

# Board of Harbor Commissioners

## Crescent City Harbor District

December 3, 2024

Regular Harbor Commission Meeting



# Regular Meeting

## Board of Harbor Commissioners of the Crescent City Harbor District

President Pro-Tem Rick Shepherd, Commissioner Gerhard Weber  
Commissioner Annie Nehmer, Commissioner Dan Schmidt, Commissioner John Evans

### AGENDA

**Date:** Tuesday, December 3, 2024

**Time:** Open Session 2:00 p.m.

**Place:** 101 Citizens Dock, Crescent City, CA, and via Zoom Webinar,

### VIRTUAL MEETING OPTIONS

#### TO WATCH (via online)

<https://us02web.zoom.us/j/6127377734>

#### TO LISTEN (via telephone)

Dial (669) 900-6833, please enter 612 737 7734# (meeting ID)  
or, one tap mobile: +16699006833,,6127377734#

## **1. Preliminary Items**

- a. Call to Order**
- b. Roll Call**
- c. Pledge of Allegiance**
- d. General Public Comments**

*The general comment period is provided for subjects not included on the agenda. Each person is limited to a maximum of 3 minutes of speaking time. The Board may not take action on non-agendized matters. However, the Board or its staff may briefly respond to statements or questions from the public.  
(Gov. Code § 54954.2(a)(2))*

## **2. Consent Calendar**

*Consent Calendar items are considered routine and will be approved by one motion. The public, staff, or Commissioners may request specific items be removed from the Consent Calendar for separate consideration.*

- a. Approve Meeting Minutes of the October 1, 2024 and November 19, 2024 Regular CCHD Board Meetings.**

### **3. New Business**

- a. New Commissioner Ethics Orientation Presented by General Counsel Ruben Duran.**
- b. Consider Nominations and Elect President of the Board.**
- c. Consider Nominations and Elect Secretary of the Board.**
- d. Review of Standing and Ad-Hoc Committees and Appointment of New Members.**
- e. Review of Current CCHD Grants and New Grant Applications Presented by Community System Solutions CEO Mike Bahr.**
- f. Consider and Vote to Authorize Purchase of Mobile Freezer Containers and Other Measures to Support Ice Distribution.**
- g. Discuss New Ideas for Revenue Generation.**
- h. Consider Report on the Chamber of Commerce and Visitors Bureau Presented by Director Cindy Vosburg and Vote to Authorize Funding.**

### **4. Old Business**

- a. Discuss Finance and Administration Policies and Procedures and Vote to Approve Any Desired Changes.**

### **5. Communications and Reports**

- a. Financial Report**
- b. CEO/Harbormaster Report**
- c. Harbor Commissioner & Committee Reports**

## 6. MEETING ADJOURNMENT

*Adjournment of the Board of Harbor Commissioners will be until the next meeting scheduled for **Tuesday, December 17, 2024**, at 2 p.m. PDT. The Crescent City Harbor District complies with the Americans with Disabilities Act. Upon request, this agenda will be made available in appropriate alternative formats to person with disabilities, as required by Section 12132 of the Americans with Disabilities Act of 1990 (42 U.S.C. §12132). Any person with a disability who requires modification in order to participate in a meeting should direct such request to (707) 464-6174 at least 48 hours before the meeting, if possible.*



## **1. Preliminary Items**

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- b. Roll Call**
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## 1. Preliminary Items

### d. General Public Comments

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## **2. Consent Calendar**

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- a. Approve Minutes of the October 1, 2024 and November 19, 2024 Regular Board Meetings.**

***Public Comment?***





### **3. New Business**

#### **a. New Commissioner Ethics Orientation Presented by General Counsel Ruben Duran.**

Cities, counties and special districts in California are required by law (AB 1234, Chapter 700, Stats. of 2005) to provide ethics training to their local officials. Self-study materials follow this slide. Commissioners should review the materials prior to the December 3rd Board Meeting. At the meeting, a Q&A session with the Harbor's General Counsel will be conducted. A take-home test, administered and graded by the Institute for Local Government, will be distributed. Upon successful completion of the test, a compliance certificate will be issued to each Commissioner.

***Public Comment?***

## AB 1234 Self-Study Materials

### Part I: Financial Interests and Perks

AB 1234 requires elected and appointed officials to take *two hours* of ethics training if they receive compensation for their service or are reimbursed for their expenses.<sup>1</sup> The ethics training requirement may also apply to agency employees designated by the agency's legislative body.<sup>2</sup>

There are many ways to satisfy this requirement, including in-person training and self-study activities. Moreover, like all ethics laws, AB 1234 is a floor, not a ceiling. Local officials can demonstrate their commitment to ethics in public service by going beyond AB 1234's minimum requirements.

This self-study exercise is eligible for *one hour* of AB 1234 self-study credit (or half of the minimum requirement). To claim self-study credit, log on to [www.ca-ilg.org/AB1234selfstudy](http://www.ca-ilg.org/AB1234selfstudy), print out and take the test, mail it to the address indicated with the \$37.50 processing fee. This fee covers grading the test, providing the correct answers (and explanations) and your proof of participation certificate.

