Top Workplace in the Inland Empire small employer category. She provided a presentation detailing the criteria used by the Press-Enterprise in determining top workplaces; reviewed surveys taken by employees, average scores and how the District ranked compared to the local government benchmarks, employee comments, and areas for improvement.

Information only.

FISCAL YEAR 2019-20 MID-YEAR BUDGET REVISIONS

The Chief Financial Officer gave a brief presentation of FY 2019-20 mid-year Budget revisions: he reviewed the operating budget, gave program summaries, presented an overview of the Capital Budget, discussed staffing changes, and reviewed accomplishments and District awards. He presented details on one minor increase to the Budget. He discussed proposed revisions to the Capital Budget: Ferguson Waterworks notified the District that AMI meters would increase in cost after June 2020, and the Chief Financial Officer stated that there would be significant cost savings to the District to purchase the remaining AMI meters before the price increases. He stated this will be funded by the District’s Replacement Reserves.

M/S/C (Goodrich-Carrillo) that the Board approve amendments to the Fiscal Year 2019-20 Operating and Capital Budgets as submitted.

CALIFORNIA SPECIAL DISTRICTS ASSOCIATION BOARD OF DIRECTORS SUPPORT RESOLUTION 2020.01

The General Manager/CEO stated that there is a vacancy on the California Special Districts Association Board (CSDA); he provided a brief overview of CSDA and the structure of Board Members; he also reviewed Chairman Coats’ interest in his submittal of nomination paperwork to continue with the District’s efforts to increase regional partnerships and participation with other agencies.

M/S/C (Morales-Carrillo) that the Board adopt Resolution 2020.01 to support placing in nomination Ronald L. Coats as a member of the California Special Districts Association Southern Network Seat B Board Election.

BOARD OF DIRECTORS’ REPORTS

Director Carrillo reported on the following: January 23 he attended the Highland Chamber of Commerce Annual Installation Dinner; February 5 he attended the San Bernardino City Council meeting.

Vice Chairman Goodrich reported on the following: January 23 he attended the Highland Chamber of Commerce Annual Installation Dinner; January 24 he met with the General Manager/CEO to review the agenda; January 27 he attended the Association San...
Bernardino County Special Districts monthly meeting; February 5 he attended the State of the County Regional Business Summit; and February 6 he met with the General Manager/CEO to review the agenda.

Director Morales reported on the following: February 4 he attended the Association of California Water Agencies (ACWA) Region 9 meeting where he was selected as the alternate Chairman of the Board; February 5 he attended the State of the County Regional Business Summit; and February 6 he took a tour of Plant 39-1 that was under renovation.

Chairman Smith reported on the following: February 5 he attended the State of the County Regional Business Summit; and February 6 he met with the General Manager/CEO to review the agenda.

Information only.

GENERAL MANAGER/CEO REPORT

The General Manager/CEO expressed his appreciation to staff for taking care of business during his time off. He reported on the following: February 11 the District held a Community Advisory Commission meeting; and February 12 he attended the Inland Action meeting where the District was welcomed as a new member. He announced that the District has officially entered into an agreement with California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) for sales tax exclusions for the SNRC; this will result in a savings of between $3.5 - $4.5 million.

The General Manager/CEO announced upcoming meetings:

February 17 - District offices will be closed in observance of President’s Day
February 22 @ 10AM - Conservation Workshop hosted by the District

LEGAL COUNSEL REPORT

There were no comments at this time.

BOARD OF DIRECTORS’ COMMENTS

The Board offered thoughts and prayers to Director Coats’ and his wife.

Chairman Smith thanked the Chief Financial Officer for his presentation; and congratulated Director Morales for being selected as alternate Chair of the ACWA Region 9 Board.

Information only.

ADJOURN

The meeting adjourned at 6:58 p.m.
David E. Smith, Board President

John Mura, Secretary
To: Governing Board Members
From: General Manager/CEO

Subject: Approve Directors' fees and expenses for February 2020

RECOMMENDATION:

Staff recommends that the Board approve the Governing Board Members' Fees and Expenses for February 2020.

BACKGROUND / ANALYSIS:

The Board has instructed staff to list all director fees and expenses as a separate agenda item to show full fiscal transparency. Only after Board review and approval will the compensation and expenses be paid.

AGENCY GOALS AND OBJECTIVES:

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

a) Practice Transparent and Accountable Fiscal Management

REVIEW BY OTHERS:

This agenda item has been reviewed by the Administration department.

FISCAL IMPACT

The fiscal impact associated with this agenda item is $7,069.06 which is included in the current fiscal budget.

Recommended by: John Mura
General Manager/CEO

Respectfully submitted: Justine Hendricksen
District Clerk
<table>
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<th>Description</th>
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<tr>
<td>Directors' Expense Reports February 2020</td>
<td>Backup Material</td>
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**East Valley Water District**  
Leadership • Partnership • Stewardship

**Director Expense / Reimbursement Activity Sheet**

Name: Chris Carrillo  
Month / Year: February / 2020

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Meeting / Event Description</th>
<th>Mileage</th>
<th>Meeting Stipend</th>
<th>Report Provided</th>
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<td>City of San Bernardino Council Meeting</td>
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<td>2 / 12</td>
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<td>3</td>
<td>2 / 19</td>
<td>San Bernardino County Water Conference Planning</td>
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<tr>
<td>4</td>
<td>2 / 19</td>
<td>Call with Bill Kelly re GM Evaluation—No charge</td>
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<td>5</td>
<td>2 / 21</td>
<td>Meeting with General Manager/CEO or Designee</td>
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<td>6</td>
<td>2 / 25</td>
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<td>SNRC Milestone Luncheon</td>
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Subtotal Meetings' Stipend: (7) Meetings  
$1,225.00

Mileage:  
40.00 X 0.575/mi  
$23.00

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Subtotal: $0.00

TOTAL PAYMENT: $1,248.00

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

Date of Approval:

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

1 Meeting Date: 2 / 5 / 2020  
Event Description: City of San Bernardino Council Meeting  
Brief Description of Meeting/Event Value to EVWD  
Watch SB City Council meeting.

2 Meeting Date: 2 / 12 / 2020  
Event Description: Regular Board Meeting  
Brief Description of Meeting/Event Value to EVWD  
Attend regular board meeting.

3 Meeting Date: 2 / 19 / 2020  
Event Description: San Bernardino County Water Conference Planning Committee  
Brief Description of Meeting/Event Value to EVWD  
Participated in the planning committee for the SB County Water Conference.

4 Meeting Date: 2 / 19 / 2020  
Event Description: Call with Bill Kelly re GM Evaluation--No charge  
Brief Description of Meeting/Event Value to EVWD  
Interviewed with consultant Bill Kelly regarding GM annual evaluation and annual board evaluation.

5 Meeting Date: 2 / 21 / 2020  
Event Description: Meeting with General Manager/CEO or Designee  
Brief Description of Meeting/Event Value to EVWD  
Call with CEO Mura to discuss district business.
As part of the District's commitment to transparency, please provide a brief description of any meeting/event(s) that you will not be providing a report during the Board meeting at which your Director's

6 Meeting Date: 2/25/2020
   Event Description: Pathway Ribbon Cutting Ceremony
   Brief Description of Meeting/Event Value to EVWD
   Attended the ribbon cutting ceremony at Indian Springs High School.

7 Meeting Date: 2/26/2020
   Event Description: Regular Board Meeting
   Brief Description of Meeting/Event Value to EVWD
   Attended regular board meeting.

8 Meeting Date: 2/27/2020
   Event Description: SNRC Milestone Luncheon
   Brief Description of Meeting/Event Value to EVWD
   Attended SNRC milestone luncheon.

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

10 Meeting Date:
    Event Description:
    Brief Description of Meeting/Event Value to EVWD
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<th>No.</th>
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<td>IEEP Leadership Class</td>
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Subtotal Meetings' Stipend: 8 Meetings $1,400.00

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<td>Lyft from hotel to CSDA office</td>
<td>7.49</td>
</tr>
<tr>
<td>3</td>
<td>2/05</td>
<td>Travel</td>
<td>Lyft from CSDA office to Sacramento Airport</td>
<td>16.61</td>
</tr>
<tr>
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</table>

Subtotal: $72.13

TOTAL PAYMENT: $1,503.18

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

Ronald L. Coats

Date of Approval

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

1. Meeting Date: 2/4/2020
   Event Description: San Bernardino Valley MWD
   Brief Description of Meeting/Event Value to EVWD
   Oral report given at EVWD Board meeting on 2-26-20

2. Meeting Date: 2/4/2020
   Event Description: Travel to Sacramento/CSDA Cmte meetings
   Brief Description of Meeting/Event Value to EVWD
   Oral report given at EVWD Board meeting on 2-26-20. Traveled to Sacramento for CSDA Committee meetings on 2-5-20

3. Meeting Date: 2/5/2020
   Event Description: CSDA Committee Meetings
   Brief Description of Meeting/Event Value to EVWD
   Oral report given at EVWD Board meeting on 2-26-20. Attended Professional Development and Member Services Committee Meetings

4. Meeting Date: 2/6/2020
   Event Description: Inspection of work progress on Tank 39-A
   Brief Description of Meeting/Event Value to EVWD
   Director Morales and I took a tour of the rehab project on one of our tank reservoirs. This is one of our older tanks that was in need of a complete sandblasting and re-coating inside. Quite daunting to stand inside a one million gallon tank.

5. Meeting Date: 2/18/2020
   Event Description: San Bernardino Valley MWD
   Brief Description of Meeting/Event Value to EVWD
   The board approved the nomination of T. Milford Harrison for the regular special district member on the LAFCO commission for San Bernardino County. They approved a consulting agreement with Scheevel Engineering to provide technical services on the study of a braided stream restoration pilot project for the native fishes habitat
As part of the District's commitment to transparency, please provide a brief description of any meeting/event(s) that you will not be providing a report during the Board meeting at which your Director's

6 Meeting Date: 2 / 19 / 2020  
Event Description: Meet with Bill Kelly/GM Evaluation  
Brief Description of Meeting/Event Value to EVWD  
Met with Bill Kelly for the General Manager Evaluation and to go over the general managers annual performance evaluation

7 Meeting Date: 2 / 24 / 2020  
Event Description: ASBCSD  
Brief Description of Meeting/Event Value to EVWD  
Our guest speaker was Janet Rutherford, 2nd District Supervisor for San Bernardino County. She spoke on unplugging from social media and just listening to others points of view without judgment.

8 Meeting Date: 2 / 26 / 2020  
Event Description: Regular Board Meeting  
Brief Description of Meeting/Event Value to EVWD  
See official board meeting minutes

9 Meeting Date: 2 / 28 / 2020  
Event Description: IEEP Leadership Class  
Brief Description of Meeting/Event Value to EVWD  
This session was held at the San Bernardino County Sheriff's facility at Glen Helen, where we fired weapons, rode along on the driving course and did video simulation training in hostage situations. Definitely gives you a whole new perspective on split second decision making.
**EAST VALLEY WATER DISTRICT**  
LEADERSHIP • PARTNERSHIP • STEWARDSHIP

**DIRECTOR EXPENSE / REIMBURSEMENT ACTIVITY SHEET**

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Meeting / Event Description</th>
<th>Mileage</th>
<th>Meeting Stipend</th>
<th>Report Provided</th>
<th>Written</th>
<th>Oral</th>
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<td>Meeting with General Manager/CEO or Designee</td>
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<td>2/ 12</td>
<td>Regular Board Meeting</td>
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<td>175</td>
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<td>2/ 24</td>
<td>ASBCSD</td>
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<td>Regular Board Meeting</td>
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**Subtotal Meetings’ Stipend (7) Meetings**  
$1,225.00

**Mileage**  
0.00 X 0.575/mi  
$0.00

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<th>Date</th>
<th>Expense Type</th>
<th>Miscellaneous Reimbursement Description</th>
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</table>

**Subtotal**  
$0.00

**TOTAL PAYMENT**  
$1,225.00

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

**Date of Approval**

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

1  Meeting Date: 2/5/2020
   Event Description: State of The County Business Summit
   Brief Description of Meeting/Event Value to EVWD
   Attend San Bernardino "State of The county Business summit where the district was highlighted for its new pathways program

2  Meeting Date: 2/6/2020
   Event Description: Meeting with General Manager/CEO or Designee
   Brief Description of Meeting/Event Value to EVWD
   Agenda review with CEO and Chairman, update of District Affairs

3  Meeting Date: 2/12/2020
   Event Description: Regular Board Meeting
   Brief Description of Meeting/Event Value to EVWD
   Attend reg board meeting

4  Meeting Date: 2/19/2020
   Event Description: Meeting with Evaluation Consultant
   Brief Description of Meeting/Event Value to EVWD
   Meet with consultant, first step in CEO evaluation process

