

**Mendocino City Community Services District Board of Directors
(MCCSD)**

Governance Guidelines

Revised and Adopted 12/18/2023

Governance Guidelines	1
MCCSD Governance Guidelines	3
Preamble.....	3
1. Formation and Powers of Mendocino City Community Services District.....	3
2. Mission of the Board.....	3
3. Actions that May be Taken.....	4
4. Principles of Authority, Negotiation, and Communication	4
5. Size of the Board.....	5
6. Conduct and Organization of the Board of Directors.....	5
7. Selection of Agenda Items and Scheduling for Board Meetings.....	5
8. Board Materials Distributed in Advance	6
9. Public Notice of Meetings.....	6
10. Mailed Notice of Meeting	6
11. Board Meetings Open to the Public	6
12. Closed Sessions of the Board.....	6
13. Board Participation.....	6
14. Public Testimony.....	7
15. Board Committees.....	7
16. Board Access.....	8
18. Filling of Vacancies.....	9
20. Continuing Education.....	9
21. Term Limits.....	9
22. Annual Board Evaluations.....	9
23. At Termination of Duties.....	9
25. Changes to Guidelines.....	10

MCCSD Governance Guidelines

Preamble

The purpose of these Governance Guidelines for the MCCSD Board of Directors is to present a general overview of policies and procedures to assist the Board Members in carrying out their duties. The laws governing community services districts contain additional requirements. The Guidelines are not to be interpreted in a manner that is inconsistent with the law.

1. Formation and Powers of Mendocino City Community Services District

The purpose of the Mendocino City Community Services District is to provide sewer treatment services, groundwater management, and street lighting. The MCCSD, established July 19, 1971, provides services as approved by the electorate under Community Services District Law, Title 6, Division 3 of the Government Code of California, Section 61000 et seq.

The original governing powers of the MCCSD were wastewater treatment and street lighting. In 1987, the District received groundwater management authority within its boundaries (California Water Code Section 10700 – 10717). The current groundwater management program manages groundwater extraction to prevent aquifer overdraft.

2. Mission of the Board

The Board of Directors of the Mendocino City Community Services District has the ultimate responsibility for the well-being of the District. This includes the monitoring and support of the District in providing services to the public, including sewer, groundwater management, and street lighting.

Duties and Responsibilities of the Board of Directors include:

- a) Select, evaluate the performance, compensate and plan for the succession of the District Superintendent.
- b) Advise and counsel the Superintendent of the District in managing the affairs of the District. The President of the Board is responsible for day-to-day coordination with the District Superintendent, representing the board in such matters. However, the setting of policy and other responsibilities of the Board shall be in accordance with the provisions of these Governance guidelines.
- c) Identify appropriate board candidates, nominate and evaluate the performance and plan for succession of directors.
- d) Serve as stewards of the assets of the District and ensure that proper internal controls are in place.

- e) Review and approve/disapprove agreements and contracts with third parties, including professional service agreements and consulting contracts.
- f) Review and approve major District strategic and financial objectives.
- g) Ensure that the District has effective budgets and plans in place on or before July 1 of each year, and monitor the District's performance against these budgets and plans.
- h) Approve the capital spending plan of the District and ensure that it is consistent with District financial resources.
- i) Review the adequacy of systems for compliance with all applicable laws, regulations, and standards of appropriate behavior.

3. Actions that May be Taken

A majority of the total membership of the board of directors shall constitute a quorum for the transaction of business (a minimum of three (3) board members).

The responsibilities of the Board of Directors include the following:

- a) The Board of Directors shall act only by ordinance, resolution, or motion.
- b) Except as otherwise specifically provided by law, a majority vote of the total membership of the board of directors is required for the Board of Directors to take action.
- c) The minutes of the Board of Directors shall record the aye and no votes taken by the members of the Board of Directors for the passage of all ordinances, resolutions and motions, except if unanimous and so stated.
- d) The Board of Directors shall keep a record of all its actions, including financial transactions.
- e) The Board of Directors shall review and update these guidelines as needed.
- f) The Board of Directors shall adopt policies for the operation of the district, including, but not limited to, administrative policies, fiscal policies, personnel policies, procurement and purchasing policies.

4. Principles of Authority, Negotiation, and Communication

Members of the Board will, from time to time, engage in negotiation and communication with District residents and businesses, developers, consultants, government agencies and others having substantial business dealings with the District. It is the policy of the Board that, to the extent reasonable and practical, a second Board member should be present for such dealings.

It is the policy of the Board of Directors that the Board, as a whole using majority vote, has authority to act regarding the policies and operations of the District. Individual Board members have no individual authority to direct staff or to take action on behalf of the District without the approval and authority of the Board of Directors.

While routine filings and correspondence with government agencies are normally handled by the District Superintendent and/or his/her designated individual, matters of significant impact on the District shall be handled by the Board of Directors.

5. Size of the Board

The Board of Directors shall consist of 5 members, elected by the public and/or appointed by the Board in case of vacancies.

6. Conduct and Organization of the Board of Directors

The Board of Directors shall organize and conduct its business in accordance with the Community Services District Law, the Brown Act, the Public Records Act and the Political Reform Act of the State of California, and in accordance with State and federal law.