#### Scope of This Self-Study Exercise

These materials cover the first two areas of ethics training required by AB 1234:

- Laws relating to personal financial gain by public officials (including bribery and conflict of interest laws); and
- 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.<sup>3</sup>

It also covers ethics principles related to these laws and ethics in public service in general.

Self-study materials that cover governmental transparency and fair process laws may be found here: [www.ca-ilg.org/post/ab-1234-self-study](http://www.ca-ilg.org/post/ab-1234-self-study).

Note that public service ethics laws are extraordinarily complex. The learning objective of both self-study and in-person AB 1234 training courses is to familiarize local officials with when they need to consult agency counsel, the Attorney General or the Fair Political Practices Commission about a given situation or course of action.

Moreover, the ethics laws and training requirements of AB 1234 are both *minimum* standards. Just because a course of action is legal doesn't mean that it is ethical or that the public or media will perceive it to be so. Local officials are strongly encouraged to go beyond the minimum standards set forth in the law and participate in additional educational activities relating to their legal and ethical obligations as public servants.

#### Financial Gain

##### **Key Concepts**

The principle underlying the financial gain laws is that the possibility of personal financial gain or loss cannot be a factor in your decisions as a public official. The laws in this area are designed to promote the general

ethical values of *responsibility* and *trustworthiness*. Public servants have a responsibility to act always in the public's interest, and the public needs to be able to trust that they will.

### **Key Laws**

The following laws are designed to avoid both the reality and the appearance of personal financial gain influencing public servants' actions.

- **Bribery.** Requesting, receiving or agreeing to receive money in exchange for an official action is a crime. Under the state's criminal laws, a "bribe" includes anything of value; it also includes receiving "advantages." <sup>4</sup>The advantage can be a future one and need not involve the payment of money.<sup>5</sup>
- **Disqualification Based on Financial Interests.** A public official may not make, participate in or influence a governmental decision that will have a foreseeable and material financial effect on the official, the official's immediate family or any of the official's economic interests.<sup>6</sup> Note the breadth of the prohibition: it does not just apply to voting, but the entire process leading up to voting.
- **Interests in Contracts Prohibited.** A public official may not have a financial interest in any contract made by the board or body of which the official is a member.<sup>7</sup> The law is very strict on this point. Such contracts are void—meaning that the public agency will not have to pay the official for the benefits provided to the agency under the contract.<sup>8</sup> Under most circumstances, the prohibition cannot be avoided by disqualifying oneself from participating in the decision on the contract.
- **Helping Prospective Employers.** A public official may not influence agency decisions when the interests of a prospective employer are at stake.<sup>9</sup> This situation arises when someone is negotiating or has "any arrangement" concerning prospective employment with someone with business before the agency.
- **Revolving Door.** Elected officials and top-level managers cannot represent individuals or entities before their agencies for one-year after leaving office.<sup>10</sup>

*Note that some local agencies have adopted even more restrictive prohibitions.*

### The “Leave the Room” Requirement

If you are disqualified from participating on a specific agenda item under the conflict of interest rules established by the Political Reform Act, you must:<sup>11</sup>

- At the meeting, publicly identify the financial interest or potential conflict of interest in sufficient detail to be understood by the public.
- Not attempt to influence the decision in any way (this includes pre-meeting discussions with staff or colleagues).
- Refrain from discussing or voting on the matter (you should ask the item to be considered separately if it is on the consent calendar).
- Leave the room until after the discussion, vote and any other disposition of the matter, unless the matter is on the consent calendar.

There are limited exceptions that allow a disqualified official to remain in the room and participate in the discussion as a member of the public when one’s “personal interests” are at stake. Consult with your agency attorney about what kinds of personal interests qualify.

### Consequences of Missteps

The consequences of violating these requirements can be severe. They include criminal felony or misdemeanor prosecutions. Conviction can involve substantial fines, jail time and loss of office. Civil fines can also add up. For example, the administrative penalty for violation of the Political Reform Act is a fine of up to \$5,000 per violation. In most instances, officials targeted for civil enforcement actions will pay tens of thousands of dollars in defense costs, significantly more in criminal cases.

There can also be other kinds of negative consequences. For example, if an official violates proscriptions against self-dealing relating to contracts, the official may have to refund amounts paid under the contract. If a decision is tainted by the participation of someone who should have disqualified him or herself, the decision is subject to invalidation.

## Financial Interests Affected by an Agency Decision:

### *When to Seek an Attorney's Advice*

Talk with your agency attorney when 1) an action by your public agency 2) may affect (positively or negatively 3) any of the following:

**Income.** Any source of income of \$500 or more (including promised income) during the prior 12 months for you or spouse/domestic partner.

**Real Property.** A direct or indirect interest in real property of \$2,000 or more that you or your immediate family (spouse/domestic partner and dependent children) have, including such interests as ownership, leaseholds (but not month-to-month tenancies) and options to purchase, especially when any of these are located within 500 feet of the subject of your decision.

**Personal Finances.** Your or your immediate family's (spouse/domestic partner and dependent children) personal expenses, income, assets, or liabilities.

**Gift Giver.** A giver of a gift of \$520 (for 2021-22) or more to you in the prior 12 months, including promised gifts.