5  Meeting Date: 2/20/2020
   Event Description: Meeting with General Manager/CEO or Designee
   Brief Description of Meeting/Event Value to EVWD
   Agenda review district updates
As part of the District’s commitment to transparency, please provide a brief description of any meeting/event(s) that you will not be providing a report during the Board meeting at which your Director’s

<table>
<thead>
<tr>
<th>Meeting Date</th>
<th>Event Description</th>
<th>Brief Description of Meeting/Event Value to EVWD</th>
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</thead>
<tbody>
<tr>
<td>2/24/2020</td>
<td>ASBCSD</td>
<td>Attend local chapter special districts meeting, legislative updates from CSDA</td>
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</table>

<table>
<thead>
<tr>
<th>Meeting Date</th>
<th>Event Description</th>
<th>Brief Description of Meeting/Event Value to EVWD</th>
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</thead>
<tbody>
<tr>
<td>2/26/2020</td>
<td>Regular Board Meeting</td>
<td>Attend regular board meeting</td>
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<th>Event Description</th>
<th>Brief Description of Meeting/Event Value to EVWD</th>
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<th>Meeting Date</th>
<th>Event Description</th>
<th>Brief Description of Meeting/Event Value to EVWD</th>
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<table>
<thead>
<tr>
<th>Meeting Date</th>
<th>Event Description</th>
<th>Brief Description of Meeting/Event Value to EVWD</th>
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<table>
<thead>
<tr>
<th>Meeting Date</th>
<th>Event Description</th>
<th>Brief Description of Meeting/Event Value to EVWD</th>
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</thead>
</table>
**DIRECTOR EXPENSE / REIMBURSEMENT ACTIVITY SHEET**

**Name:** James Morales, Jr.  
**Month / Year:** February / 2020

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Meeting / Event Description</th>
<th>Mileage</th>
<th>Meeting Stipend</th>
<th>Report Provided Written</th>
<th>Report Provided Oral</th>
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<tbody>
<tr>
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<td>ACWA Region 9</td>
<td>59.00</td>
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<td>East Valley Association of Realtors</td>
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<td>175</td>
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<td>5</td>
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<td>San Bernardino Board of Water Commissioners</td>
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**Subtotal Meetings’ Stipend**

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**Mileage**

| 205.00 x 0.575/mi | $117.88 |

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</table>

**Subtotal**

| $0.00 |

**TOTAL PAYMENT**

| $1,867.88 |

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

**Date of Approval**

James Morales, Jr.

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

<table>
<thead>
<tr>
<th>Meeting Date</th>
<th>Event Description</th>
<th>Brief Description of Meeting/Event Value to EVWD</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 / 2020</td>
<td>ACWA Reion 9</td>
<td>Board meeting, new term planning and regional education.</td>
</tr>
<tr>
<td>5 / 2020</td>
<td>State of the County</td>
<td>County Economic update, EVWD Pathway program highlighted.</td>
</tr>
<tr>
<td>6 / 2020</td>
<td>EVWD Event</td>
<td>Site visit, Tank 39-1.</td>
</tr>
<tr>
<td>11 / 2020</td>
<td>San Bernardino Board of Water Commissioners</td>
<td>Board report assignment. Please refer to public agenda.</td>
</tr>
</tbody>
</table>
Name: James Morales, Jr.  Month / Year: February / 2020

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

6 Meeting Date: 12 / 2020  
Event Description: Regular Board Meeting  
Brief Description of Meeting/Event Value to EVWD  
Please refer to public agenda.

7 Meeting Date: 13 / 2020  
Event Description: Inland Empire Utilities Agency  
Brief Description of Meeting/Event Value to EVWD  
Water quality laboratory opening and tour.

8 Meeting Date: 19 / 2020  
Event Description: Employee Evaluation  
Brief Description of Meeting/Event Value to EVWD  
Annual employee evaluation.

9 Meeting Date: 25 / 2020  
Event Description: EVWD Event  
Brief Description of Meeting/Event Value to EVWD  
Pathway program official dedication in conjunction with SNRC and various local schools.

10 Meeting Date: 26 / 2020  
Event Description: Regular Board Meeting  
Brief Description of Meeting/Event Value to EVWD  
Please refer to public agenda.
As part of the District's commitment to transparency, please provide a brief description of any meeting/event(s) that you will not be providing a report during the Board meeting at which your Director's

11 Meeting Date: 27 / 2020
Event Description: SNRC Milestone
Brief Description of Meeting/Event Value to EVWD
SNRC site visit. No charge (more than 10 meetings).

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

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

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

15 Meeting Date:
Event Description:
Brief Description of Meeting/Event Value to EVWD
**East Valley Water District**  
**Leadership • Partnership • Stewardship**

**Director Expense / Reimbursement Activity Sheet**

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Meeting / Event Description</th>
<th>Mileage</th>
<th>Meeting Stipend</th>
<th>Report Provided</th>
<th>Written</th>
<th>Oral</th>
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<tr>
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<tr>
<td>6</td>
<td>2 / 24</td>
<td>ASBCSD</td>
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<td>Regular Board Meeting</td>
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**Subtotal Meetings' Stipend**  

<table>
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<th>Meetings</th>
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</table>

**Subtotal**  

| $0.00 |

**TOTAL PAYMENT**  

| $1,225.00 |

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

David E. Smith  
Date of Approval  
Administration Signature
### EAST VALLEY WATER DISTRICT

**LEADERSHIP • PARTNERSHIP • STEWARDSHIP**

**DIRECTOR EXPENSE / REIMBURSEMENT ACTIVITY SHEET**

**AB 1234 SUPPLEMENTAL REPORT FORM**

<table>
<thead>
<tr>
<th>Name: David E. Smith</th>
<th>Month / Year: February 2020</th>
</tr>
</thead>
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As part of the District's commitment to transparency, please provide a brief description of any meeting/event(s) that you will not be providing a report during the Board meeting at which your Director's

<table>
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<tr>
<th>Meeting Date</th>
<th>Event Description</th>
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</tr>
</tbody>
</table>

**Brief Description of Meeting/Event Value to EVWD**

- Attended State of County address

<table>
<thead>
<tr>
<th>Meeting Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 / 6 / 2020</td>
<td>Agenda Review</td>
</tr>
</tbody>
</table>

**Brief Description of Meeting/Event Value to EVWD**

- Agenda Review with VC Goodrich, and GM John Mura

<table>
<thead>
<tr>
<th>Meeting Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 / 19 / 2020</td>
<td>Meeting with General Manager/CEO or Designee</td>
</tr>
</tbody>
</table>

**Brief Description of Meeting/Event Value to EVWD**

- GM review with Bill Kelly. Director evaluations.

<table>
<thead>
<tr>
<th>Meeting Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 / 20 / 2020</td>
<td>Agenda Review</td>
</tr>
</tbody>
</table>

**Brief Description of Meeting/Event Value to EVWD**

- Agenda Review with VC Goodrich, and GM John Mura

<table>
<thead>
<tr>
<th>Meeting Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 / 20 / 2020</td>
<td>Meeting with General Manager/CEO or Designee</td>
</tr>
</tbody>
</table>

**Brief Description of Meeting/Event Value to EVWD**

- SNRC tour. San Bernardino Rotary North
As part of the District's commitment to transparency, please provide a brief description of any meeting/event(s) that you will not be providing a report during the Board meeting at which your Director's

6 Meeting Date: 2 / 24 / 2020  
Event Description: ASBCSD  
Brief Description of Meeting/Event Value to EVWD  
Attending monthly business meeting. Second District Supervisor Janice Rutherford was guest speaker.

7 Meeting Date: 2 / 25 / 2020  
Event Description: EVWD Event  
Brief Description of Meeting/Event Value to EVWD  
Ribbon Cutting Event at Indian Springs HS. Pathway program for water related industries.

8 Meeting Date: 2 / 26 / 2020  
Event Description: Regular Board Meeting  
Brief Description of Meeting/Event Value to EVWD

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

10 Meeting Date:  
Event Description:  
Brief Description of Meeting/Event Value to EVWD
To:    Governing Board Members
From:  General Manager/CEO

Subject:  Sterling Natural Resource Center Update

RECOMMENDATION:

This agenda item is for informational purposes only.
Agenda Item #6.
Meeting Date: March 11, 2020
Discussion Item

To: Governing Board Members
From: General Manager/CEO

Subject: Consider 2010 and 2013 Revenue Bond Refinancing Opportunity

RECOMMENDATION:

Authorize staff to begin the process of refunding the District’s 2010 and 2013 Revenue Bonds.

BACKGROUND / ANALYSIS:

On October 9, 2010, East Valley Water District (EVWD) issued $33,545,000 in refunding revenue bonds in order to provide $16 million for capital improvement projects, and to refinance all of the District’s then outstanding debt. Refinancing the old debt reduced the District’s future debt service payments on that portion of the bonds by $1.8 million.

The 2010 bonds that were issued carry a no-call provision for the first 10 years they are outstanding. That 10-year period will end on October 1, 2020, allowing the District to look at market conditions and consider a bond refinancing, if beneficial.

Staff spoke with the District’s financial advisors, Fieldman, Rolapp & Associates (Fieldman Rolapp) and was informed that the expiration of the no-call provision on the 2010 bonds comes at an opportune time for many reasons. First, high net worth individuals in California were adversely impacted by the recent tax reform act, due to the limit on state taxes that can be deducted, so funds are pouring into the municipal bond market as investors look for tax exempt income. Further, investors are willing to pay significant premiums to obtain the 4% to 5% stated interest rates on municipal bonds, bringing the true interest costs (TIC) to issuers to below 2.5% – near historic lows over the past 20 years. Finally, the number of bond transactions by California utilities is down, creating hyper-demand for bonds from agencies like EVWD when they are offered for sale.

Fieldman Rolapp, has run some refinancing scenarios for the 2010 bonds, and based on their recent experiences with similar bond transactions, estimates that refinancing the 2010 bonds could save the District approximately $260,000 annually for the next 20 years, or a total of $5.4 million.

Fieldman Rolapp also modeled refinancing of the 2013 Revenue bonds issued to finance the headquarters construction. There are still three years left on the no-call provision for these bonds, so a refinancing at this point would be an advanced refunding. As a consequence, under a new federal law passed in 2017, the District’s only option would be to issue taxable municipal bonds rather than tax-exempt bonds, which results in higher yields than tax-exempt debt. Still, the modeling shows that the District could save approximately $80,000 annually by refinancing the 2013 bonds, for a total of $1.9 million over 23 years.
Refinancing the 2013 bonds for total savings of $1.9 million over 23 years.

One potential pitfall in going to the credit markets to refund bonds is that the process will involve a rating agency review, and there is the remote possibility that the District’s credit rating of AA- could be downgraded. Normally this is not a concern, but with the District currently in the middle of such a large undertaking as the SNRC, investors will likely be looking for assurances about revenue projections that we cannot yet provide, for example, a completed cost of service analysis for wastewater treatment, with adopted rates, and completed agreements with Edison for sale back to the grid of excess energy produced by the digesters. These items should be completed by June of 2021.

Staff requests authorization from the Board to proceed with refunding of the District’s 2010 and 2013 Revenue Bonds with the potential of saving $340,000 annually on interest expense.

**AGENCY GOALS AND OBJECTIVES:**

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

a) Practice Transparent and Accountable Fiscal Management

**REVIEW BY OTHERS:**

This agenda item has been reviewed by the Administration and Finance departments.

**FISCAL IMPACT**

Refinancing the District’s 2010 and 2013 Revenue Bonds could save the District approximately $340,000 annually over the next 20 years. Issuance costs such as financial advisor, bond counsel, and rating agency fees will be approximately $145,000, to be paid out of bond proceeds.

