


Mary A. Neher, District Secretary
Contra Costa Water District**RESOLUTION NO. 15-01**

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CONTRA COSTA WATER DISTRICT
AMENDING THE CODE OF REGULATIONS – CHAPTER 3.08,
CONFLICT OF INTEREST CODE**

WHEREAS the Political Reform Act of 1974 (California Government Code Section 81000 et seq., as amended) and the implementing regulations adopted by the California Fair Political Practices Commission (FPPC) (2 California Code of Regulations Section 18109 et seq., as amended) require the District to adopt and to periodically update a Conflict of Interest Code; and

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Contra Costa Water District that Sections 3.08.020 and 3.08.030 of Chapter 3.08 of the Code of Regulations, Conflict of Interest Code, is amended as set forth in Exhibit A, attached hereto and incorporated herein, and the General Manager or his designee is hereby authorized and directed to do all things necessary and proper to implement this Resolution, including submission to the code reviewing body.

Chapter 3.08

CONFLICT OF INTEREST CODE*

Sections:

- 3.08.010 Adoption of Standard Code.
 3.08.020 Government Code Section 87200 Filers.
 3.08.030 Disclosure Categories and Designated Positions.
 3.08.040 Additions to Standard Code.

*Prior Resolution History: Res 09-19 Exh. A: Res 94-108 Exh. A and Reg. 152 Appendix.

3.08.010 Adoption of Standard Code.

A. The Political Reform Act (California Government Code Section 81000 et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Sec. 18730), that contains the terms of a standard conflict of interest Code, that can be incorporated by reference in an agency's code. After public notice and hearing, the regulation may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 Cal. Code of Regs. Sec. 18730, and any amendments to it duly adopted by the Fair Political Practices Commission, are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the Contra Costa Water District (District).

B. Individuals holding designated positions shall file their statements of economic interests with the District, which will make the statements available for public inspection and reproduction. (Gov. Code Sec. 81008.) All statements will be retained by the District.

3.08.020 Government Code Section 87200 Filers.

It has been determined that the positions listed below manage public investments and will file a statement of economic interests pursuant to Government Code Section 87200:

Members of the Board of Directors
 General Manager
Assistant General Manager-Administration
 Director of Finance
 Director of Finance & Human Resources
 Accounting Manager

An individual holding one of the above listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices

Commission makes the final determination whether a position is covered by Government Code Section 87200.

3.08.030 Disclosure Categories and Designated Positions**A. Designated Positions and Assigned Disclosure Category**

Designated Position	Assigned Disclosure Category
Assistant General Manager-Administration	1
Assistant General Manager-Engineering	1
Assistant General Manager-Engineering/Construction	1
Assistant General Manager-Planning/Operations and Maintenance	1
Special Assistant to the General Manager*	1
Executive Assistant to the General Manager	1
Director of Operations and Maintenance	1
Watershed and Lands Manager	1
Director of Planning	1
Director of Engineering	1
Director of Construction	1
Water Resources Manager	1
Real Property Agent	1
Construction Manager	2
Engineering Manager	2
Human Resources Manager	2
Director of Public Affairs	2
Maintenance Manager (Distribution)	2
Maintenance Manager (Storage and Conveyance)	2
<u>Planning Manager</u>	<u>2</u>
Internal Auditor	2
Water Operations Manager	2
Risk Management Officer	2
Purchasing Officer	2
Principal Engineer	2
Principal Planner	2
<u>Principal Water Resources Specialist</u>	<u>2</u>
Senior Engineer	2
Special Projects Manager	2
Project Controls Manager	2
Information Systems Manager	2
Environmental Compliance Officer	2
<u>Watershed and Environmental Planning Manager</u>	<u>2</u>
Consultants**	

* Special Assistant to the General Manager shall have a working title of Assistant General Manager-Water Resources.

**Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest category in the Code; subject to the following limitations: The General Manager may determine, in writing, that a particular consultant, (other than the General Counsel, who must disclose pursuant to the broadest category in the conflict-of interest code), although a "designated position" has been hired to perform a range of duties that is limited in scope and thus, is not required to fully comply with the disclosure requirements of the Code. Such written determination shall include a description of the consultant's duties, and, based upon that description, a statement of the extent of disclosure requirements. The General Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

**CONTRA COSTA WATER DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING
January 7, 2015**

Mary A. Neher
Mary A. Neher, District Secretary
Contra Costa Water District

MINUTES

CALL TO ORDER

President Campbell called to order a regular meeting of the Board of Directors of the Contra Costa Water District (District) at 6:30 p.m., at 1331 Concord Avenue, Concord, the regular meeting place of the Board.