**Lender/Guarantor.** A source of a loan (including a loan guarantor) to you.

**Contract.** You or a member of your family would have an interest (direct or indirect) in a contract with the agency.

**Business Management or Employment.** An entity for which you serve as a director, officer, partner, trustee, employee, or manager.

**Business Investment.** An interest in a business in which you or your immediate family (spouse/ domestic partner and dependent children) have a direct or indirect investment worth \$2,000 or more.

**Related Business Entity.** An interest a business that is the parent, subsidiary or is otherwise related to a business if you:

- Have a direct or indirect investment worth \$2,000 or more; or
- Are a director, officer, partner, trustee, employee, or manager.

**Business Entity Owning Property.** A direct or indirect ownership interest in a business entity or trust of yours that owns real property.

**Campaign Contributor.** A campaign contributor of yours (if you are sitting on an appointed decision-making body).

**Other Personal Interests and Biases.** You have important, but non-financial, personal interests or biases (positive or negative) about the facts or the parties that could prevent you from making a fair decision.

**What Will Happen Next?** Agency counsel will advise you whether 1) you can participate in the decision and, 2) if a contract is involved, whether the agency can enter into the contract at all. Counsel may suggest asking either the Fair Political Practices Commission or the State Attorney General to weigh in. Keep in mind the attorney's duty is to promote compliance with the ethics laws, not try to find ways around them.

## Personal Advantages and Perks

### Key Concepts

The principle underlying the “no perks” laws is that one’s status as a public servant and one’s access to public resources should not afford special privileges. There are two categories of “no perk” laws. One relates to perks that others provide public officials (for example, gifts). The other involves advantages that officeholders provide themselves (for example, use of public resources).

The laws in this area are designed to promote the general ethical values of *fairness*, *responsibility* and *trustworthiness*. For example, receipt of perks from others undermines the public’s trust that decision-makers are treating everyone who comes before them fairly and making decisions solely in the public’s interests.

When officeholders give themselves perks, the public’s trust that these officeholders are being careful and public-minded stewards of taxpayer resources is undermined. To the extent that some of these perks involve political advantages, they undermine the fairness of campaigns and elections.

### Key Laws

Generally speaking, the “no perks” laws bar some transactions and require disclosure of others. The laws are complex and the following will help you “spot” the issue so you can consult agency counsel for further information about the rules in a given instance.

- **Loans.** Officials cannot receive loans from those within the agency<sup>12</sup> or with whom the agency contracts (except for bank or credit card indebtedness made in the regular course of the company’s business).<sup>13</sup> Personal loans over \$500 from others must meet certain requirements (for example, be in writing, clearly state the date, amounts and interest payable).<sup>14</sup>
- **Gifts.** With certain exceptions, a public official must disclose most gifts of \$50 or more on his or her Statement of Economic Interests and may not receive gifts from any one source that totals over \$520 in a single year (for 2021-22).<sup>15</sup> Gifts include meals, certain kinds of travel payments, and rebates or discounts to public officials not offered to others in the usual course of business.<sup>16</sup>
- **Travel Expenses from Non-Transportation Companies.** Gifts of travel expenses (for example, airfare, lodging, meals and entertainment) from non-transportation companies are generally subject to the gift rules and must be reported on one’s Statement of Economic Interests as such.
- **Travel Passes from Transportation Companies.** State law strictly forbids elected and appointed public officials from accepting free or discounted travel from transportation companies.<sup>17</sup> The penalty for violating the prohibition against accepting travel passes from transportation companies is severe--an immediate forfeiture of office.<sup>18</sup>
- **Receiving Gratuities or Rewards.** It is a crime to receive any kind of gratuity or reward for performing one’s duties.<sup>19</sup>
- **Honoraria.** State law regulates the degree to which public officials may receive payments for giving a speech, writing an article or attending a public or private conference, convention, meeting, social event, meal or similar gathering.<sup>20</sup> Generally such payments—which are known as honoraria--are prohibited. The notion is such communications are part of a public official’s service.

- **Personal Use of Public Resources.** State law forbids public officials from using public resources for personal purposes.<sup>21</sup> “Public resources” include such things as 1) staff time, 2) office equipment (telephones, fax machines, photocopiers, and computers), and 3) office supplies (stationery, stamps, and other items). “Personal” use of public resources includes activities that are for personal enjoyment, private gain or advantage.<sup>22</sup> For example, asking a staff member to pick up your laundry or kids from daycare would be a violation. “Use” means the use of public resources that is substantial enough to result in a gain or advantage for the user and a loss to the local agency that can be estimated as a monetary value.<sup>23</sup>
- **Expense Reimbursement.** The general rule is that local agency officials may only be reimbursed for actual and necessary expenses.<sup>24</sup> Cities, counties, and special districts that reimburse their elected and appointed officials must adopt expense reimbursement policies that specify the kinds of activities that will be reimbursable.<sup>25</sup> Local agencies must use expense report forms and all expenses must be documented with receipts.<sup>26</sup> These documents are public records subject to disclosure.<sup>27</sup>
- **Limits on Public Official Compensation.** Typically, there is a legal limit on elected public official compensation levels, either in state or local law public officials, particularly elected ones, may only collect and retain such compensation that the law allows.<sup>28</sup> As protectors of the public purse, courts generally take a strict approach to public official compensation limits.<sup>29</sup>