---

Recommended by: John Mura

Respectfully submitted: Brian Tompkins

General Manager/CEO

Chief Financial Officer

**ATTACHMENTS:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Presentation</td>
<td>Presentation</td>
</tr>
</tbody>
</table>
EAST VALLEY WATER DISTRICT
BOARD MEETING
REFINANCING OPTIONS

Series 2010 Bonds
Series 2013A Bonds

March 11, 2020
Historically Low Interest Rate Environment Provides The District With The Opportunity To Generate Savings Through The Refinancing Of Its Existing Debt

EVWD Has The Following Debt Outstanding:
- Series 2010 Bonds
- Series 2013A Bonds
- DWR Loan Plant 134
MARKET CONDITIONS

As of February 21, 2020
MMD RATES ARE STILL LOW

Current "AAA" MMD and Percentage of Time Historical "AAA" MMD has been Lower than Current "AAA" MMD

from January 2, 1998 through February 21, 2020

Source: Thomson Municipal Market Monitor
Historic Change in 'AAA' MMD Yields
(January 3, 2017 through February 21, 2020)
HISTORIC US TREASURY YIELDS

Historic Change in UST Yields
(January 3, 2017 through February 21, 2020)

Source: U.S. Department of the Treasury
Net Inflows

Monthly Flow of Funds
Municipal Bond Mutual Funds

Note: Far right column is for the month of October 2019

Source: Investment Company Institute (Fund & Market Statistics)
SERIES 2010 BOND REFUNDING
Series 2010 Refunding Revenue Bonds

- Callable on any date on or after October 1, 2020
  - Certificates Can Be Refunded With Tax-exempt Debt Within 90 Days Of October 1, 2020
- Final maturity of 10/1/2040 and approximately $21.6 million currently outstanding

Series 2010 Bond Debt Service Profile

- 2010 Debt Payments allocated to Water
- 2010 Debt Payments allocated to Sewer
2010 Refunding Savings*

- Current Refunding Of Series 2010 With Tax-exempt Debt May Generate ~ $266,000 Level Annual Savings
  - Approximately $4.9 million total savings on a net present value basis (~22.6% of refunded bonds)
  - Exceeds net present value savings of the acceptable industry practice of 3.00%
- Assumes No Funding Of A Debt Service Reserve Fund
- Financing Statistics:
  - Average coupon of refunded bonds: 4.68%
  - Estimated True Interest Cost of 2020 Bonds: 2.16%

<table>
<thead>
<tr>
<th>Year Ended</th>
<th>Prior Debt Service</th>
<th>Refunding Debt Service</th>
<th>Savings</th>
<th>Present Value to 07/01/2020</th>
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<tbody>
<tr>
<td>06/30/2021</td>
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<td>2,309,813</td>
<td>267,050</td>
<td>265,883</td>
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<td>264,638</td>
<td>260,031</td>
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<td>226,765</td>
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<td>06/30/2034</td>
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<td>221,991</td>
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<td>06/30/2035</td>
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<td>218,490</td>
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<td>06/30/2036</td>
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<td>1,123,125</td>
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<td>215,867</td>
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<td>06/30/2037</td>
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<td>1,379,250</td>
<td>1,115,125</td>
<td>264,125</td>
<td>205,019</td>
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<td>Total</td>
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<td>26,971,288</td>
<td>5,477,794</td>
<td>4,649,015</td>
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</tbody>
</table>

Net Present Value Savings ($) $4,895,043

Net Present Value Savings (%) 22.63%

*Note: Preliminary, subject to change. Based on market conditions as of February 24, 2020 assuming “AA-” rating.
Authorize Staff And Financial/Legal Team To Proceed With A Tax-exempt Refunding Of The Outstanding Series 2010A Cops In The Public Market

– Prepare necessary legal and disclosure documents for Board consideration
SERIES 2013A BOND REFUNDING
SERIES 2013A BOND OVERVIEW

- **Series 2013A Revenue Bonds**
  - Callable on any date on or after April 1, 2023
    - Bonds can be refunded with tax-exempt debt within 90 days of April 1, 2023
    - Taxable debt must be used to refund the Bonds prior to January 2023
  - Final maturity of 10/1/2043 and approximately $12 million currently outstanding

![Series 2013A Bond Debt Service Profile](image.png)

- 2013A Debt Payments allocated to Water
- 2013A Debt Payments allocated to Sewer
2013A Refunding Savings*

- Current Refunding Of Series 2013A With Taxable Debt May Generate ~$102,000 Level Annual Savings
  - Approximately $1.7 million total savings on a net present value basis (~14.5% of refunded bonds)
- Assumes No Funding Of A Debt Service Reserve Fund
- Financing Statistics:
  - Average coupon of refunded bonds: 4.88%
  - Estimated True Interest Cost of 2020 Bonds: 3.02%

<table>
<thead>
<tr>
<th>Date</th>
<th>Prior Debt Service</th>
<th>Refunding Debt Service</th>
<th>Savings</th>
<th>Present Value to 07/01/2020</th>
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<td>06/30/2021</td>
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<td>482,692</td>
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<td>06/30/2022</td>
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<td>584,090</td>
<td>103,410</td>
<td>98,113</td>
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<td>06/30/2023</td>
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<td>585,515</td>
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<td>06/30/2024</td>
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<td>93,562</td>
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<td>06/30/2025</td>
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<td>583,060</td>
<td>102,565</td>
<td>88,960</td>
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<td>06/30/2026</td>
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<td>06/30/2027</td>
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<td>681,951</td>
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<td>84,556</td>
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<td>06/30/2028</td>
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<td>81,613</td>
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<td>78,688</td>
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<td>06/30/2030</td>
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<td>680,820</td>
<td>101,180</td>
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<td>06/30/2038</td>
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<td>06/30/2039</td>
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<td>06/30/2040</td>
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<td>22,741,263</td>
<td>20,271,762</td>
<td>2,469,501</td>
<td>1,752,364</td>
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</tbody>
</table>

Net Present Value Savings ($) $1,753,841
Net Present Value Savings (%) 14.51%

*Note: Preliminary, subject to change. Based on market conditions as of February 24, 2020 assuming “AA-” rating.
SENSITIVITY ANALYSIS


- If tax-exempt interest rates were to increase by approximately 0.99 basis points (0.99%), net present value savings would be at the levels seen for a taxable refunding in today's market

<table>
<thead>
<tr>
<th>Yield Adjustment</th>
<th>Percent Savings of Refunded Bonds</th>
<th>Net Present Value Savings</th>
<th>Taxable Refunding Savings</th>
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<td>0.00%</td>
<td>$0.0</td>
<td>$0.0</td>
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<td>0.50%</td>
<td>0.50%</td>
<td>$0.5</td>
<td>$0.5</td>
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<td>0.75%</td>
<td>0.75%</td>
<td>$1.0</td>
<td>$1.0</td>
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<td>0.99%</td>
<td>0.99%</td>
<td>$1.5</td>
<td>$1.5</td>
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<td>1.25%</td>
<td>1.25%</td>
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<td>2.00%</td>
<td>2.00%</td>
<td>$3.0</td>
<td>$3.0</td>
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</table>

2013A Bonds Sensitivity Analysis

- The diagram illustrates the net present value savings and taxable refunding savings at different yield adjustments. The percent savings of refunded bonds and true interest cost are also displayed.
AGGREGATE DEBT PROFILE*

*Note: Preliminary, subject to change.
RECOMMENDATION

- Authorize Staff and Financial/Legal Team To Proceed With A Taxable Refunding Of The Outstanding Series 2013 Bonds In The Public Market
  - Prepare necessary legal and disclosure documents for Board consideration
These materials include an assessment of current market conditions, and include assumptions about interest rates, execution costs, and other matters related to municipal securities issuance or municipal financial products. These assumptions may change at any time subsequent to the date these materials were provided. The refinancing and refunding scenarios presented herein are not intended to be inclusive of every feasible or suitable refinancing alternative.

Fieldman, Rolapp & Associates, Inc. is an SEC-registered Municipal Advisor, undertaking a fiduciary duty in providing financial advice to public agencies. Compensation contingent on the completion of a financing or project is customary for municipal financial advisors. To the extent that our compensation for a transaction is contingent on successful completion of the transaction, a potential conflict of interest exists as we would have a potential incentive to recommend the completion of a transaction that might not be optimal for the public agency. However, Fieldman, Rolapp & Associates, Inc. undertakes a fiduciary duty in advising public agencies regardless.
To: Governing Board Members  
From: General Manager/CEO  
Subject: Consider Transfer Agreement for the East Trunk Sewer Line  

RECOMMENDATION:  
Staff recommends the Board authorize the General Manager/CEO to execute the Transfer Agreement - East Trunk Sewer Line with the San Bernardino Municipal Water Department.

BACKGROUND / ANALYSIS:  
East Valley Water District (District), San Bernardino Valley Municipal Water District, San Bernardino Municipal Water Department (Water Department), and the City of San Bernardino entered into a settlement agreement regarding the Sterling Natural Resource Center in 2017. This agreement facilitated a renewed collaboration between the agencies, and outlined a series of actions to take place including the Extraterritorial Wastewater Treatment Exchange Agreement (Flow Swap). Both the District and Water Department will realize efficiencies and cost savings by not having to construct infrastructure to divert flows once the Sterling Natural Resource Center became operational. As part of the Flow Swap Agreement, certain portions of the East Trunk Sewer Line will transfer from the Water Department to the District.

The East Trunk Line currently conveys wastewater collected throughout the District’s service area to the Water Department’s treatment facility. Once the SNRC is operational, wastewater will flow to the state-of-the-art facility for treatment resulting in recycled water.

The District will be accepting the dedication of approximately 32,000 linear feet of the East Trunk Sewer Line and any easements relating to that pipeline. This acceptance is on an “As-Is with All Faults” basis.

Both organizations continue to maintain high degrees of communication to foster an exemplary partnership between neighboring agencies.

AGENCY GOALS AND OBJECTIVES:  
Goal and Objectives III - Deliver Public Service with Purpose While Embracing Continuous Growth  
b) Strive to Provide World Class Customer Relations
REVIEW BY OTHERS:
This agenda item has been reviewed by District legal counsel.

FISCAL IMPACT
There is no fiscal impact associated with this agenda item.

Recommended by: Respectfully submitted:
John Mura Kelly Malloy
General Manager/CEO Director of Strategic Services

ATTACHMENTS:
Description Type
Transfer Agreement- East Trunk Sewer Line Cover Memo
This Transfer Agreement (‘‘Agreement’’) is entered into and effective this ___ day of __________, 2020, by and among the City of San Bernardino through the San Bernardino Municipal Water Department (‘‘City’’) and East Valley Water District (‘‘East Valley’’). The City and East Valley are sometimes referred to herein as a ‘‘Party’’ and are collectively referred to herein as the ‘‘Parties.’’

WHEREAS, East Valley has undertaken the design and construction of a domestic wastewater treatment plant known as the Sterling Natural Resource Center (‘‘SNRC’’); and

WHEREAS, City had previously opposed the SNRC project by filing litigation and lodging objections with regulatory agencies; and

WHEREAS, on or about November 21, 2017, as a result of negotiations, the Parties entered into a global settlement agreement (‘‘Settlement Agreement’’) which resolves all disputes between the Parties concerning the SNRC and City’s comparable project the Clean Water Factory, which together comprise regional wastewater facilities, and calls for the dismissal of all litigation between the Parties; and

WHEREAS, on or about August 1, 2018, an Extraterritorial Wastewater Treatment Exchange Agreement (Flow Swap Agreement) between the City and East Valley was executed, allowing an exchange of wastewater flows between the Parties to realize efficiencies and cost savings by not having to construct infrastructure to divert flows for SNRC;

WHEREAS, the Settlement Agreement contemplates the conveyance of a portion of the East Trunk Sewer Line along with related appurtenances from City to East Valley to allow East Valley to collect and transport wastewater flows to the SNRC project and support the Flow Swap Agreement; and

WHEREAS, the estimated length of East Trunk Sewer Line to be conveyed by the City was originally approximately 20,800 linear feet;

WHEREAS, following the Settlement Agreement and as part of crafting and executing the Flow Swap Agreement, additional research between the Parties resulted in a revised length of approximately 32,000 linear feet of East Trunk Sewer Line to be conveyed by the City;

WHEREAS, pursuant to the Settlement Agreement and the Flow Swap Agreement, and as part of the consideration thereof, the Parties have agreed to enter into this Agreement.

NOW THEREFORE, The Parties hereto agree as follows:

1. DEFINITIONS.

a. ‘‘East Trunk Sewer Line’’ shall mean the approximately 32,000 linear foot portion of the sewer system located in the City of San Bernardino but within the service area of East Valley. The location of such sewer system is further identified in Exhibit A, which is attached hereto and incorporated herein by reference.
2. **TRANSFER OF SEWER LINES.** Subject to the terms, covenants and conditions set forth in this Agreement, the City hereby agrees to convey to East Valley, and East Valley agrees to accept from the City, via a quit claim deed executed concurrently with this Agreement, its interest to the East Trunk Sewer Line. The City shall convey the East Trunk Sewer Line to East Valley on an “As-Is with All Faults” basis. Such conveyance shall occur within thirty (30) days of the execution of this Agreement.

3. **ASSIGNMENT OF EASEMENTS.** City shall convey or assign any and all easements, licenses, or other real property interests that City owns and/or utilizes in conjunction with the ownership, operation, maintenance and repair of the East Trunk Sewer Line that the City is aware of or has record of. East Valley agrees to accept such easements, licenses and other real property interests subject to the any real property interests of third parties. Such conveyance shall occur within thirty (30) days of the execution of this Agreement. Upon discovery of any such documentation that the City is not aware of, conveyance shall occur within thirty (30) days of said discovery.

4. **WAIVER OF FEES.** East Valley and City agree to the waiver of any local government fees or costs in relation to each other regarding to the performance of this Agreement including but not limited to, connection fees, impact fees, or recording fees.

