

ORDINANCE NO. 90

**AN ORDINANCE OF THE BOARD OF DIRECTORS OF
THE TWENTYNINE PALMS WATER DISTRICT SETTING
COMPENSATION FOR MEMBERS OF THE BOARD OF
DIRECTORS AND ESTABLISHING AN EXPENSE AND
USE OF PUBLIC RESOURCES POLICY**

WHEREAS, Water Code Section 20200 et seq. of the Water Code sets forth the authority and procedure for establishing compensation for the Board. In particular, Water Code Section 20201 provides that the governing board of any water district may by ordinance provide compensation to members of its governing board in an amount not to exceed \$100 per day for each day's attendance at meetings of the board, or for each day of service rendered as a member of the board by request of the board, not to exceed a total of more than ten (10) days in any calendar month. Water Code section 20202 authorizes an increase in the compensation that may be received by the Board up to an amount equal to five percent (5%) for each calendar year since the effective date of the last increase. Water Code Section 20201.5 provides that reimbursement of expenses of Directors is subject to the requirements set forth in Section 53232.2 and 53232.3 of the Government Code; and

WHEREAS, the Board has previously adopted a policy whereby each member of the Board shall receive the sum of \$100 for each regular meeting of the Board attended by such member and \$100 for each additional Board meeting, provided that such compensation shall not exceed four (4) meetings per month, and that there shall be no payment for committee meetings; and

WHEREAS, the Board desires to establish the amount of compensation by way of this Ordinance in accordance with the provisions of the Water Code; and

WHEREAS, the Board desires to establish a policy which will provide guidance to Directors on the use and expenditure of District resources, as well as the standards against which those expenditures will be measured. In addition, the Board desires to establish a policy which will provide guidance to District employees on the use and expenditure of District resources, as well as the standards against which those expenditures will be measured, except as may otherwise be specifically provided in regard to employees in any applicable District employee policies; and

WHEREAS, in accordance with Section 20203 of the California Water Code and Section 6066 of the California Government Code, a public hearing was held on July 26, 2006, at 6:00 p.m., or soon thereafter, at the meeting room of the Board at 72401 Hatch Road, Twentynine Palms, CA and a notice of said hearing was duly published in the Desert Trail, a newspaper of general circulation, once a week for two weeks as follows: on July 13, 2006 and July 20 2006.

NOW THEREFORE, THE BOARD OF DIRECTORS OF THE TWENTYNINE PALMS WATER DISTRICT DOES HEREBY ORDAIN AS FOLLOWS:

Section 1 The amount of compensation to be received by Directors for each day's attendance at meetings of the Board, or for each day's service rendered by a Director by request of the Board, shall be in the amount of one hundred dollars (\$100.00). Said

increase does not exceed an amount equal to five percent (5%) for each calendar year since the date of the last adjustment. The only meetings, service and events for which said compensation shall be paid shall be those set forth in the Expense And Use Of Public Resources Policy Statement ("Policy") set forth in Exhibit "A" attached hereto and incorporated herein by reference.

Section 2 In accordance with Section 20202 of the California Water Code, no Director shall receive the compensation set forth in Section 1 of this Ordinance for more than ten (10) days in any calendar month.

Section 3 The Policy hereby specifies the types of occurrences that qualify a Director or employee, as applicable, to receive reimbursement of expenses relating to travel, meals, lodging, and other actual and necessary expenses. In addition, the Policy hereby specifies the reasonable reimbursement rates for travel, meals, and lodging, and other actual and necessary expenses. The Policy is intended to comply with the requirements set forth in Government Code Sections 53232.2 and 53232.3.

Section 4 All ordinances, resolutions, or administrative actions by the Board, or parts thereof, that are inconsistent with any provision of this Ordinance are hereby superceded only to the extent of such inconsistency.

Section 5 The President of the Board shall sign this Ordinance and the Secretary of the Board shall attest thereto, and pursuant to Section 20204 of the California Water Code, this Ordinance shall take effect sixty (60) days from the date of adoption.

Section 6 If any section, subsection, clause or phrase in this Ordinance is for any reason held invalid, the validity of the remainder of this Ordinance shall not be affected thereby. The Board hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof be held invalid.

Section 7 The Recitals set forth above are incorporated herein and made an operative part of this Ordinance.