City and county officials typically receive a monthly salary for their service. Special district directors tend to be compensated by a daily stipend. With certain exceptions, this stipend compensates such directors for:

- A meeting of any “legislative body” as defined by the Brown Act
- A meeting of an advisory body
- Conference attendance or educational activities, including ethics training<sup>30</sup>

Agencies may compensate officials for attendance at other events as specified in a written policy adopted in a public meeting.<sup>31</sup>

- **Use of Public Resources for Political Purposes.** The same statutes that prohibit the use of public resources for personal benefit also prohibit the use of such resources for campaign purposes.<sup>32</sup> The prohibition applies to campaigns to elect candidates and campaigns in support of or opposition to ballot measures.
- **Mass Mailings at Public Expense.** State law forbids sending mass mailings at public expense.<sup>33</sup> State law defines “mass mailings” as including mailings that “feature an elected officer” by including their photograph or signature, or by singling out the officer by a manner in which their name appears in the document.<sup>34</sup>
- **Gifts of Public Resources or Funds.** California’s constitution forbids gifts of public funds. This prohibits, for example, paying for spouses, partners or family members to accompany public officials.<sup>35</sup> It can also be an issue when a public agency contemplates charitable contributions.<sup>36</sup>



- **Soliciting Political Support from Agency Employees.** Soliciting campaign funds from agency officers or employees is also unlawful,<sup>37</sup> as is conditioning employment decisions on support of a person's candidacy.<sup>38</sup> Compensation decisions may not be tied to political support.<sup>39</sup>
- Speak with your agency counsel about the specifics of these requirements as they may apply to your situation.

## Consequences of Missteps

The consequences of violating the “no-perk” laws can also be severe. For example, the prohibitions against the personal use of public resources are punishable by a \$1,000 per day fine plus three times the value of the resource used.<sup>40</sup> Criminal penalties include a two to four year prison term and disqualification from office.<sup>41</sup> Prosecution under the federal income tax evasion laws is also a possibility.<sup>42</sup> Again, this does not include the costs of hiring defense lawyers, which can add up to tens of thousands of dollars, if not more.

### Beyond the Minimum in Understanding Public Service Ethics

Like all ethics laws, AB 1234 sets minimum standards. The enforcement mechanism for complying with AB 1234's requirements relies on public scrutiny and media attention. Records of officials' compliance with AB 1234 (proof of participation certificates) are public records and must be maintained for at least five years.<sup>43</sup>

In addition to maintaining records on compliance with the minimum standards imposed by AB 1234, local agencies may also want to maintain records of any training and study local agency officials engaged in above and beyond AB 1234's minimum requirements. This will enable those inquiring to ascertain the agency's and individual's full scope of commitment to understanding the ethical and legal obligations associated with public service.

## Beyond the Law

Understanding and complying with public service ethics laws is a challenge. But the public expects even more of its public servants. Rather than making decisions purely on the fly, how can public officials maximize the likelihood that they will meet or exceed the public's expectations for ethical conduct?

To be considered successful as a public servant, one is encouraged to think in terms of ethical values not minimum standards. Some key values relating to public service include responsibility, trustworthiness, respect and fairness. Assess decisions you have to make against these standards.

In addition, you can ask yourself these kinds of questions:

- What decision, behavior or course of action will best promote the public's trust in my leadership and that of my agency?



- Would I want to read about a certain course of action on the front page of my local newspaper?
- How do I want to be remembered as a public official? What would make my family and parents proud as a legacy?

For example, even if you are not legally required to disqualify yourself from participating in a decision, you may want to voluntarily abstain from participating if you believe the public could reasonably question whether you could put personal relationships and interests aside in making a given decision.

## Conclusion

Former British Prime Minister Benjamin Disraeli once observed “...that all power is a trust; that we are accountable for its exercise.” As extensive and complicated as they are, the above rules relating to public service ethics are a reflection of that overarching quest for accountability and trust.

For more information on these rules, go to [www.ca-ilg.org/ethicslaws](http://www.ca-ilg.org/ethicslaws). For more information on ethics principles, please visit [www.ca-ilg.org/ethicsprinciples](http://www.ca-ilg.org/ethicsprinciples).