ROLL CALL

Directors Present: Joseph L. Campbell, President
Lisa M. Borba, Vice President
Bette Boatmun
John A. Burgh
Connstance Holdaway

Directors Absent: None

General Manager: Jerry Brown

Legal Counsel: Douglas E. Coty

District Secretary: Mary A. Neher

PLEDGE OF ALLEGIANCE

Water Operations Manager Dave Huey led the pledge of allegiance.

ADOPTION OF AGENDA

Mr. Brown reviewed changes to Agenda 1.a. Board Future Services Calendar and Agenda 7.a. Retirement Committee Post-Meeting Report (12/12/14). Copies were provided to the Board and made available to the public at the back of the Board Room.

PUBLIC COMMENT (Please observe a three-minute time limit)

President Campbell asked if anyone from the public wanted to speak to the Board.

Bird Morningstar, a Concord resident, noted that he had attended the Division 5 Board interviews at the December 17, 2014 Board meeting. He told the Board how the warm weather

had caused many people to start watering their gardens, which he did not recommend to do at this time. He stressed the need for continued water conservation by everyone. He noted the recent newspaper article reported different numbers than reported by the District, which caused confusion and concern among his clients. The Board thanked Mr. Morningstar for providing his concerns.

In response to what the District's conservation program would be, the Board explained that the District needed the Central Valley Project contractor water allocation numbers and the winter precipitation total to calculate what is needed to fill the gap between the District's needs and water allocation it receives and would provide it in a couple of months. The Board explained the difference between the state fishing license fees and the District's fishing access fees and how the patio boat rentals were handled at Los Vaqueros.

CONSENT CALENDAR

1. Approve Directors' Services/Business and Travel Expenses
 - a. Future Services –January 2015
 - b. Expenses – December 2014
 - c. Compensation – December 2014
2. ~~Approval of minutes for the following meetings:~~
 - a. ~~October 3, 2014~~
 - b. ~~October 15, 2014~~
3. Approve the warrant register dated January 8, 2015.
4. Confirm the President's recommended appointments for Board committees, liaison positions, and chairpersons.
5. Adopt Resolution No. 15-01 amending the Code of Regulations – Chapter 3.08, Conflict of Interest Code.

President Campbell asked if the Board had any questions or comments. Director Holdaway removed Agenda Item Nos. 2.a. and 2.b. regarding approval of minutes.

President Campbell asked if there were any public comments. There were none.

MOTION: Boatmun/Borba to approve the Consent Calendar with the exception of Agenda Item Nos. 2.a. and 2.b. The motion carried by a unanimous voice vote.

ACTION

2. Approval of minutes for the following meetings:
 - a. October 3, 2014
 - b. October 15, 2014

President Campbell asked if the Board had any comments.

Director Holdaway stated that she would abstain from the meeting minute approvals for October 3 and October 15, 2014 because she wasn't on the Board yet.

President Campbell asked if anyone from the public had any comments. There were none.

MOTION: Boatmun/Borba to approve Agenda Item Nos. 2.a. and 2.b. regarding the October 3 and 15, 2014 meeting minutes. The motion carried by a voice vote: 4 ayes (Boatmun, Borba, Burgh, and Campbell); 1 abstain (Holdaway).

6. 2015 Rate Review – Public Hearing and Adoption
 - a. Conduct a public hearing to provide information and receive comments on proposed water rate, fee, and charge adjustments for 2015;
 - b. Adopt Resolution No. 15-02 amending portions of Title 5 of the District's Code of Regulations pertaining to untreated and treated water rates, fees, and charges;
 - c. Adopt Resolution No. 15-03 amending portions of Title 1 of the District's Code of Regulations pertaining to the daily fishing access pass fee and the boat rental fees at Los Vaqueros Reservoir recreation facilities; and
 - d. Adopt Resolution No. 15-04 amending portions of Title 2 of the District's Code of Regulations pertaining to Board of Directors meetings and services.

Director of Finance Desiree Castello explained that the proposed revenue increases were consistent with the Board's Rate Setting and Reserve Policies and were lower than projected in the Capital Improvement Program. Out of the 61,500 Prop 218 notices mailed, the District received 2 written protests. The proposed revenue increases incorporated the 2014 drought results but did not include the 2015 drought impacts, as that would be included in the mid-cycle budget review. The schedule for the rate review process and the amount of increase per type of customer was provided.