5. **LIABILITIES AND RESPONSIBILITIES OF THE PARTIES.** No Party hereto, together with its respective officers or employees, shall assume any liability for the acts, omissions or negligence of the other Party, its officers or employees in regard to the performance of this Agreement.

6. **AS-IS CONVEYANCE.** East Valley specifically acknowledges and agrees that the City is conveying and East Valley is accepting the property on an “As-Is with All Faults” basis subject to all applicable laws, rules and ordinances, including without limitation, any zoning ordinances, or other regulations governing the use, occupancy or possession of the East Trunk Sewer Line.

7. **WARRANTY.** The acquisition of this East Trunk Sewer Line shall be on an “As-Is with All Faults” basis. East Valley assumes all risks of ownership in the East Trunk Sewer Line.

8. **RESPONSIBILITIES AFTER TRANSFER.** Upon conveyance of the East Trunk Sewer Line, East Valley shall be responsible for all operation and maintenance costs associated with the East Trunk Sewer Line conveyed to East Valley.

9. **TIME IS OF THE ESSENCE.** Time is of the essence with respect to the performance of the Parties’ respective obligations contained herein.
10. **NOTICES.** Unless otherwise provided in this Agreement, any and all notices required or permitted under this Agreement or the Promissory Note shall be in writing and given by mail, facsimile, or in person to the Parties at the address set forth below:

City:
City of San Bernardino  
Municipal Water Department  
Attn: Miguel Guerrero  
397 Chandler Place  
San Bernardino, CA 92408

East Valley:
East Valley Water District  
Attn: John Mura  
31111 Greenspot Rd.  
Highland, CA 92346

11. **MODIFICATION.** This Agreement may only be modified or terminated in writing by the mutual agreement of the Parties.

12. **INDEMNIFICATION.** Each Party hereto agrees to protect, indemnify, defend and hold harmless the other Party and its directors, officers, employees, agents, successors and assigns from and against any and all actual or potential claims, liabilities, damages, losses, fines, penalties, judgments, awards, costs and expenses (including without limitation reasonable attorneys’ fees and costs and all foreseeable, unforeseeable and consequential damages) asserted against, resulting to, imposed upon or incurred by said other Party by reason of the first Party’s breach of any provision of this Agreement. This indemnification shall survive the termination of this Agreement.

13. **DEFAULT AND REMEDIES.** In the event that either Party fails to perform such Party’s obligations hereunder (except as excused by the other Party’s default), the Party claiming default will make written demand for performance. If either Party fails to comply with such written demand within ten (10) days after receipt thereof, the Party claiming default will have the option to waive such default, to seek specific performance or to terminate this Agreement.

On any termination provided for in this Section, the Parties will be discharged from any further obligations and liabilities under this Agreement, except as otherwise expressly provided in this Agreement.

14. **ATTORNEY’S FEES.** In the event of default by any part to this Agreement, the prevailing Party in any action to enforce to terms of this Agreement shall be entitled to recover, from the defaulting Party, all costs and expenses, including reasonable attorney’s fees, whether
suit be instituted or not, and at the trial court and appellate court level, those reasonable costs and fees incurred by the prevailing Party enforcing its rights hereunder.

15. **SUCCESSORS AND ASSIGNS.** This Agreement shall be binding upon, and inure to the benefit of, the Parties hereto and their respective successors, heirs, legal representatives, administrators and assigns. No Party shall assign any rights or obligations under this Agreement without the prior written consent of the other Party.

16. **NO MERGER.** The obligations contained herein shall not merge with the transfer of the title of the East Trunk Sewer Line.

17. **COUNTERPARTS.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

18. **GOVERNING LAW.** This Agreement and the rights of the Parties under it will be governed by and construed in all respects in accordance with the laws of the State of California. Venue shall be San Bernardino County, California.

[SIGNATURES ON THE NEXT PAGE]
SIGNATURE PAGE TO TRANSFER AGREEMENT BY AND AMONG THE CITY OF SAN BERNARDINO MUNICIPAL WATER DEPARTMENT AND EAST VALLEY WATER DISTRICT

IN WITNESS WHEREOF, the Parties hereto have executed this Transfer Agreement on the date as indicated beside each Party’s signature.

CITY OF SAN BERNARDINO
MUNICIPAL WATER DEPARTMENT

By: ________________________________   Dated:  ____________
Miguel Guerrero, General Manager
City of San Bernardino
Municipal Water Department

EAST VALLEY WATER DISTRICT

By: ________________________________   Dated:  ____________
John Mura, General Manager
East Valley Water District
EXHIBIT A
EAST TRUNK SEWER LINE MAPS AND DESCRIPTIONS
Reach No. 1 of the East Trunk Sewer Main on 6th Street between Manhole #0670079 and Manhole #0680027: Manhole #0670079, located at the intersection of 6th St and Waterman Ave, approximately 27 feet east of the drive way on the west side curb line, is the downstream tie-in point of the East Trunk Sewer Mains. SBMWD sewer flows entering Manhole #0670079 from the north. EVWD sewer flows entering Manhole #0670079 from the east. The combined flows exit to the south. From Manhole #0670079; travel east on 6th St towards Pedley Rd; encompassing Manhole #0670107, #0670106, #0670105, #0670104, #0670103, #0670102, #0670100, #0670101, #0670120, #0680035, #0680034, and #0680033; then continue easterly to the intersection of 6th St and Pedley Rd and ending at Manhole #0680027, located approximately 8 feet north of the 6th St north side curb line at the intersection of 6th St and Pedley Rd. Reach No. 1 contains approximately 3,760 feet of Vitrified Clay Pipe ranging in size from 27-inch and 33-inch, one inverted siphon, and fourteen manholes. Manhole #0670079 is owned by SBMWD. Because an EVWD sewer line ties into this manhole, using Pipe ID #06701070670079, SBMWD shall also be responsible for the EVWD sewer line connection to the manhole and any maintenance, repair, or replacement of the EVWD sewer line for a distance up to five feet from the manhole wall. Please refer to map ETSM-01.
6th Street Siphon

downstream tie-in point

EVWD Manhole
S.B. Manhole
EVWD Sewer Mains
EVWD Trunk
SBMWD Trunk
SBMWD Gravity Main
Inverted Siphon

East Trunk Sewer Main Reach 01

*SBMWD will take ownership of EVWD's sewer pipe for up to 5' in distance from the SBMWD manhole wall.
Reach No. 2 of the East Trunk Sewer Main on Pedley Road and 9th Street between Manhole #0680027 and Manhole #0680032: Starting at Manhole #0680027, travel northerly on Pedley Rd to 9th St, encompassing Manhole #0680026, #0680025, #0680028, #0680029, and #0680037. Turn east onto 9th St and continue to the intersection of 9th St and Tippecanoe Ave, encompassing Manhole #0680038, #0680039, #0680014, #0680031, and #0680030. Manhole #0680032 is located in the north side crosswalk approximately 19 feet west of the NE corner of 9th St and Tippecanoe Ave. Reach No. 2 contains approximately 3,705 feet of Vitrified Clay Pipe ranging in size from 27-inch and 30-inch and twelve manholes. Please refer to map ETSM-02.
Reach No. 3 of the East Trunk Sewer Main on Tippecanoe Ave, Conejo Dr and Baseline Rd between Manhole #0680032, Manhole #0580067 and Manhole #0580055: Starting at Manhole #0680032, travel northerly on Tippecanoe Ave, encompassing Manhole #0680040, #0680041, #0680042, #0680043, #0680044, #0680045, and #0680046. At this point the East Trunk Sewer Main turns east and runs below private property to Conejo Dr, and continues north on Conejo Dr to Baseline St encompassing Manhole #0680047, #0580052, and #0580068. Manhole #0580067 is located on the approximate centerline of Baseline St approximately 46 feet north and approximately 15 feet west of the SE corner of Conejo Dr and Baseline St. EVWD sewer flows entering Manhole #0580067 from the east and west. SBMWD sewer flows entering Manhole #0580067 from the east. The combined flows exit to the south. From Manhole #0580067, continue easterly on Baseline St to the intersection of Baseline St and Dwight Way, encompassing Manhole #0580066, #0580065, and #0580064. Manhole #0580055 is located in the approximate center of Baseline St, approximately 37 feet south and approximately 17 feet west of the east side corner of Dwight Way and Baseline St. Reach No. 3 contains approximately 3,768 feet of Vitrified Clay Pipe ranging in sizes between 14-inch, 21-inch and 24-inch, two inverted siphons, and sixteen manholes. Manhole #0580067 is owned by EVWD. Because a SBMWD sewer line ties into this manhole, EVWD shall also be responsible for the SBMWD sewer line connection to the manhole and any maintenance, repair, or replacement of the SBMWD sewer line for a distance up to five feet from the manhole wall. Please see map ETSM-03.
*EVWD will take ownership of SBMWD's sewer pipe for up to 5' in distance from the EVWD manhole wall.
Reach No. 4 of the East Trunk Sewer Main on Dwight Way and Pacific St between Manhole #0580055, Manhole #0580061 and Manhole #0590005: From Manhole #0580055, travel north on Dwight Way to the intersection of Dwight Way and Pacific St, encompassing Manhole #0580054, #0580053, #0580056, #0580058, #0580057, #0580059, and #0580060. From the intersection of Dwight Way and Pacific St, continue easterly on Dwight Way to the intersection of Dwight Way and Del Rosa Dr, encompassing Manhole #0580061, #0580062, #0580063, #0590004 and #0590005. Manhole #0590005 is located approximately 44 feet north and approximately 25 feet west of the SE corner of Pacific St and Del Rosa Dr. Reach No. 4 contains approximately 3,747 feet of Vitrified Clay Pipe ranging in sizes from 15-inch and 18-inch, and thirteen manholes. Please see map ETSM-04.
Reach No. 5 of the East Trunk Sewer Main on Del Rosa Dr and Del Rosa Ave between Manhole #0590005 and Manhole #0590001: Starting at Manhole #0590005, travel northerly on Del Rosa Dr to the intersection of Del Rosa Ave and Highland Ave, encompassing Manhole #0590006, #0590007, #0590008, #0590009, #0590010, #0590012, #0590013, #0590003, and #0590001. Manhole #0590001 is located in the intersection of Del Rosa Ave and Highland Ave approximately 11 feet north and approximately 28 feet east of the SW corner of Del Rosa Ave and Highland Ave. Reach No. 5 contains approximately 2,599 feet of 15-inch Vitrified Clay Pipe, and ten manholes. Please see map ETSM-05.
Reach No. 6 of the East Trunk Sewer Main on Del Rosa Ave, between Manhole #0590001 and Manhole #0490032: Starting at Manhole #0590001, travel northerly on Del Rosa Ave to Lynwood Dr, encompassing Manhole #0490014, #0490023, #0490021, #0490022, #0490025, #0490026, #0490027, #0490028, #0490013, #0490012, #0490010, #0490009, #0490008, #0490029, #0490029, #0490030, #0490031, and #0490032. Manhole #0490032 is located at the intersection of Lynwood Dr and Del Rosa Ave. SBMWD sewer flows entering Manhole #0490032 from the north. EVWD sewer flows entering Manhole #0490032 from the west. The combined flows exit to the east. Reach No. 6 contains approximately 3,713 feet of 15-inch Vitrified Clay Pipe, approximately 325 feet of 15-inch Reinforced Concrete Pipe, and eighteen manholes. Manhole #0490032 is owned by EVWD. Because a SBMWD sewer line ties into this manhole, EVWD shall also be responsible for the SBMWD sewer line connection to the manhole and any maintenance, repair, or replacement of the SBMWD sewer line for a distance up to five feet from the manhole wall. Please see map ETSM-06.
EVWD will take ownership of SBMWD's sewer pipe for up to 5' in distance from the EVWD manhole wall.
Reach No. 7 of the East Trunk Sewer Main on Lynwood Dr and Mountain Ave between Manhole #0490032, Manhole #0480139 and Manhole #0480143: Starting at the intersection of Del Rosa Ave and Lynwood Dr, at Manhole #0490032, travel westerly to the intersection of Lynwood Dr and Mountain Ave; encompassing Manhole #0490007, #0490006, #0480145, #0480144, #0480146, and #0480139. Manhole #0490007 is located at the intersection of Lynwood Dr and Mary Ann Lane. SBMWD sewer flows entering Manhole #0490007 from the north. EVWD sewer flows entering Manhole #0490007 from the west. The combined flows exit to the east. Manhole #0480145 is located at the intersection of Lynwood Dr and Hidalgo Dr. SBMWD sewer flows entering Manhole #0480145 from the north. EVWD sewer flows entering Manhole #0480145 from the west. The combined flows exit to the east. From Manhole #0480145, continue westerly on Lynwood Dr to the intersection of Lynwood Dr and Mountain Ave. Turn north onto Mountain Ave, and continue northerly to the intersection of Mountain Ave and Marshall Blvd, encompassing Manhole #0480139, #0480137, #0480138, and #0480140. Manhole #0480143 is located at the intersection of Mountain Ave and Marshall Blvd. Reach No. 7 contains approximately 2,314 feet of Vitrified Clay Pipe, ranging in sizes between 10-inch, 12-inch and 15-inch, and eleven manholes. Manhole #0490032, Manhole #0490007, and Manhole #0480145 are owned by EVWD. Because a SBMWD sewer line ties into these manholes, EVWD shall also be responsible for the SBMWD sewer line connections to the manholes and any maintenance, repair, or replacement of the SBMWD sewer lines for a distance up to five feet from the manhole walls. Please see map ETSM-07.
*EVWD will take ownership of SBMWD's sewer pipe for up to 5' in distance from the EVWD manhole wall.