*Disclaimer: Open meeting practices continue to evolve as the COVID-19 crisis continues and agencies use a wide range of technology to meet their needs. The information provided in this document is for general informational purposes only and is not intended to provide legal advice to any individual or entity. ILG urges you to consult with your own legal advisor before taking any action based on this information.*

## References

- <sup>1</sup> Cal. Gov't Code § 53235(a), (b).
- <sup>2</sup> Cal. Gov't Code § 53234(c).
- <sup>3</sup> Cal. Gov't Code § 53235(a), (b).
- <sup>4</sup> Cal. Penal Code § 7
- <sup>5</sup> Id. See also *People v. Anderson*, 75 Cal. App. 365 (1925).
- <sup>6</sup> See Cal. Gov't Code §§ 87100 and following.
- <sup>7</sup> Cal. Gov't Code § 1090.
- <sup>8</sup> Cal. Gov't Code § 1092. *Thomson v. Call*, 38 Cal. 3d 633, 646 (1985)
- <sup>9</sup> Cal. Gov't Code § 87407.
- <sup>10</sup> See Cal. Gov't Code § 87406.3.
- <sup>11</sup> See Cal. Gov't Code § 87105.
- <sup>12</sup> See Cal. Gov't Code § 87460(a), (b).
- <sup>13</sup> See Cal. Gov't Code § 87460(c), (d).
- <sup>14</sup> See Cal. Gov't Code § 87461.
- <sup>15</sup> Cal. Gov't Code §§ 87200, 87207, 89503; 2 Cal. Code Regs. § 18940.2 (The gift limit is modified every two years to reflect changes in the Consumer Price Index; the \$520 (2021-22)
- <sup>16</sup> Cal. Gov't Code § 82028(a).
- <sup>17</sup> See Cal. Const. art. XII, § 7 (“A transportation company may not grant free passes or discounts to anyone holding an office in this State . . .”).
- <sup>18</sup> See Cal. Const. art. XII, § 7 (“ . . . acceptance of a pass or discount by a public officer . . . shall work a forfeiture of that office . . .”).
- <sup>19</sup> Cal. Penal Code § 70.
- <sup>20</sup> See Cal. Gov't Code § 89501 (definition of honoraria).
- <sup>21</sup> See Cal. Penal Code § 424; Cal. Gov't Code § 8314.
- <sup>22</sup> Cal. Gov't Code § 8314(b)(1).
- <sup>23</sup> Cal. Gov't Code § 8314(b)(4).

<sup>24</sup> Cal. Gov't Code § 36514.5.

<sup>25</sup> Cal. Gov't Code § 53232.2(b).

<sup>26</sup> Cal. Gov't Code § 53232.3.

<sup>27</sup> Cal. Gov't Code § 53232.3(e).

<sup>28</sup> For example, the salary of council members of general law cities is controlled by Government Code section 36516(a), which permits a city council to establish by ordinance a salary up to a ceiling determined by the city's population. The electorate may approve a higher salary. Cal. Gov't Code § 36516(b). A council member appointed or elected to fill a vacancy is compensated in the same amount as his or her predecessor. A directly-elected mayor may receive additional compensation with the consent of the electorate or by ordinance of the city council. Cal. Gov't Code § 36516.1. See also Cal. Educ. Code §§ 1090 (county board of education compensation), 35120 (school board member compensation), 72425 (community college board member compensation).

<sup>29</sup> *Id.*

<sup>30</sup> Cal. Gov't Code § 53232.1(a).

<sup>31</sup> Cal. Gov't Code § 53232.1(b).

<sup>32</sup> Cal. Penal Code § 424; *People v. Battin*, 77 Cal. App. 3d 635 (1978) (successful criminal prosecution of county supervisor for misusing public funds for improper political purposes), superseded on other grounds by *People v. Conner*, 34 Cal. 3d 141 (1983). See also Cal. Gov't Code § 8314 ("Campaign activity" means an activity constituting a contribution as defined in Section 82015 or an expenditure as defined in Section 82025. 'Campaign activity' does not include the incidental and minimal use of public resources, such as equipment or office space, for campaign purposes, including the referral of unsolicited political mail, telephone calls and visitors to private political entities.").

<sup>33</sup> See Cal. Gov't Code § 89001.

<sup>34</sup> See Cal. Gov't Code 89002

<sup>35</sup> 75 Cal. Op. Att'y Gen. 20 (1992) (finding paying a spouse's expenses to a conference violates both Government Code section 1090 and constitutional prohibitions against gifts of public funds). See also 65 Cal. Op. Att'y Gen. 517, 521 (1982) (finding Government Code section 36514.5 does not authorize reimbursement of the expenses of any person other than a member of the city council). See also *Albright v. City of South San Francisco*, 44 Cal. App. 3d 866, 869-870 (1975). (unauthorized reimbursement is illegal gift).

<sup>36</sup> See generally McQuillin, *Municipal Corporations*, § 39.25 (3d rev. ed. 1988) ("Appropriations to charitable or nonprofit associations, without consideration [something in return], cannot be made.")

<sup>37</sup> See Cal. Gov't Code § 3205 (except for those communications to a significant segment of the public that happens to include fellow public officials and employees).

<sup>38</sup> See Cal. Gov't Code § 3204, which reads as follows: No one who holds, or who is seeking election or appointment to, any office or employment in a state or local agency shall, directly or indirectly, use, promise, threaten or attempt to use, any office, authority, or influence, whether then possessed or merely anticipated, to confer upon or secure for any individual person, or to aid or obstruct any individual person in securing, or to prevent any individual person from securing, any position, nomination, confirmation, promotion, or change in compensation or position, within the state or local agency, upon consideration or condition that the vote or political influence or action of such person or another shall be given or used in behalf of, or withheld from, any candidate, officer, or party, or upon any other corrupt condition or consideration. This prohibition shall apply to urging or discouraging the individual employee's action.