The President of the Board will chair the Board meetings. In the President's absence, the Vice President of the Board will chair the Board meetings. In the Vice President's absence, the directors present at the meeting shall elect a chairperson for the meeting.

The President and Vice-President of the Board shall be elected by the Board members at the December Board meeting and shall serve for a period of one year.

7. Selection of Agenda Items and Scheduling for Board Meetings

The President of the Board will establish the agenda for each Board meeting after consultation with the District Superintendent. Other directors are encouraged to suggest the inclusion of items on the agenda. It is the practice of the Board that draft agendas be distributed to Board members by the Superintendent (or their designated staff), at least two days prior to agenda posting, so that Board members may suggest additional items to be included in the agenda.

If a Board member has requested an item to be put on the agenda and it is rejected by the President for reasons that the Board member feels are inappropriate, at the Board meeting where that item was not added to the agenda, the requesting Board member can, during "Matters for Board members" agenda portion, move to add that item to the next Board meeting. If that motion receives a second from at least one other Board member, it will be added to the agenda of the next meeting.

In order for the Board to hold discussion and/or take action on any item, it must have been listed on the agenda (with minor exceptions) and the public must have opportunity for comment. The minor exceptions include brief answers to questions posed by the public, asking questions of staff for clarification, brief announcements or reports on a Director's activities, asking staff to report back on an item at a future meeting, or Director requests to place a matter of business on a future agenda.

The President, in consultation with the District Superintendent will establish a yearly calendar of regular Board meetings, generally to take place on the last Monday of each month. Changes to regular Board meetings or scheduling of special or emergency Board meetings shall be determined by the President in consultation with the District Superintendent.

8. Board Materials Distributed in Advance

Board materials are normally distributed in advance of each meeting, to allow time for review and assessment so that the Board meeting time may be conserved for discussions focused on questions that the Board has about the material. The Board President will make every effort to see that the material is distributed in advance, and that it is presented in an efficient and effective format.

9. Public Notice of Meetings

Public Notice must be given for meetings of the Board. The advance notice time depends on the type of meeting.

For Regular Board Meetings. A meeting Notice, including Agenda, must be posted in three conspicuous public places and posted on the District's website at least 72 hours prior to the meeting.

For Special Board Meetings. Twenty-four-hour notice must be given to the Board members and the public, including a brief general description of the matters to be considered or discussed.

For Emergency Board Meetings. One hour notice in case of a dire emergency.

10. Mailed Notice of Meeting

The District shall give mailed or emails notice of meetings in advance of the meeting to any person who has filed a written request for notification. Written requests for notice are valid for the calendar year and must be renewed annually on January 1 or thereafter. The District may establish a reasonable annual fee for sending the notices by mail.

11. Board Meetings Open to the Public

Board meetings will normally be held in facilities located in the District that allow sufficient space for public attendance.

12. Closed Sessions of the Board

The Board may hold closed sessions, but notice of the subject must be published in the posted agenda. Prior to each closed session, the President must announce the subject to be considered. If final action is taken in closed session, the Board generally must report the action at the conclusion of the session. Minutes will be kept for closed sessions (Government Code Section 54957.2).

Closed sessions may be held for any purpose specified in the Brown Act, Government Code 54957.6; 54957.8; 54954...57; including employee matters, public security, pending or threatened litigation, attorney client privilege, labor negotiations, and real property negotiations.

13. Board Participation

Directors are expected to read materials, prepare for, attend and actively participate in all Board and applicable Committee meetings.

14. Public Testimony

The Public may comment on agenda items during consideration by the Board as called for by the President of the meeting. In addition, time must be set aside for public comment on any other matters under the Board's jurisdiction, but not on a meeting agenda. Public comment or expression shall generally be limited to three (3) minutes per agenda item.

15. Board Committees

The Board may, from time to time, form committees of the Board to allow more focused work in specific areas of concern or interest. These committees may be standing, special advisory and ad hoc committees.

The Brown Act describes a **standing committee** as one which has "continuing subject matter jurisdiction." A standing committee is designed to handle ongoing operations and policies related to existing District programs. Standing committee meetings are public and subject to the Brown Act's notice and posting requirements. Standing committees must have no more than 2 board members and make recommendations for action to the full board

Ad hoc committees are not subject to the notice and posting requirements of the Brown Act so long as the committee is comprised of no more than two members of the Board. Ad hoc committees must have a defined purpose to address a specific problem or opportunity or to develop new programs. They should have a general time frame to accomplish that purpose.

Special advisory committees comprised of no more than two Board members and members of the public may be established by the Board in accordance with the requirements of the Brown Act. All committees are advisory, meaning they bring recommendations to the full board for action.

All committees work directly with the District Superintendent.