PASSED, APPROVED AND ADOPTED this 26th day of July 2006 by the following vote:

Ayes:	Directors Anthony, Cisneros, Moore and Yockey
Noes:	None
Absent:	Director Carter

Milford J. Yockey, Vice President
Board of Directors

ATTEST:

Mike Wright, Board Secretary
Twentynine Palms Water District

Twentynine Palms Water District Expense And Use Of Public Resources Policy Statement

A. Findings

This policy provides guidance to elected and appointed officials on the use and expenditure of District resources, as well as the standards against which those expenditures will be measured. In addition, this policy satisfies the requirements of Government Code sections 53232.2 and 53232.3 and supplements the definition of actual and necessary expenses for purposes of state laws relating to permissible uses of public resources. This policy provides guidance to employees of the District on the use and expenditure of District resources, as well as the standards against which those expenditures will be measured, except as may otherwise be specifically provided in regard to employees in any applicable District employee policies.

B. Authorized Expenses

District funds, equipment, supplies (including letterhead), titles, and staff time must only be used for authorized District business. Expenses incurred in connection with the following types of activities generally constitute authorized expenses, as long as the other requirements of this policy are met:

1. Communicating with representatives of regional, state and national government on District adopted policy positions;
2. Attending educational seminars designed to improve officials' skill and information levels;
3. Participating in regional, state and national organizations whose activities affect the District's interests;
4. Recognizing service to the District (for example, thanking a longtime employee with a retirement gift or celebration of nominal value and cost);
5. Attending District events;
6. Meetings such as those listed above for which a meeting stipend is expressly authorized under this policy.

All expenditures require prior approval by the Board of Directors.

Examples of personal expenses that the District will not reimburse include, but are not limited to:

1. The personal portion of any trip;
2. Political or charitable contributions or events;
3. Family expenses, including partner's expenses when accompanying official on District-related business, as well as children-or pet-related expenses;
4. Entertainment expenses, including theater, movies, sporting events, or other cultural events;
5. Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline; and
6. Personal losses incurred while on District business. Any questions regarding the propriety of a particular type of expense should be resolved by the approving authority at the District before the expense is incurred.

C. Meeting Stipends

General

Directors receive \$100 per day ("daily meeting stipend") for each day's attendance at meetings, as defined in this policy. Such compensation is in addition to any reimbursement for meals, lodging, travel and expenses consistent with this policy.

Meetings And Service Subject To Daily Meeting Stipend

To be entitled to a daily meeting stipend under this policy, the event in question must constitute one of the following:

1. A meeting of the Board within the meaning of Government Code section 54952.2(a);
2. A meeting of a District committee within the meaning of Government Code section 54952(b);
3. An advisory body meeting within the meaning of Government Code section 54952(b); or
4. A conference or organized educational activity conducted in compliance with Government Code section 54952.2(c), including ethics training required by Government Code sections 53234 and following.
5. A meeting of any multi-jurisdictional governmental body on which the Director serves as the District's designated representative.

6. Any meeting attended or service provided on a given day at the formal request of the Board and for which the Board provides prior approval of payment of a daily meeting stipend.

Except for meetings under section (C)(1), daily meeting stipends shall not be paid for any meeting attended or service provided unless the Board provides prior approval.

Aggregate Limits

The number of days for which a Director receives a daily meeting stipend will not exceed the aggregate limits established by state law and District policy. Said District policy provides that compensation shall not exceed ten (10) meetings/days per month.

D. Cost Control

To conserve District resources and keep expenses within community standards for public officials, expenditures should adhere to the following guidelines. In the event that expenses are incurred which exceed these guidelines, the cost borne or reimbursed by the District will be limited to the costs that fall within the guidelines.

Transportation

The most economical mode and class of transportation reasonably consistent with scheduling needs and cargo space requirements must be used, using the most direct and time-efficient route. Charges for rental vehicles may be reimbursed under this provision if more than one District official is attending an out of town conference, and it is determined that sharing a rental vehicle is more economical than other forms of transportation. In making such determination, the cost of the rental vehicle, parking and gasoline will be compared to the combined cost of such other forms of transportation. Government and group rates must be used when available.

Airfare. Airfares that are equal or less than those available through the Enhanced Local Government Airfare Program offered through the League of California Cities (www.cacities.org/travel), the California State Association of Counties (<http://www.csac.counties.org/default.asp?id=635>) and the State of California are presumed to be the most economical and reasonable for purposes of reimbursement under this policy.