<sup>39</sup> ??

<sup>40</sup> Cal. Gov't Code § 8314(c)(1).

<sup>41</sup> Cal. Penal Code § 424.

<sup>42</sup> See 26 U.S.C. §§ 7201, 7203.

<sup>43</sup> Cal. Gov't Code § 53235.2.

## AB 1234 Self-Study Materials

### Part II: Governmental Transparency and Fair Processes

AB 1234 requires elected and appointed officials to take two hours of ethics training if they receive compensation for their service or are reimbursed for their expenses.<sup>1</sup> The ethics training requirement may also apply to agency employees designated by the agency's legislative body.<sup>2</sup>

There are many ways to satisfy this requirement, including in-person training and self-study activities. Moreover, like all ethics laws, AB 1234 is a floor, not a ceiling. Local officials can demonstrate their commitment to ethics in public service by going beyond AB 1234's minimum requirements.

As a special service, the Institute for Local Government is offering this article for one hour of AB 1234 self-study credit (or half of the minimum requirement). To claim self-study credit, log on to [www.ca-ilg.org/AB1234selfstudy](http://www.ca-ilg.org/AB1234selfstudy), print out and take the test, mail it to the address indicated with the \$37.50 processing fee. This fee covers grading the test, providing the correct answers (and explanations) and your proof of participation certificate; it also supports the Institute's work in the public service ethics area.

### Scope of This Self-Study Exercise

This article covers half of the required areas of ethics, including:<sup>3</sup>

- Governmental transparency laws, including financial disclosure laws and laws protecting the public's right to participate in meetings and access public records (the Brown Act and Public Records Act); and
- Laws relating to fair processes, including common law bias, due process, incompatible offices, competitive bidding requirements for public contracts and disqualification from participation in decisions involving family members.

The self-study materials covering the other half of the areas of ethics training required by AB 1234 may be found here: [www.ca-ilg.org/post/ab-1234-self-study](http://www.ca-ilg.org/post/ab-1234-self-study).

Note that public service ethics laws are extraordinarily complex. The learning objective of both self-study and in-person AB 1234 training courses is to familiarize local officials with when they need to consult agency counsel, the attorney general or the Fair Political Practices Commission about a given situation or course of action.

### Transparency Laws

The principle underlying governmental transparency laws is that the public trusts what it can observe. Transparency law is intended to promote participatory democracy, moreover, the prospect that actions will be publicly known can be a deterrent against actions that might undermine public trust. Thus, the laws in this area are designed to promote the general ethical values of trustworthiness and responsibility.

There are two basic categories of transparency laws. One relates to activities of the individual official. For example, these laws require specified officials to periodically disclose their personal financial interests (so the public can assess whether those interests played a role in the official's decisions). They also require officials to disclose campaign and charitable fundraising activities.

The other kind of transparency laws requires governmental processes to be transparent to the public. These laws require that governmental decisions be made in public and that the public have the opportunity to weigh in on those decisions. They also require that most public records be open to public inspection.

This self-study exercise discusses both kinds of transparency laws.

## Financial Disclosure Laws

There is an adage about one's life being an open book. Nowhere is this truer than for public officials and their finances. The bottom line is that when you become a public official, the public gets to learn a great deal about your financial life. The voters created these disclosure requirements when they approved the Political Reform Act in 1974.<sup>4</sup>

The disclosure requirements apply to nearly every local elected official and department head. Members of commissions, boards, committees and other local agency bodies with significant decision-making authority are also subject to disclosure requirements. An agency may require additional staff positions to disclose their economic interests under the agency's local conflict of interest code. Such employees are known as "designated employees."

The following kinds of economic interests must be disclosed if they meet certain minimum thresholds:<sup>5</sup>

- Sources of income;
- Interests in real property;
- Investments;
- Business positions; and
- Gifts

This disclosure is made on forms called both "Statements of Economic Interests" and "Form 700s." Copies of these forms are generally provided by one's agency. Interactive versions of the forms are available from the Fair Political Practices Commission website: [www.fppc.ca.gov](http://www.fppc.ca.gov).

These forms must be completed 1) upon assuming office 2) on an annual basis while in office and 3) upon leaving office.

## Charitable Fundraising

The disclosure laws are not limited to an official's personal financial interests. There are extensive disclosure requirements relating to an official's campaign fundraising activities.<sup>6</sup> However, a sometimes-overlooked disclosure obligation relates to an official's charitable fundraising activities. The theory is that the public has a right to know who is contributing to an elected official's favorite charities and other causes.

The trigger occurs when an elected official gets someone to contribute \$5,000 or more to a legislative, governmental or charitable cause during a calendar year, known as a behested payment.<sup>7</sup> Within 30 days of reaching the \$5,000 threshold, the elected official must file a report with the official's agency (typically with the filing officer).