The District has established the following standing committees:

- (1) Plant Operations—this committee is charged with overseeing the District's sewage treatment plant, collection system and maintenance. This includes assessing operational risks, reviewing and updating operational policies and procedures, minor maintenance issues, equipment modifications and in conjunction with the Superintendent, making recommendations to the full Board.
- (2) Personnel and Management—this committee is responsible for developing, reviewing and updating personnel policies, including employee compensation, benefits, recruitment, and policies and procedures regarding employee grievances and harassment.
- (3) Finance Committee—this committee is responsible to oversee the finances of the District, and may include working with the District Superintendent in creating annual budgets and other financial plans, setting rates, developing financial policies and controls, and review of an annual audit.
- (4) Groundwater Management Committee—in Mendocino, the groundwater resource is managed by the MCCSD to avert aquifer overdraft. The Groundwater Management Committee has oversight of issues affecting the Groundwater Management Program, the Water Conservation Program, the Groundwater

Monitoring Program, the Data Management Program, the District's Water Reclamation Program, and the Water Shortage Contingency Program.

- (5) Street lighting—this committee supervises the town's street lighting system.
- (6) Safety Committee—this committee works to ensure safety policies and protocols are developed and followed. This includes periodic review of safety procedures, federal, state and local safety requirements as well as reviewing on the job accidents and injuries.

From time to time the Board may establish, by majority vote, additional standing, advisory, and ad hoc committees as may be necessary to carry out its responsibilities.

All committees are committees of the Board, must have at least one board member on the committee and must seek Board approval for actions to be taken on behalf of the Board, including the expenditure of funds. A committee may be appointed consisting of only Board members. Special Advisory Committee members must be Board members or other residents and/or property owners within the Mendocino City Community Services District. The Board will decide a process to appoint community members to Special Advisory Committees.

Committee chairpersons shall present as needed, a report, in person or written, at a meeting of the Board of Directors of the District following a committee meeting.

16. Board Access

Directors will have access to the District's Superintendent, and with the Superintendent, have access to employees and principal advisers, including its auditors and legal counsel, and to District information that they believe is necessary to fulfill their obligations as directors. Directors will not distract the business or operations of the District. Any disagreements between Directors and the Superintendent will be brought to the President of the Board and if unable to be resolved, will be brought to the full Board. Any contact initiated by a Director which will result in billings to the District will first be coordinated with the President of the Board. Such coordination will include identification of the account from which funds will be used to pay the billing(s).

There may be occasions when an outside advisor is retained directly by the Board in connection with a particular matter. The Board and/or its Committees may retain outside experts and advisors at the District's expense to the extent they consider it necessary and appropriate under the circumstances. Committees will first coordinate with the Board and seek approval prior to such retention. Such coordination will include identification of the account from which funds will be used to pay the billing(s).

17. Election of Directors.

Directors shall be elected in accordance with the California Elections Code, Sections 10500-10556 and Government Code 61042-61043. Directors elected shall hold office for a term of 4 (four) years or until their successor qualifies and takes office. Directors take office at noon on the first Friday in December following their election. Directors serve staggered terms.

Pursuant to Election Code Section 1303(b) and 10404, Election Day is held on the first Tuesday after the first Monday in November of each even-numbered year, and the election shall be consolidated with all other elections held throughout the territory on that day.

18. Filling of Vacancies

Should a Director no longer be able or willing to serve the remainder of his/her elected term, the Board shall appoint a successor Director from applicants for the position as provided under Section 1780 of the Government Code, to serve out the remainder of the term, unless there are more than 2 years left of the original term of office, in which case the appointed director shall serve until the next General Election.

Gov. Code Sections 1780-1782 govern the process used for appointment of vacant Board of Director seats. The MCCSD Board of Directors has 60 days to appoint an interested individual to a vacant seat. The interested person must live within the District boundary and be a registered voter. If the District can't fill the seat within the 60-day period, the Mendocino County Board of Supervisors can appoint a Director to the MCCSD Board during the next 30-day period. If the vacant seat is not filled during the 90-day period, the seat remains empty until the next election.

19. Conflict of Interest Code.

The Board of Directors reviews the Conflict of Interest Code for the Mendocino City Community Services District, Ordinance 2023-01, biennially. Each director shall be required annually to file a Form 700 – Statement of Economics Interests – with the District and Mendocino County.

20. Continuing Education

As required under the Community Services District Law, the District will provide for continuing education for the Board members, arranging for Directors to attend State qualified education programs for Special District Directors if required. Specific areas for continuing education should include: Brown Act, Sexual Harassment, technical training in water, wastewater and related areas and any such additional topics as may benefit board members and the District overall.

21. Term Limits

The Board has not established term limits for directors. While such limits might contribute fresh ideas to the Board, they have the disadvantage of losing the contribution of directors who have developed, over a period of time, insight into the future direction and operations of the District.

22. Annual Board Evaluations

Each director will evaluate the performance of the Board annually utilizing an approved, pre-determined process.

23. At Termination of Duties

Whenever a Board member of the District leaves his/her position as a board member, through expiration of the tour of service or by voluntary action, he/she shall return all property of the District to the Superintendent

including keys, manuals, official correspondence, and other publications that belong in the District Archives.

24. Publication of Guidelines

The District shall make guidelines available to Directors, employees and members of the public.

25. Changes to Guidelines

These Governance Guidelines may be changed by majority vote of the Board of Directors, taken at a public meeting of the Board, wherein members of the public are allowed comment on proposed changes.