**Typical Detail**
Reach No. 8 of the East Trunk Sewer Main on Mountain Ave between Manhole #0480143 and Manhole #0380139: Starting at Manhole #0480143, travel north approximately 3,600 feet on Mountain Ave to Manhole #0380139, located at the intersection of Mountain Ave and Yucca Dr, encompassing Manhole #0480142, #0480141, #0480136, #0480134, #0480135, #0380044, #0380141, #0380140, #0380138, and #0380137. Manhole #0480143 is located at the intersection of Mountain Ave and Marshall Blvd. SBMWD sewer flows entering Manhole #0480143 from the east. EVWD sewer flows entering Manhole #0480143 from the north. The combined flows exit to the south. Manhole #0480134, is located at the intersection of Mountain Ave and Eureka St. SBMWD sewer flows entering Manhole #0480134 from the east. EVWD sewer flows entering Manhole #0480134 from the north. The combined flows exit to the south. Manhole #0380141 is located at the intersection of Mountain Ave and Alto Dr. SBMWD sewer flows entering Manhole #0380141 from the east. EVWD sewer flows entering Manhole #0380141 from the north. The combined flows exit to the south. Manhole #0380139 is located approximately 35 feet west and 14 feet south of the NE corner of Mountain Ave and Yucca Dr. Manhole #0380139 is the upstream east tie-in point of the East Trunk Sewer Mains. SBMWD sewer flows entering Manhole #0380139 from the north using Pipe ID #03800180380139 and from the east using Pipe ID #03800190380139. The combined flows exit to the south. Reach No. 8 contains approximately 3,600 feet of Vitrified Clay Pipe, ranging in sizes from 8-inch and 10-inch, and twelve manholes. Manhole #0480143, Manhole #0480134, Manhole #0380141 and Manhole #0380139 are owned by EVWD. Because at least one SBMWD sewer line ties into these manholes, EVWD shall also be responsible for any SBMWD sewer line connections to the manholes and any maintenance, repair, or replacement of the SBMWD sewer lines for a distance up to five feet from the manhole walls. Please see map ETSM-08.
*EVWD will take ownership of SBMWD's sewer pipe for up to 5' in distance from the EVWD manhole wall.
Reach No. 9 of the East Trunk Sewer Main on Lynwood Dr, Harrison St, and 35th St, between Manhole #0480139, Manhole #0480082 and Manhole #0380106: Starting at the intersection of Lynwood Dr and Mountain Ave, at Manhole #0480139, travel westerly to the intersection of Lynwood Dr and Harrison St, encompassing Manhole #0480160, #0480161, #0480109, #0480107, #0480108, #0480110, #0480084, and #0480082. Manhole #0480082 is located in the intersection of Lynwood Dr and Harrison St. SBMWD sewer flows entering Manhole #0480082 from the south and west. EVWD sewer flows entering Manhole #0480082 from the north. The combined flows exit to the east. From the intersection of Lynwood Dr and Harrison St, turn north onto Harrison St and continue northerly to the intersection of Harrison St and 35th St, encompassing Manhole #0480083, #0480111, #0480112, #0480113, #0480114, #0480115 and #0380042. Turn east onto 35th St and continue easterly to the intersection of 35th St and Del Rey Dr. Manhole #0380106, located approximately 25 feet south and 21 feet east of the west side corner of 35th St and Del Rey Dr, is the upstream west tie-in point of the East Trunk Sewer Mains. SBMWD sewer flows entering Manhole #0380106 from the north using Pipe ID #03800510380106 and from the east using Pipe ID #03800520380106. The combined EVWD and SBMWD flows exit to the west. Reach No. 9 contains approximately 5,275 feet of Vitrified Clay Pipe ranging in sizes between 8-inch and 12-inch, and seventeen manholes. Manhole #0480082 and Manhole #0380106 are owned by EVWD. Because two SBMWD sewer lines tie into these manholes, EVWD shall also be responsible for the SBMWD sewer line connections to the manholes and any maintenance, repair, or replacement of the SBMWD sewer lines for a distance up to five feet from the manhole walls. Please see map ETSM-09.
*EVWD will take ownership of SBMWD’s sewer pipe for up to 5’ in distance from the EVWD manhole wall.

East Trunk Sewer Main Reach 09
QUIT CLAIM DEED

PROJECT: EAST TRUNK SEWER LINE TRANSFER

PORTIONS OF APN NO: 0278-072-57, 0278-073-49, 0278-071-11

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the CITY OF SAN BERNARDINO through the SAN BERNARDINO MUNICIPAL WATER DEPARTMENT, herein called ("Grantor"), hereby GRANTS to EAST VALLEY WATER DISTRICT ("Grantee"), all of its right, title, and interest in the East Trunk Sewer Line, described in Exhibit “A” attached hereto and incorporated herein, which are located on or under the real property in the County of San Bernardino, State of California, described in Exhibit “B” and attached hereto and incorporated herein:

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of the ______ day of March, 2020.

CITY OF SAN BERNARDINO
MUNICIPAL WATER DEPARTMENT

______________________________
Miguel Guerrero, General Manager
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF _______________________

On ______________________ before me, __________________________________________
(insert name and title of the officer)

personally appeared ____________________________________________________________,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature_____________________________ (Seal)
CERTIFICATE OF ACCEPTANCE

This is to certify that the real property conveyed by the CITY OF SAN BERNARDINO, a public agency, through the SAN BERNARDINO MUNICIPAL WATER DEPARTMENT by the Quit Claim Deed dated March ___, 2020, to the EAST VALLEY WATER DISTRICT (“Grantee”), a public agency, is hereby accepted by the undersigned officer on behalf of the Grantee.

Dated: 

GRANTEE:

EAST VALLEY WATER DISTRICT

By: ________________________________

John Mura, General Manager
EXHIBIT “A”

EAST TRUNK SEWER LINE DESCRIPTION AND MAP
Reach No. 1 of the East Trunk Sewer Main on 6th Street between Manhole #0670079 and Manhole #0680027: Manhole #0670079, located at the intersection of 6th St and Waterman Ave, approximately 27 feet east of the drive way on the west side curb line, is the downstream tie-in point of the East Trunk Sewer Mains. SBMWD sewer flows entering Manhole #0670079 from the north. EVWD sewer flows entering Manhole #0670079 from the east. The combined flows exit to the south. From Manhole #0670079; travel east on 6th St towards Pedley Rd; encompassing Manhole #0670107, #0670106, #0670105, #0670104, #0670103, #0670102, #0670100, #0670101, #0670120, #0680035, #0680034, and #0680033; then continue easterly to the intersection of 6th St and Pedley Rd and ending at Manhole #0680027, located approximately 8 feet north of the 6th St north side curb line at the intersection of 6th St and Pedley Rd. Reach No. 1 contains approximately 3,760 feet of Vitrified Clay Pipe ranging in size from 27-inch and 33-inch, one inverted siphon, and fourteen manholes. Manhole #0670079 is owned by SBMWD. Because an EVWD sewer line ties into this manhole, using Pipe ID #06701070670079, SBMWD shall also be responsible for the EVWD sewer line connection to the manhole and any maintenance, repair, or replacement of the EVWD sewer line for a distance up to five feet from the manhole wall. Please refer to map ETSM-01.
*SBMWD will take ownership of EVWD's sewer pipe for up to 5' in distance from the SBMWD manhole wall.
Reach No. 2 of the East Trunk Sewer Main on Pedley Road and 9th Street between Manhole #0680027 and Manhole #0680032: Starting at Manhole #0680027, travel northerly on Pedley Rd to 9th St, encompassing Manhole #0680026, #0680025, #0680028, #0680029, and #0680037. Turn east onto 9th St and continue to the intersection of 9th St and Tippecanoe Ave, encompassing Manhole #0680038, #0680039, #0680014, #0680031, and #0680030. Manhole #0680032 is located in the north side crosswalk approximately 19 feet west of the NE corner of 9th St and Tippecanoe Ave. Reach No. 2 contains approximately 3,705 feet of Vitrified Clay Pipe ranging in size from 27-inch and 30-inch and twelve manholes. Please refer to map ETSM-02.
Reach No. 3 of the East Trunk Sewer Main on Tippecanoe Ave, Conejo Dr and Baseline Rd between Manhole #0680032, Manhole #0580067 and Manhole #0580055: Starting at Manhole #0680032, travel northerly on Tippecanoe Ave, encompassing Manhole #0680040, #0680041, #0680042, #0680043, #0680044, #0680045, and #0680046. At this point the East Trunk Sewer Main turns east and runs below private property to Conejo Dr, and continues north on Conejo Dr to Baseline St encompassing Manhole #0680047, #0580052, and #0580068. Manhole #0580067 is located on the approximate centerline of Baseline St approximately 46 feet north and approximately 15 feet west of the SE corner of Conejo Dr and Baseline St. EVWD sewer flows entering Manhole #0580067 from the east and west. SBMWD sewer flows entering Manhole #0580067 from the east. The combined flows exit to the south. From Manhole #0580067, continue easterly on Baseline St to the intersection of Baseline St and Dwight Way, encompassing Manhole #0580066, #0580065, and #0580064. Manhole #0580055 is located in the approximate center of Baseline St, approximately 37 feet south and approximately 17 feet west of the east side corner of Dwight Way and Baseline St. Reach No. 3 contains approximately 3,768 feet of Vitrified Clay Pipe ranging in sizes between 14-inch, 21-inch and 24-inch, two inverted siphons, and sixteen manholes. Manhole #0580067 is owned by EVWD. Because a SBMWD sewer line ties into this manhole, EVWD shall also be responsible for the SBMWD sewer line connection to the manhole and any maintenance, repair, or replacement of the SBMWD sewer line for a distance up to five feet from the manhole wall. Please see map ETSM-03.
*EVWD will take ownership of SBMWD's sewer pipe for up to 5' in distance from the EVWD manhole wall.

East Trunk Sewer Main Reach 03
Reach No. 4 of the East Trunk Sewer Main on Dwight Way and Pacific St between Manhole #0580055, Manhole #0580061 and Manhole #0590005: From Manhole #0580055, travel north on Dwight Way to the intersection of Dwight Way and Pacific St, encompassing Manhole #0580054, #0580053, #0580056, #0580058, #0580057, #0580059, and #0580060. From the intersection of Dwight Way and Pacific St, continue easterly on Dwight Way to the intersection of Dwight Way and Del Rosa Dr, encompassing Manhole #0580061, #0580062, #0580063, #0590004 and #0590005. Manhole #0590005 is located approximately 44 feet north and approximately 25 feet west of the SE corner of Pacific St and Del Rosa Dr. Reach No. 4 contains approximately 3,747 feet of Vitrified Clay Pipe ranging in sizes from 15-inch and 18-inch, and thirteen manholes. Please see map ETSM-04.
East Trunk Sewer Main Reach 04
Reach No. 5 of the East Trunk Sewer Main on Del Rosa Dr and Del Rosa Ave between Manhole #0590005 and Manhole #0590001: Starting at Manhole #0590005, travel northerly on Del Rosa Dr to the intersection of Del Rosa Ave and Highland Ave, encompassing Manhole #0590006, #0590007, #0590008, #0590009, #0590010, #0590012, #0590013, #0590003, and #0590001. Manhole #0590001 is located in the intersection of Del Rosa Ave and Highland Ave approximately 11 feet north and approximately 28 feet east of the SW corner of Del Rosa Ave and Highland Ave. Reach No. 5 contains approximately 2,599 feet of 15-inch Vitrified Clay Pipe, and ten manholes. Please see map ETSM-05.
Reach No. 6 of the East Trunk Sewer Main on Del Rosa Ave, between Manhole #0590001 and Manhole #0490032: Starting at Manhole #0590001, travel northerly on Del Rosa Ave to Lynwood Dr, encompassing Manhole #0490014, #0490023, #0490021, #0490022, #0490025, #0490026, #0490027, #0490028, #0490013, #0490012, #0490010, #0490009, #0490008, #0490029, #0490029, #0490030, #0490031, and #0490032. Manhole #0490032 is located at the intersection of Lynwood Dr and Del Rosa Ave. SBMWD sewer flows entering Manhole #0490032 from the north. EVWD sewer flows entering Manhole #0490032 from the west. The combined flows exit to the east. Reach No. 6 contains approximately 3,713 feet of 15-inch Vitrified Clay Pipe, approximately 325 feet of 15-inch Reinforced Concrete Pipe, and eighteen manholes. Manhole #0490032 is owned by EVWD. Because a SBMWD sewer line ties into this manhole, EVWD shall also be responsible for the SBMWD sewer line connection to the manhole and any maintenance, repair, or replacement of the SBMWD sewer line for a distance up to five feet from the manhole wall. Please see map ETSM-06.
"EVWD will take ownership of SBMWD's sewer pipe for up to 5' in distance from the EVWD manhole wall.