## Conducting the Public's Business in Public

California's open meeting laws<sup>8</sup> provide legal minimums for local governmental transparency in decision-making. Decision-making bodies--which include the governing board as well as many committees and advisory bodies--must conduct their business in an open and public meeting to assure the public is fully informed about local decisions.<sup>9</sup>

The following are some key things to keep in mind:

- **Meetings.** A "meeting" is any situation involving a majority of the governing body in which business is transacted or discussed.<sup>10</sup> In other words, a majority of the governing body cannot talk privately about an issue before the body no matter how the conversation occurs, whether by telephone or e-mail or at a local coffee shop.<sup>11</sup>
- **Serial Meetings.** One thing to watch for is unintentionally creating a "serial" meeting—a series of communications that result in a majority of governing body members having conferred on an issue. For example, if two members of a five-member governing body consult outside of a public meeting (which is not in and of itself a violation) and then one of those individuals consults with a third member on the same issue, a majority of the body has consulted on the same issue. Note the communication does not need to be in person and can occur through a third party. For example, sending or forwarding e-mail can be sufficient to create a serial meeting, as can a staff member polling governing body members in a way that reveals the members' positions to one another.<sup>12</sup>
- **Permissible Gatherings.** Not every gathering of governing body members is a problem. For example, a majority of the governing body may attend the same educational conference or a community meeting not organized by the local agency.<sup>13</sup> Nor is attendance at a social or ceremonial event in and of itself a violation.<sup>14</sup> The key rule to keep in mind is a majority of the governing body members cannot meet and discuss agency business except at an open and fully noticed public meeting.
- **Closed Sessions.** The open meeting laws include provisions for closed discussions under very limited circumstances.<sup>15</sup> Because of the complexity of the open meeting laws, close consultation with an agency's legal advisor is necessary to ensure that the requirements relating to and the limitations on closed sessions are observed.

## The Public's Right to Participate in Meetings

Another element of open meeting laws is the public's right to address the governing body. A public official's role is to both hear and evaluate these concerns. There are a number of basic rules that govern this right.

- **Posting and Following the Agenda.** The open meeting laws require that the public be informed of the time of and location and the issues to be addressed at each meeting.<sup>16</sup>
- **Agenda Descriptions.** Each agenda item shall provide a description of the item sufficient enough to inform the community as to whether they should want to participate and/or be heard on the item.
- **The Public's Right to be Heard.** Generally, every agenda must provide an opportunity for the public to address the governing body on any item of interest to the public within the body's jurisdiction.<sup>17</sup> If the

issue of concern is one pending before the legislative body, the opportunity must be provided before or during the body's consideration of that issue.<sup>18</sup>

- **Reasonable Time Limits May Be Imposed.** Local agencies may adopt reasonable regulations to ensure everyone has an opportunity to be heard in an orderly manner.<sup>19</sup>

## The Public's Right to Access Records

Copies of the agenda materials and other documents distributed to the governing body must also be available to the public.<sup>20</sup> The public has the right to see any materials that are created as part of the conduct of the people's business.<sup>21</sup> These materials include any writing that was prepared, owned, used or retained by a public agency.<sup>22</sup> They include documents, computer data, e-mails, facsimiles and photographs.<sup>23</sup> The public may even have a right to access records such as texts and email messages on private devices and accounts used by a public official.<sup>24</sup>

Although there are exceptions to a public agency's duty to disclose records, the safe assumption is virtually all materials involved in one's service on the governing body--including e-mails--are public records subject to disclosure.

## Fair Process Laws

Not surprisingly, fair process laws promote the ethical value of fairness. This is the notion that everyone has a right to be treated fairly by governmental processes, irrespective of who they are or whom they know. The public's perception that decisions are made fairly is a key element of the public's confidence and trust in government and individual public officials.

## The Obligation to be a Fair and Unbiased Decision-Maker

Although California statutes largely determine when public officials must disqualify themselves from participating in decisions, common law (judge-made) and some constitutional principles still require a public official to exercise his or her powers free from personal bias-including biases that have nothing to do with financial gain or losses.

In addition, constitutional due process principles require a decision-maker to be fair and impartial when the decision-making body is sitting in what is known as a "quasi-judicial" capacity. Quasi-judicial matters include variances, use permits, annexation protests, personnel disciplinary actions and licenses. Quasi-judicial proceedings tend to involve the application of generally adopted standards to specific situations, much as a judge applies the law to a particular set of facts.

For example, a court overturned a planning commission's decision on due process grounds, concluding that a planning commissioner's authorship of an article hostile to a project before the commission gave rise to an unacceptable probability of bias against the project, and that the commissioner should have disqualified himself from participating in the decision.<sup>25</sup>

Typically, having the official who may have exhibited bias disqualify himself or herself solves the problem.<sup>26</sup> If the problem is not addressed though, the agency's decision will be at risk of being overturned by the courts.<sup>27</sup> The agency will have to conduct new proceedings free of the influence of the biased decision-maker.<sup>28</sup> If the



violation rises to the level of a denial of due process under constitutional law, the affected individual(s) may seek damages, costs and attorney fees.<sup>29</sup>

Finally, community relations—and the public's views of an official's responsiveness—are seriously undermined when it appears an official is not listening to the input being provided by the public. Even if you disagree with the views being offered, treat the speaker with the same respect you would like to be treated with if the roles were reversed. Moreover, at least one court has ruled that officials' perceived inattentiveness during a hearing violated due process principles.<sup>30</sup>

## Campaign Contributions and Bias

Generally, the ethics laws with respect to campaign contributions emphasize disclosure rather than disqualification. The emphasis on disclosure enables the public to assess for itself the degree an official could be influenced by campaign contributors who appear before the agency. Both financial and in-kind support must be disclosed.