Automobile. Automobile mileage is reimbursed at Internal Revenue Service rates presently in effect (see www.irs.gov). For 2006, the rate is 44.5 cents per mile. These rates are designed to compensate the driver for gasoline, insurance, maintenance, and other expenses associated with operating the vehicle. This amount does not include bridge and road tolls, which are also reimbursable. The Internal Revenue Service rates will not be paid for rental vehicles; only receipted fuel expenses will be reimbursed.

Car Rental. Rental rates that are equal or less than those available through the State of California's website (<http://www.catravelmart.com/default.htm>) shall be considered the most economical and reasonable for purposes of reimbursement under this policy.

Taxis/Shuttles. Taxis or shuttles fares may be reimbursed, including a 15 percent gratuity per fare, when the cost of such fares is equal or less than the cost of car rentals, gasoline and parking combined, or when such transportation is necessary for time-efficiency.

Lodging

Lodging expenses will be reimbursed or paid for when travel on official District business reasonably requires an overnight stay.

Conferences/Meetings. If such lodging is in connection with a conference, lodging expenses must not exceed the group rate published by the conference sponsor for the meeting in question if such rates are available at the time of booking. If the group rate is not available, see next section.

Other Lodging. Travelers must request government rates, when available. A listing of hotels offering government rates in different areas is available at <http://www.catravelmart.com/lodguideframes.htm>. Lodging rates that are equal or less to government rates are presumed to be reasonable and hence reimbursable for purposes of this policy.

In the event that government rates are not available at a given time or in a given area, lodging rates that do not exceed the IRS per diem rates for a given area are presumed reasonable and hence reimbursable.

Meals

Reimbursable meal expenses and associated gratuities will not exceed the rates specified in the Internal Revenue Service guidelines. The District will not pay for alcohol/personal bar expenses.

Telephone/Fax/Cellular

Directors, officials and employees, as applicable, will be reimbursed for actual telephone and fax expenses incurred on District business. Telephone bills should identify which calls were made on District business. For cellular calls when the official has a particular number of minutes included in the official's plan, the director/employee can identify the percentage of calls made on public business.

Internet

Directors, officials and employees, as applicable, will be reimbursed for Internet access connection and/or usage fees away from home, not to exceed \$15.00 per day, if Internet access is necessary for District-related business.

Airport Parking

Long-term parking must be used for travel exceeding 24-hours.

Other

Baggage handling fees of up to \$1 per bag and gratuities of up to 15 percent will be reimbursed. Expenses for which District directors, officials and employees, as applicable, receive reimbursement from another agency are not reimbursable.

E. Expense Report Content And Submission Deadline

All expense reimbursement requests must be submitted on an expense report form provided by the District. All expenses reported on this form must comply with the District's policies relating to expenses and use of public resources. The information submitted on this form is a public record. Penalties for misusing public resources and violating the District's policies include loss of reimbursement privileges, restitution, civil and criminal penalties as well as additional income tax liability. Expense reports must document that the expense in question met the requirements of this policy. Directors, officials and employees, as applicable, must submit their expense reports within 30 days of an expense being incurred, accompanied by receipts documenting each expense. Restaurant receipts, in addition to any credit card receipts, are also part of the necessary documentation. Inability to provide such documentation in a timely fashion may result in the expense being borne by the director/official/employee. The requirements of Resolution No. 94-27, including without limitation the reporting and disclosure requirements set forth therein, shall continue to be in effect.

F. Audits Of Expense Reports

All expenses are subject to verification that they comply with this policy.

G. Reports To Board of Directors

At the following Board meeting, each official shall briefly report on meetings attended at District expense. If multiple officials attended, a joint report may be made.

H. Compliance With Laws

District directors, officials and employees, as applicable, should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All agency expenditures are public records subject to disclosure under the Public Records Act and other laws.

I. Violation Of This Policy

Use of public resources or falsifying expense reports in violation of this policy may result in any or all of the following: 1) loss of reimbursement privileges, 2) a demand for restitution to the District, 3) the District's reporting the expenses as income to the elected official to state and federal tax authorities, 4) civil penalties of up to \$1,000 per day and three times the value of the resources used, and 5) prosecution for misuse of public resources.