East Trunk Sewer Main Reach 06
Reach No. 7 of the East Trunk Sewer Main on Lynwood Dr and Mountain Ave between Manhole #0490032, Manhole #0480139 and Manhole #0480143: Starting at the intersection of Del Rosa Ave and Lynwood Dr, at Manhole #0490032, travel westerly to the intersection of Lynwood Dr and Mountain Ave; encompassing Manhole #0490007, #0490006, #0480145, #0480144, #0480146, and #0480139. Manhole #0490007 is located at the intersection of Lynwood Dr and Mary Ann Lane. SBMWD sewer flows entering Manhole #0490007 from the north. EVWD sewer flows entering Manhole #0490007 from the west. The combined flows exit to the east. Manhole #0480145 is located at the intersection of Lynwood Dr and Hidalgo Dr. SBMWD sewer flows entering Manhole #0480145 from the north. EVWD sewer flows entering Manhole #0480145 from the west. The combined flows exit to the east. From Manhole #0480145, continue westerly on Lynwood Dr to the intersection of Lynwood Dr and Mountain Ave. Turn north onto Mountain Ave, and continue northerly to the intersection of Mountain Ave and Marshall Blvd, encompassing Manhole #0480139, #0480137, #0480138, and #0480140. Manhole #0480143 is located at the intersection of Mountain Ave and Marshall Blvd. Reach No. 7 contains approximately 2,314 feet of Vitrified Clay Pipe, ranging in sizes between 10-inch, 12-inch and 15-inch, and eleven manholes. Manhole #0490032, Manhole #0490007, and Manhole #0480145 are owned by EVWD. Because a SBMWD sewer line ties into these manholes, EVWD shall also be responsible for the SBMWD sewer line connections to the manholes and any maintenance, repair, or replacement of the SBMWD sewer lines for a distance up to five feet from the manhole walls. Please see map ETSM-07.
*EVWD will take ownership of SBMWD's sewer pipe for up to 5' in distance from the EVWD manhole wall.*
Reach No. 8 of the East Trunk Sewer Main on Mountain Ave between Manhole #0480143 and Manhole #0380139: Starting at Manhole #0480143, travel north approximately 3,600 feet on Mountain Ave to Manhole #0380139, located at the intersection of Mountain Ave and Yucca Dr, encompassing Manhole #0480142, #0480141, #0480136, #0480134, #0480135, #0380044, #0380141, #0380140, #0380138, and #0380137. Manhole #0480143 is located at the intersection of Mountain Ave and Marshall Blvd. SBMWD sewer flows entering Manhole #0480143 from the east. EVWD sewer flows entering Manhole #0480143 from the north. The combined flows exit to the south. Manhole #0480134, is located at the intersection of Mountain Ave and Eureka St. SBMWD sewer flows entering Manhole #0480134 from the east. EVWD sewer flows entering Manhole #0480134 from the north. The combined flows exit to the south. Manhole #0380141 is located at the intersection of Mountain Ave and Alto Dr. SBMWD sewer flows entering Manhole #0380141 from the east. EVWD sewer flows entering Manhole #0380141 from the north. The combined flows exit to the south. Manhole #0380139 is located approximately 35 feet west and 14 feet south of the NE corner of Mountain Ave and Yucca Dr. Manhole #0380139 is the upstream east tie-in point of the East Trunk Sewer Mains. SBMWD sewer flows entering Manhole #0380139 from the north using Pipe ID #03800180380139 and from the east using Pipe ID #03800190380139. The combined flows exit to the south. Reach No. 8 contains approximately 3,600 feet of Vitrified Clay Pipe, ranging in sizes from 8-inch and 10-inch, and twelve manholes. Manhole #0480143, Manhole #0480134, Manhole #0380141 and Manhole #0380139 are owned by EVWD. Because at least one SBMWD sewer line ties into these manholes, EVWD shall also be responsible for any SBMWD sewer line connections to the manholes and any maintenance, repair, or replacement of the SBMWD sewer lines for a distance up to five feet from the manhole walls. Please see map ETSM-08.
"EVWD will take ownership of SBMWD's sewer pipe for up to 5' in distance from the EVWD manhole wall."
Reach No. 9 of the East Trunk Sewer Main on Lynwood Dr, Harrison St, and 35th St, between Manhole #0480139, Manhole #0480082 and Manhole #0380106: Starting at the intersection of Lynwood Dr and Mountain Ave, at Manhole #0480139, travel westerly to the intersection of Lynwood Dr and Harrison St, encompassing Manhole #0480160, #0480161, #0480109, #0480107, #0480108, #0480110, #0480084, and #0480082. Manhole #0480082 is located in the intersection of Lynwood Dr and Harrison St. SBMWD sewer flows entering Manhole #0480082 from the south and west. EVWD sewer flows entering Manhole #0480082 from the north. The combined flows exit to the east. From the intersection of Lynwood Dr and Harrison St, turn north onto Harrison St and continue northerly to the intersection of Harrison St and 35th St, encompassing Manhole #0480083, #0480111, #0480112, #0480113, #0480114, #0480115 and #0380042. Turn east onto 35th St and continue easterly to the intersection of 35th St and Del Rey Dr. Manhole #0380106, located approximately 25 feet south and 21 feet east of the west side corner of 35th St and Del Rey Dr, is the upstream west tie-in point of the East Trunk Sewer Mains. SBMWD sewer flows entering Manhole #0380106 from the north using Pipe ID #03800510380106 and from the east using Pipe ID #03800520380106. The combined EVWD and SBMWD flows exit to the west. Reach No. 9 contains approximately 5,275 feet of Vitrified Clay Pipe ranging in sizes between 8-inch and 12-inch, and seventeen manholes. Manhole #0480082 and Manhole #0380106 are owned by EVWD. Because two SBMWD sewer lines tie into these manholes, EVWD shall also be responsible for the SBMWD sewer line connections to the manholes and any maintenance, repair, or replacement of the SBMWD sewer lines for a distance up to five feet from the manhole walls. Please see map ETSM-09.
*EVWD will take ownership of SBMWD's sewer pipe for up to 5' in distance from the EVWD manhole wall.
EXHIBIT “B”
PROPERTIES TRAVERSED BY EAST TRUNK SEWER LINE

The East Trunk Sewer Line is located on or under certain real property located in the County of San Bernardino, State of California, described in the following attached easement documents.
CITY OF SAN BERNARDINO
INTER-DEPARTMENTAL CORRESPONDENCE

Date: June 27, 1958

To: Ronald E. Wolford,
City Engineer

Re: Easement for Sewerage Purposes

I am attaching hereto, easement from Dorothy D. Davis for sewerage purposes, as accepted by the Mayor and Council's Resolution No. 4838.

This document is being submitted for your files, and for the necessary recording.

C. C. WOOD
Administrative Officer

CCW: sp
attach.

cc: Currie Engineering Co.

Easement sent to Jack Fulton for recording, 8/6/58.
RESOLVED, by the Mayor and Common Council of the City of San Bernardino, that certain easement dated the 16th day of June, 1958, executed by DOROTHY B. DAVIS.

Location: South of Base Line and west of Conejo Drive in favor of the City of San Bernardino, be and the same is hereby accepted on behalf of said City, and that the real property described therein be and the same is hereby dedicated to sewerage purposes.

BE IT FURTHER RESOLVED, that a copy of this resolution be attached to said instrument, and that the same be recorded in the office of the County Recorder of San Bernardino County.

I HEREBY CERTIFY THAT the foregoing resolution was adopted by the Mayor and Common Council of the City of San Bernardino at a regular meeting thereof held on the 23rd day of June, 1958, by the following vote thereon:

AYES: Condon, Bolt, Short, Howard, Peveto
ABSENT: Councilman, Jones

JACK T. FELTON
City Clerk

The foregoing resolution is hereby approved this 23rd day of June, 1958.

William P. Hether, Mayor of the City of San Bernardino, Pro Tempore

State of California
County of San Bernardino
City of San Bernardino

I do hereby certify that the foregoing resolution No. 1838 was read and recorded copy of said resolution in this office.

Jack C. Felton
City Clerk
DOROTHY B. DAVIS

(Grantee)  

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

DOROTHY B. DAVIS

DEED Hereby Grant to the CITY OF SAN BERNARDINO, a Municipal Corporation, an easement for sewerage purposes in, over and across the real property in the County of San Bernardino, State of California, described as follows:
The Northerly 10 feet of Lot 11, Tract No. 3220, according to the plat thereof as recorded in the Recorder's Office in Book 43 of Maps, at page 40, records of San Bernardino County.
The easement herein granted shall include the right to construct, reconstruct, inspect, maintain and repair the sanitary sewer main and appurtenant facilities.
The easement herein granted shall also include the right to use, during the construction period, such areas adjacent to the easement as may be reasonably necessary for performing the work and for access to the work during construction.

Dated: June 16, 1958
Signed in the presence of:

Dorothy B. Davis

ACKNOWLEDGEMENT OF GRANTOR:

STATE OF CALIFORNIA
SS.
COUNTY OF

On before me a Notary Public in and for said County and State, personally appeared

known to me to be the person whose name subscribed to the within instrument and acknowledged that executed the same.

WITNESS my hand and official seal.

(SEAL)
Notary Public in and for said County and State
My Commission expires

This is to certify that the interest in real property conveyed by the within instrument to the City of San Bernardino, California, a municipal corporation, is hereby accepted by order of the City Council, and the grantee consents to the recordation thereof by its duly authorized officer.

Dated: June 25, 1958

CITY OF SAN BERNARDINO

SEAL

By: Jack E. Martin

City Clerk

ACKNOWLEDGEMENT OF SUBSCRIBING WITNESS:

STATE OF CALIFORNIA
SS.
COUNTY OF
San Bernardino
On this 16th day of June 1958 before me, Mamie R. Brown
a Notary Public in and for said County and State, personally appeared

known to me to be the person whose name is subscribed to the within instrument as a witness thereto, who, being by me duly sworn, deposed and stated that: he witnessed the signature of Dorothy B. Davis whose name is subscribed to said instrument, known to him to be the person... described in it, and that such person... executed it, and that said witness subscribed his name thereto as a witness.

WITNESS my hand and official seal.

(SEAL)
Notary Public in and for said County and State
My Commission expires

When recorded return to the City Clerk,
CITY Hall, San Bernardino, California.

Space below for Recorder's use only:

RECORDED
REQUEST OF

GRANTEE

By: Hagel Martin, Dep.

PHOTOSTATED
To: Ronald E. Wolford  
City Engineer

Re: Recorded Document - Easement - Meyer

Enclosed is the following recorded document:

Easement - Executed by Ernest J. Meyer and Blanche B. Meyer.

JACK T. FELTON  
City Clerk

By [Signature]  
Chief Deputy City Clerk

JTF:marc

Enclosure: 1

I hereby acknowledge receipt of the above recorded document from the office of the City Clerk.

Date: [Signature]

Signed: Oct. 3, 1956
FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Do... Hereby Grant to the CITY OF SAN BERNARDINO, a Municipal Corporation, a sanitation sewer easement in, over, under and across the real property in the CITY OF SAN BERNARDINO, County of San Bernardino, State of California, described as follows: A portion of Lot 7, Block 51, Rancho San Bernardino according to the plat thereof as recorded in the Recorder's Office in Book 7 of Maps, at page 2, records of San Bernardino County, said portion being a 15.00 foot wide strip of land, the north line of which is described as follows: Beginning at the Southwest corner of Lot 10, Tract No. 3220, according to the plat thereof as recorded in the Recorder's Office in Book 43 of Maps, at page 40, records of San Bernardino County; thence Westerly along the Westerly prolongation of the South line of said Lot 10, to the East line of Tippecanoe Avenue.

The easement herein granted shall include the right to construct, reconstruct, maintain and repair said sanitary sewers, manholes and appurtenances constructed or placed upon the above described property and the right to use the available land adjacent to the easement that may be necessary for repair purposes.