A regional water agency rate comparison showed the District's rates were in the middle of the group. Excess rate reserves above the Board's six-month reserve policy may be used to offset the potential revenue rate increases. The additional changes recommended by the staff and the fees being phased in from prior Board approvals were reviewed. The Board discussed staff's recommendations.

President Campbell noted that the District's ten-year financial plan had periodic reviews by the Board throughout the year. The District works to obtain outside revenues, such as grants and partnerships, to offset operational costs, which cover approximately 30% of the District's operational costs.

President Campbell opened the public hearing at 7:02 p.m. and asked for public comment.

Mr. Morningstar spoke in favor of the proposed rate increase and asked a couple of questions. The Board clarified that the District access fee to fish was for people to gain access to the reservoir and the State of California sets the fishing license fees. A description of a patio boat was provided. The Board stated it was too early to discuss the need for and what would be included in a water conservation plan, as the District needed its Central Valley Project water allocation numbers to make water conservation decisions.

President Campbell closed the public hearing at 7:10 p.m.

President Campbell said the Board would deliberate and make a decision.

In response to questions from Vice President Borba, Mr. Brown explained that the engineering fees were 100% labor costs and had not been reviewed since 2009. The engineering fee needed to be adjusted to reflect the current labor cost. This fee would be included in the future annual review of the fees, rates, and charges to identify adjustments and be presented to the Board for consideration before the fees are updated. When fee adjustments are approved by the Board, the District's Code of Regulations is updated and posted to the website providing customers with current costs.

The Board discussed how the District serves more customers with less staff than it did 10 years ago and how it uses conservative financial planning to manage operations and to meet its financial obligations. The Board said it hears from conservation-minded customers that they want customers using more water to be charged more. The base water consumption numbers for customers may need to be reviewed in the future.

MOTION: Boatmun/Borba to adopt Resolution No. 15-02 amending portions of Title 5 of the District's Code of Regulations pertaining to untreated and treated water rates, fees, and charges, to adopt Resolution No. 15-03 amending portions of Title 1 of the District's Code of Regulations pertaining to the daily fishing access pass fee and the boat rental fees at Los Vaqueros Reservoir recreation facilities; and 15-04 amending portions of Title 2 of the District's Code of Regulations pertaining to Board of Directors meetings and services. The motion carried by a unanimous voice vote.

REPORTS FOR DISCUSSION

7. Committee Report(s)
 - a. Retirement Committee Post-Meeting Report (12/12/14)

b. Other Post-Employment Benefits Advisory Committee Post-Meeting Report
(12/12/14)

President Campbell asked if there were any comments regarding the reports. Mr. Brown noted that Agenda Item 7.a. was updated, as discussed during the Agenda Adoption.

8. Schedule Future Meeting Dates and Times

President Campbell asked if there were any future meeting dates. Mr. Brown noted that the East Bay Leadership Council East Bay USA dinner on January 22 was part of a three-event series, and the District was a sponsor.

REPORTS

9. General Manager

Mr. Brown noted the District received an annual records request for public agency salaries by the Bay Area News Group. The District will provide the information next week when the final 2014 payroll period numbers are available.

The District's 20-year low-flow toilet rebate program ended on December 31, 2014, as only low-flow toilets may be purchased. The District will honor rebate applications taken out on or before December 31. The remaining funds for this program will be transferred to the landscape and irrigation conservation rebate program for residential customers. The District was reviewing how to provide similar rebates to commercial and industrial customers.

The Wandry family provided the information for a Celebration of Life to honor Vice President Karl Wandry to be held at 1:00 p.m. on January 19 at the Lone Tree Golf.

10. Legal Counsel

Mr. Coty reviewed a pending decision by the Fair Political Practices Commission (FPPC) regarding a \$30,000 fine against a water agency's general manager for failure to report approximately \$3,500 of gifts received from an engineering firm doing work for the water agency. The FPPC gift limits would have precluded the general manager's participation in actions related to the engineering firm's contracts.

The FPPC changed the rules regarding a Director's ability to vote on matters that may affect the foreseeable value of the Director's real property. A Director is precluded from taking action on matters within 500 feet of the Director's real property line unless an opinion from the FPPC stating that the Director may participate is received. Activities occurring more than 500 feet from the Director's real property line are left for the Director to evaluate impact to real property's