The easement herein described shall also include the right to use, during the construction period, such areas adjacent to the easement as may be reasonably necessary for performing the work and for access to the work during construction.

Dated September 15, 1958

[Signature]

ACKNOWLEDGEMENT OF GRANTOR:

STATE OF CALIFORNIA

COUNTY OF... SS.

On this 15th day of September, 1958, before me, a Notary Public in and for said County and State, personally appeared

known to me to be the person whose name is subscribed to the within instrument and acknowledged that

executed the same.

WITNESS my hand and official seal.

(Seal)

Notary Public in and for said County and State

My Commission expires.

This is to certify that the interest in real property conveyed by the within instrument to this City of San Bernardino, California, a municipal corporation, is hereby accepted by order of the City Council, and the grantee consents to the recordation thereof by its duly authorized officer.

Dated September 24, 1958

City Clerk

ACKNOWLEDGEMENT OF SUBSCRIBING WITNESS:

STATE OF CALIFORNIA

COUNTY OF... SS.

On this 15th day of September, 1958, before me, the subscriber, a Notary Public in and for said County and State, personally appeared

known to me to be the person whose name is subscribed to the within instrument as a witness therein, who, being by me duly sworn, deposed and stated that he witnessed the signatures of the above.

WITNESS my hand and official seal.

(Seal)

Notary Public in and for said County and State

When recorded return to City Clerk, City Hall, San Bernardino, California.

PHOTOSTATED INDEXED

RECORDED REQUEST OF

GRANTEE

SEP 24, 1958, 4:02 PM

BOOK 4612 PAGE 204

OFFICIAL RECORDS, SAN BERNARDINO COUNTY, CALIF.

ADMINISTRATOR, RECORDER

NO FEE
RESOLUTION NO. 4965


BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE CITY OF SAN BERNARDINO AS FOLLOWS:

SECTION ONE: That the City of San Bernardino shall accept the within and foregoing easement made and executed by Ernest J. Meyer and Blanche B. Meyer, for a portion of Lot 7, Block 51, Rancho San Bernardino, according to the plat thereof as recorded in the Recorder's Office in Book 7 of Maps, at page 2, records of San Bernardino County, in the County of San Bernardino, State of California, described as:

A portion of Lot 7, Block 51, Rancho San Bernardino according to the plat thereof as recorded in the Recorder's Office in Book 7 of Maps, at page 2, records of San Bernardino County, said portion being a 15.00 foot wide strip of land, the north line of which is described as follows:

beginning at the Southwest corner of Lot 10, Tract No. 3220, according to the plat thereof as recorded in the Recorder's Office in Book 43 of Maps, at page 40, records of San Bernardino County; thence Westerly along the Westerly prolongation of the South line of said Lot 10, to the East line of Tippecanoe Avenue.

and the same is hereby accepted on behalf of said City and payment for same is hereby authorized to be made in the sum of Two Thousand and Twenty-four Dollars.

SECTION TWO: Resolutions No. 4959 and 4877 are hereby repealed.

I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the Mayor and Common Council of the City of San Bernardino at a meeting thereof held on the 23rd day of September, 1958, by the following vote, to-wit:

AYES: [Signatures]

NOES: [Signatures]

ABSENT: [Signatures]

SEAL

[Seal]

City Clerk

The foregoing Resolution is hereby approved this 23rd day of September, 1958.
State of California  
County of San Bernardino  
City of San Bernardino

I, JACK T. FELTON, do hereby certify that the foregoing Resolution No. 4765 is a full, true and correct copy of that now on file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of San Bernardino, this 24th day of September, 1958.

Jack D. Freelon
City Clerk
To:    Governing Board Members
From: General Manager/CEO

Subject: Review and Consider Approval of revised Board of Directors Handbook and Policies

RECOMMENDATION:

Staff is recommending that the Board of Directors review and approve the revised Board of Directors Handbook and Policies.

BACKGROUND / ANALYSIS:

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

During the past year, the Finance and Human Resources Committee (Committee) has been working diligently to review and update the Board of Directors Handbook to clearly identify the intent to educate and continually guide the Board to a high level of strategic success in accordance with best practices. The Committee provided a number of suggestions for clarification that were incorporated into the document including: the procedure for requesting for staff resources; how customer concerns and complaints will be communicated; and expectations when attending meetings in an official capacity as a representative of the District. Two notable changes to the Handbook included 1) the addition of sexual harassment prevention training which is required by elected or appointed officials every two years, and 2) clarification on Board of Directors reports and Board of Directors comments.

The Board of Directors Handbook serves as an example of world class public service. It provides a high degree of clarity to the important role of policy makers in effective and transparent governance. The District regularly receives questions regarding the document along with accolades for the Governing Board.

AGENCY GOALS AND OBJECTIVES:

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

a) Practice Transparent and Accountable Fiscal Management
REVIEW BY OTHERS:

This agenda item has been reviewed by the Finance & Human Resources Committee, the Administration department, and Legal Counsel.

FISCAL IMPACT

There is no fiscal impact associated with this agenda item.

Recommended by: John Mura
General Manager/CEO

Respectfully submitted: Justine Hendricksen
District Clerk

ATTACHMENTS:

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

Preamble

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

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

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

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

Role of the Board

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

The Board has three (3) major responsibilities:

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

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

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

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

1. That the Board of Directors provides policy direction and leadership for the District.

2. That Board members recognize and respect the distinction between the policy setting role and the day-to-day implementation of policy by staff.

3. That it is the responsibility of the Board (from a policy perspective) to ensure that the District is a progressive, innovative, and well-managed agency.

4. That the Board exercises authority only collectively as a Board, and individual Board members shall not act on their own volition.

5. That the Board understands and provides leadership in regional, state, and national issues affecting the operations of the District.
6. That the Board respects the role of constituents in the governance of the District, and encourages their participation.

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

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

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

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

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

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

**Authority**

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

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

**Adopted October 8, 2014**
Chapter 2 – Board Values and Principles

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

Putting Board Values into Play

Service Delivery

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

Leadership

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

Openness

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

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

**Guiding Principles**

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

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

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

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

The Board’s Relationship with the General Manager/CEO

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

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

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

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

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

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

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

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

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

6. The General Manager/CEO handles interdepartmental issues.

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

**Request for Staff Resources**

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

**Interactions with Staff**

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

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

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

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

4. Any concerns by a member of the Board regarding the behavior or work of a District employee should be directed to the General Manager/CEO privately to ensure that the concern is addressed. Board members shall not reprimand employees directly nor should they communicate their concerns to anyone other than the General Manager/CEO.

**Adopted October 8, 2014**
5. Soliciting political support from staff (e.g., financial contributions, display of posters or lawn signs, name on support list, etc.) is prohibited. District staff may, as private citizens with constitutional rights, support political candidates, but all such activities must be done away from the workplace and may not be conducted while on the job.
Chapter 5 – Governance

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

Election of Officers

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

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

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

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

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

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

4. The Board shall govern the succession of the Chair and Vice-Chair.

Adopted October 8, 2014
5. In the event of an early vacancy in the position of Vice-Chair, the Board shall determine, by vote, a replacement to fulfill the remaining portion of the outgoing Vice-Chair's term.

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

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

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

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

**Time and Place for Regular Meetings**

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

**Quorum Requirements**

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

**Board Meeting Protocol**

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

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

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

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

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

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

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

8. At the direction of the General Manager/CEO, department heads or appropriate departmental managers will be present at every meeting if they have an item on the agenda.
9. The time during the Board Announcements Board of portion Directors’ Report portion of the Agenda shall be utilized for public education purposes regarding District programs and services. It is not intended to allow Board members to ask staff for studies and reports or to express complaints. Such input should be conveyed to the General Manager/CEO outside of the Board meeting, members of the legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting pursuant to Government Code Section 53232.3.(d).

9-10. The Board Comment portion of the Agenda shall be an opportunity for Members of the Board to make brief statements regarding non-agendized items.

Consent Calendar

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

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

Voting

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

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

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

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

Closed Session

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

2. Closed session staff reports are to be returned to the General Manager/CEO and/or District counsel immediately following the meeting. Electronic copies of the reports will not be provided to the Board.

Adopted October 8, 2014
3. Closed Session meetings may be held at times other than the regular meetings of the Board of Directors so long as the meeting is posted pursuant to the prevailing open meeting or Brown Act rules.

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

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

Customer Concerns and Complaints

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

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

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

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

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

Public Input on the Agenda

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

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

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

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

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

Representing an Official District Position

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

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

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

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

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

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

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

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

Chapter 7 – Director’s Code of Conduct

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

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

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

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

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

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

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

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

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

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

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

11. Board members shall disclose to the appropriate authorities and/or to the Board any behavior or activity that may qualify as corruption, abuse, fraud, bribery or other violation of the law.

Adopted October 8, 2014
12. Board members, by virtue of their public office, shall not take advantage of services or opportunities for personal gain that are not available to the public in general. They shall not accept gifts, favors or promises of future benefits that might compromise their independence of judgment or action or give the appearance of being compromised. Likewise, Board members shall not appear on behalf of, or advocate for, the private interests of a third-party before the Board.

**Conflict of Interest**

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

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

2. A Board member will not participate in the discussion, deliberation or vote on a matter before the Board of Directors, or in any way attempt to use his or her official position to influence a decision of the Board, if he or she has a prohibited interest with respect to the matter, as defined in the Political Reform Act, Government Code sections 81000, and following, relating to conflicts of interest. Generally, a Board member has a financial interest in a matter if it is reasonably foreseeable that the Board decision would have a material financial effect (as defined by the Fair Political Practices Commission’s (“FPPC”) regulations) that is distinguishable from the effect on the public generally on:
   
   a. A business entity in which the Board member has a direct or indirect investment in the amount specified in the then-effective FPPC regulations;
   
   b. Real property in which the Board member has a direct or indirect investment interest, with a worth in the amount specified in the then-effective FPPC regulations;
   
   c. A source of income of the Board member in the amount specified in the then-effective FPPC regulations, within twelve months before the Board decision;
   
   d. A source of gifts to the Board member in an amount specified in the then-effective FPPC regulations within twelve months before the Board decision;
   
   e. A business entity in which the Board member holds a position as a director, trustee, officer, partner, manager or employee;
   
   f. The Board member’s personal expense, income, assets or liabilities, and those of his or her immediate family, are likely to go up or down in a 12-month period as a result if the decision by the amount specified in the then-effective FPPC regulations.

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

Adopted October 8, 2014
a. If the Board member becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Board member will notify the District’s General Manager/CEO and the District’s legal counsel of the potential conflict of interest, so that a determination can be made whether it is a disqualifying conflict of interest;

b. If it is not possible for the Board member to discuss the potential conflict with the General Manager/CEO and the District’s legal counsel before the meeting, or if the Board member does not become aware of the potential conflict until during the meeting, the Board member will immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is a disqualifying conflict of interest;

c. Upon a determination that there is a disqualifying conflict of interest, the Board member: (1) will not participate in the discussion, deliberation or vote on the matter for which a conflict of interest exists, which will be so noted in the Board minutes; and (2) leave the room until after the discussion, vote and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters (i.e., the consent calendar), in which case the Board member will identify the nature of the conflict and not vote on the specified item on the consent calendar. If the item is agendized for discussion and possible action, the Board member may speak on his or her personal interests in the matter during the time that the general public speaks on the issue but must leave the room during Board discussion and action on that item.

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

**Handling of Legal Matters**

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

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

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

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

   c. Confidential materials provided to Board members outside of Closed Sessions must be destroyed, deleted, or returned to staff within thirty (30) days of their receipt.
d. Board members may not request confidential written information from staff that has not been provided to all Board members.

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

Ethics Training

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

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

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

Sexual Harassment Prevention Training

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

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

Enforcement

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

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

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

2.3. Injunctive relief;

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

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

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

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

PREAMBLE

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

They comply with both the letter and the spirit of the laws and policies affecting operations of the District;

- They are independent, impartial, and fair in their judgment and actions;
- They use their public office for the public good, not for personal gain; and
- They conduct public deliberations and processes openly, unless legally confidential, in an atmosphere of respect, civility and transparency.

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

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

Role of the Board

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

The Board has three (3) major responsibilities:

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

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

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

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

1. That the Board of Directors provides policy direction and leadership for the District.

2. That Board members recognize and respect the distinction between the policy setting role and the day-to-day implementation of policy by staff.

3. That it is the responsibility of the Board (from a policy perspective) to ensure that the District is a progressive, innovative, and well-managed agency.

4. That the Board exercises authority only collectively as a Board, and individual Board members shall not act on their own volition.

5. That the Board understands and provides leadership in regional, state, and national issues affecting the operations of the District.

6. That the Board respects the role of constituents in the governance of the District and encourages their participation.

7. That key stakeholders should be consulted when and where appropriate.
8. That Board members represent the District in business related matters at meetings and events other than regular meetings of the Board.

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

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

11. That the Board is responsible for informing the General Manager/CEO of any specific information they want to receive from outside agencies or organizations.

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

Authority

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

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

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

Putting Board Values into Play

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

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

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

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

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

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

1. Board members are representatives of the District’s culture and always values its customers.

2. Business attire at Board meetings, and when representing the District at public events, is appropriate.

3. Relationships between Board members are informal and always professional.

4. Board members are aware of the rules governing communication among fellow Board members in compliance with mandated open meeting (Brown Act) law requirements. This includes communications by electronic, written and verbal methods.

5. Board members lead by example in their interaction and communication style and practice.

6. Board members function as a team and are not exclusive in their communication and interaction.

7. To the extent possible, Board members will be cooperative in supporting each other.

8. Personal attacks against fellow Board members or staff are not representative of a constructive culture.
CHAPTER 4
STAFF INTERACTION

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

The Board’s Relationship with the General Manager/CEO

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

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

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

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

The following are guidelines are intended to help define the relationship between the Board and the General Manager/CEO:

1. The General Manager/CEO prepares annual goals which are approved by the Board of Directors as a part of a formal performance review process.
2. The Board of Directors will provide the General Manager/CEO with a written evaluation annually.
3. Board members are encouraged to contact the General Manager/CEO about any subject related to the operations of the District. Similarly, the General Manager/CEO may discuss any District related issue with any member of the Board of Directors.

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

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

6. The General Manager/CEO handles interdepartmental issues.

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

Request for Staff Resources

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

Interactions with Staff

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

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

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

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

4. Any concerns by a member of the Board regarding the behavior or work of a District employee should be directed to the General Manager/CEO privately to ensure that the concern is addressed. Board members shall not reprimand employees directly nor should they communicate their concerns to anyone other than the General Manager/CEO.

5. Soliciting political support from staff (e.g., financial contributions, display of posters or lawn signs, name on support list, etc.) is prohibited. District staff may, as private citizens with constitutional rights, support political candidates, but all such activities must be done away from the workplace and may not be conducted while on the job.
CHAPTER 5
GOVERNANCE

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

Election of Officers

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

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

Roles of the Chairman and Vice Chairman of the Board of Directors

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

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

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

4. The Board shall govern the succession of the Chair and Vice-Chair.

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

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

7. The Chair is the designated spokesperson for the Board of Directors when requests are made from external sources. The Chair may elect to appoint one of the other Board members to serve in this capacity.
8. The Chair acts as the signatory on all documents requiring the Board's execution. The Vice-Chair may do so in the Chair's absence.

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

Time and Place for Regular Meetings

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

Quorum Requirements

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

Board Meeting Protocol

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

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

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

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

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

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

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

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

9. The Board of Directors’ Report portion of the Agenda shall be utilized for members of the legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting pursuant to Government Code Section 53232.3.(d).

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

Consent Calendar

1. The District utilizes a Consent Calendar to approve routine business matters, such as minutes, production reports, cash reports, some resolutions, and previously approved budgetary items.
2. If a Board member has a question on a Consent Calendar item, they are encouraged to contact the General Manager/CEO for clarification prior to the official meeting, rather than having it pulled for separate discussion during the meeting.

Voting

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

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

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

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

Closed Session

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

2. Closed session staff reports are to be returned to the General Manager/CEO and/or District counsel immediately following the meeting. Electronic copies of the reports will not be provided to the Board.

3. Closed session meetings may be held at times other than the regular meetings of the Board of Directors so long as the meeting is posted pursuant to the prevailing open meeting or Brown Act rules.

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

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

Customer Concerns and Complaints

1. All customer concerns and inquiries shall be referred to the General Manager/CEO.
2. The General Manager/CEO or his designee will provide the Board with a written or verbal report of customer concern or inquiry that cannot be handled as a routine manner. The Board will also be provided with a response to the concern or inquiry.
3. The Board will be informed of significant, politically sensitive, urgent and/or repetitive telephone or electronic communication inquiries. Staff will research the request as soon as possible and provide the General Manager/CEO with the appropriate follow-up and response. The General Manager/CEO will review the communication prior to dissemination to the Board.
4. Copies of any written or electronic responses to customer concerns provided by a member of the Board shall be provided to the other members of the Board of Directors as well.
5. Information that may expose the District to liability will be shared with the Board at a noticed, closed session meeting of the Board of Directors.

Public Input on the Agenda

1. Prior to public input on an agenda item, the Board will consider reports, questions from the Board, and a response.
2. Agenda items noticed on the agenda for public hearing will follow procedures as outlined by the District’s legal counsel.
3. The Chair of the Board may elect to defer action on an item brought forward by the public until such time as staff can prepare an appropriate response.
4. The Chair is responsible for maintaining an orderly progression of the business before the Board, and to the extent possible regulates the amount and type of input from the public and from members of the Board and staff.
5. Generally, Board members will not respond to public comments except for the Chair referring matters to the General Manager/CEO for follow-up. Board members may, through the Chair, ask clarifying questions to ensure that staff provides an appropriate response. Occasionally, a prompt response may be offered by the Chair or the General
Manager/CEO when an obvious answer or resolution is available. The Board will not enter into a debate or make decisions in response to public comments that are not on the agenda for consideration.

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

Representing an Official District Position

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

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

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

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

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

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

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

7. Board members should exercise caution when utilizing the news media, social media or other forms of communications to specifically express views which are in opposition to adopted Board policy.

8. When two Board members are authorized/assigned by the Board to attend a meeting as the District's official representative, other Board members may not participate at the meeting in order to avoid violations of the Ralph M. Brown Act.
CHAPTER 7
DIRECTOR’S CODE OF CONDUCT

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

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

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

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

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

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

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

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

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

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

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

11. Board members shall disclose to the appropriate authorities and/or to the Board any behavior or activity that may qualify as corruption, abuse, fraud, bribery or other violation of the law.

12. Board members, by virtue of their public office, shall not take advantage of services or opportunities for personal gain that are not available to the public in general.
They shall not accept gifts, favors or promises of future benefits that might compromise their independence of judgment or action or give the appearance of being compromised. Likewise, Board members shall not appear on behalf of, or advocate for, the private interests of a third-party before the Board.

Conflict of Interest

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

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

2. A Board member will not participate in the discussion, deliberation or vote on a matter before the Board of Directors, or in any way attempt to use his or her official position to influence a decision of the Board, if he or she has a prohibited interest with respect to the matter, as defined in the Political Reform Act, Government Code sections 81000, and following, relating to conflicts of interest. Generally, a Board member has a financial interest in a matter if it is reasonably foreseeable that the Board decision would have a material financial effect (as defined by the Fair Political Practices Commission’s (“FPPC”) regulations) that is distinguishable from the effect on the public generally on:
   a. A business entity in which the Board member has a direct or indirect investment in the amount specified in the then-effective FPPC regulations;
   b. Real property in which the Board member has a direct or indirect investment interest, with a worth in the amount specified in the then-effective FPPC regulations;
   c. A source of income of the Board member in the amount specified in the then-effective FPPC regulations, within twelve months before the Board decision;
   d. A source of gifts to the Board member in an amount specified in the then-effective FPPC regulations within twelve months before the Board decision;
   e. A business entity in which the Board member holds a position as a director, trustee, officer, partner, manager or employee;
   f. The Board member’s personal expense, income, assets or liabilities, and those of his or her immediate family, are likely to go up or down in a 12-month period as a result if the decision by the amount specified in the then-effective FPPC regulations.

3. If a Board member believes that he or she may be disqualified from participation in the discussion, deliberations or vote on a particular matter due to a conflict of interest, the following procedure will be followed:
a. If the Board member becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Board member will notify the District's General Manager/CEO and the District's legal counsel of the potential conflict of interest, so that a determination can be made whether it is a disqualifying conflict of interest;

b. If it is not possible for the Board member to discuss the potential conflict with the General Manager/CEO and the District's legal counsel before the meeting, or if the Board member does not become aware of the potential conflict until during the meeting, the Board member will immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is a disqualifying conflict of interest;

c. Upon a determination that there is a disqualifying conflict of interest, the Board member: (1) will not participate in the discussion, deliberation or vote on the matter for which a conflict of interest exists, which will be so noted in the Board minutes; and (2) leave the room until after the discussion, vote and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters (i.e., the consent calendar), in which case the Board member will identify the nature of the conflict and not vote on the specified item on the consent calendar. If the item is agendized for discussion and possible action, the Board member may speak on his or her personal interests in the matter during the time that the general public speaks on the issue but must leave the room during Board discussion and action on that item.

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

Handling of Legal Matters

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

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

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

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

   c. Confidential materials provided to Board members outside of Closed Sessions must be destroyed, deleted, or returned to staff within thirty (30) days of their receipt.
d. Board members may not request confidential written information from staff that has not been provided to all Board members.

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

Ethics Training

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

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

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

Sexual Harassment Prevention Training

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

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

Enforcement

Any actual or perceived violation of District policies, including the Code of Conduct, by a Board member should be referred to the Chair of the Board or the full Board of Directors for investigation, and consideration of any appropriate action warranted. A violation of this policy may be addressed by the use of such remedies as are available by law to the District, including but not limited to:
1. Reassignment of committee positions;
2. Adoption of a resolution expressing disapproval of the conduct of the Board member who has violated this policy (i.e., censure);
3. Injunctive relief;
4. Referral of the violation to the District Attorney.
APPENDIX 1
BOARD MEMBER ACKNOWLEDGEMENT

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

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

________________________________
Board Member Signature

____________________
Date
To:         Governing Board Members
From:       General Manager/CEO
Subject:    Consider Approval of General Manager/CEO’s 2020/21 Goals and Objectives

RECOMMENDATION:

Staff recommends that the Board of Directors Approve the 2020/21 General Manager/CEO’s Goals and Objectives.

BACKGROUND / ANALYSIS:

Each year, as part of the General Manager’s annual performance evaluation, the Board of Directors develops updated goals and objectives to provide direction and measure degrees of organizational success that are expected to be completed within a one-year time frame. The FY 2020/21 Goals and Objectives have been developed to reflect the priorities included in the recently adopted Five Year Plan. Additionally, these goals will serve as the District-wide goals in the annual budget.

General Manager/CEO FY 2020/21 Goals:
Optimize Infrastructure
- Continue analysis for the potential construction of an additional surface water treatment plant.
- Proceed with efforts to complete the consolidation of mutual water companies in progress.

Financial Stability with Full Understanding of Operational Complexities
- Evaluate the benefits of restructuring current bonds to take advantage of the financial market.
- Initiate the cost of service analysis for wastewater collection and treatment in preparation for the operations of the Sterling Natural Resource Center.

Protect Organizational Investments
- Update the District’s Succession Plan to better understand potential organization changes and growth.
- Develop internal efforts to communicate the District’s brand and the importance of protecting the high expectations that it includes.

Maximize the District’s Position
- Complete the installation of smart meters throughout the District.
- Begin developing operational plans and identifying contract services necessary for the Sterling Natural Resource Center.
Have Others See the District as a Premier Agency
- Initiate efforts to establish contractual relationships regarding high stream food-waste to prepare for energy generation at the SNRC.
- Increase District engagement with regional and industry activities to share the success experienced through the District’s Vision.

AGENCY GOALS AND OBJECTIVES:

Goal and Objectives I - Implement Effective Solutions Through Visionary Leadership

a) Identify Opportunities to Optimize Natural Resources
b) Maximize Internal Capabilities through Ongoing Professional Development
c) Strengthen Regional, State and National Partnerships
d) Encourage Performance Based Results Through Staff Empowerment

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

a) Practice Transparent and Accountable Fiscal Management
b) Utilize Effective Communication Methods
c) Pursue Alternative Funding Sources
d) Provide Quality Information to Encourage Community Engagement

Goal and Objectives III - Deliver Public Service with Purpose While Embracing Continuous Growth

a) Advance Emergency Preparedness Efforts
b) Strive to Provide World Class Customer Relations
c) Promote a Positive Organizational Culture
d) Embrace an Environment of Active Learning and Knowledge Sharing

Goal and Objectives IV - Promote Planning, Maintenance and Preservation of District Resources

a) Develop Projects and Programs to Ensure Safe and Reliable Services
b) Enhance Planning Efforts that Respond to Future Demands
c) Dedicate Efforts Toward System Maintenance and Modernization
d) Enable Fact-Based Decision Making Through State-of-the-Art Data Management

FISCAL IMPACT

The General Manager/CEO’s goals and objectives are the basis by which the Board of Directors determines the General Manager/CEO’s Incentive Program during his annual evaluation.

Recommended by:

David E. Smith
Chairman of the Board