However, under limited (and sometimes counterintuitive) circumstances, certain local agency officials must disqualify themselves from participating in proceedings regarding licenses, permits and other entitlements for use if the official has received campaign contributions of more than \$250 during the previous twelve months from any party or participant.<sup>31</sup> The restrictions apply if the official is sitting on an appointed (as opposed to elected) body.<sup>32</sup>

In addition, these officials are prohibited from receiving, soliciting or directing a campaign contribution of more than \$250 from any party or participant in a license, permit or entitlement proceeding while the proceeding is pending and for three months after the contribution.<sup>33</sup>

## Holding Multiple Public Offices

There is such a thing as too much public service; the law limits the degree to which public officials can hold multiple public offices. The reason is that, when one assumes a public office, one takes on responsibility to the constituents of that agency to put their interests first. When one occupies multiple offices in multiple agencies (for example, membership on the city council and serving on the board of another local agency), that job becomes more complicated, both legally and ethically, because of the possibility of conflicting loyalties.<sup>34</sup>

Offices are incompatible if there is a potential for any significant clash of duties or loyalties between the offices, or either officer exercises a supervisory, auditory or removal power over the other. The prohibition against the simultaneous holding of incompatible offices does not require the existence of an actual conflict between the offices. A potential for a significant clash between the two offices is sufficient to trigger the prohibition.<sup>35</sup> Note there can be specific legislative exceptions to incompatible office rules.

## Competitive Bidding Processes for Public Contracts

Public contracting laws—including those adopted at the local level—are designed to give all interested parties the opportunity to do business with the government on an equal basis. This keeps contracts from being steered to businesses or individuals because of political connections, friendship, favoritism, corruption or other factors.

It also assures that the public receives the best value for its money by promoting competition among businesses so the public can receive the best deal.<sup>36</sup>

Many competitive bidding requirements are locally imposed, for example, by charter cities as part of their municipal affairs authority.<sup>37</sup> State law also authorizes local agencies to adopt procedures for acquisition of supplies and equipment.<sup>38</sup> Most of these purchasing ordinances require competitive bids for contracts in excess of designated dollar amounts.

For public works projects, state law defines when general law cities and counties must use competitive bidding. For general law cities, public works projects over \$5,000 are subject to the state's competitive bidding requirements.<sup>39</sup> For county projects, the threshold is based on population: \$6,500 (counties with populations of 500,000 or over), \$50,000 (counties with populations of 2 million or over) and \$4,000 (all other counties).<sup>40</sup> Note that it is a misdemeanor to split projects to avoid competitive bidding requirements.<sup>41</sup>

In order to give all interested parties an opportunity to do business with the agency and get the best price for the public, the agency has to publicize the opportunity. This is typically accomplished by publishing a notice inviting bids in a newspaper of general circulation that is printed or published in the jurisdiction, or if there is none, posting the notice in at least three public places in the jurisdiction.<sup>42</sup> Trade publications can also be a helpful way to reach a wide segment of the contracting industry.

## Decisions Involving Family Members

The Political Reform Act requires public officials to disqualify themselves from participating in decisions that will increase or decrease their immediate family's expenses, income, assets or liabilities.<sup>43</sup> "Immediate family" includes one's spouse or domestic partner and dependent children.<sup>44</sup> The notion is that it is very difficult for any person to be fair and unbiased when one's family's interests are concerned; it is, of course, also difficult for the public to perceive the official to be fair and unbiased about close family members.

Because of this, some jurisdictions have adopted additional restrictions on the hiring or appointing of relatives of public officials. These are known as anti-nepotism policies. It can be wise to avoid questions about family relationship by voluntarily not participating in decisions that affect family members, even if the law or local agency regulations allow you to participate.

## Beyond the Law

At some point in your service as a public official, you will likely face two common types of ethical dilemmas:

- **Personal Cost Ethical Dilemmas.** This involves situations in which doing the right thing may or will come at a significant personal cost to you or your public agency. These also can be known as "moral courage" ethical dilemmas.<sup>45</sup>
- **Right-versus-Right Ethical Dilemmas.** This type of ethical dilemma involves those situations in which there are two conflicting sets of "right" values.<sup>46</sup>

Of course, some dilemmas are a combination of both: a conflict between competing sets of "right" values (right-versus-right) and a situation in which doing the right thing involves personal or political costs.



## Personal Cost Ethical Dilemmas

With these kinds of dilemmas, the costs can be political - such as the loss of political support or perhaps even one's prospects for reelection. Or, the cost can be financial, for example a missed opportunity for financial gain or material benefits. Issues relating to the proper use of public resources fall into the "personal cost" type of ethical dilemma, in as much as these dilemmas typically involve whether one is going to forgo a tempting political or personal benefit. Finally, the cost can be more directly personal, as when one fears a particular course of action may jeopardize a friendship. In these situations, the answer is relatively simple. *The bottom line is that being ethical means doing the right thing regardless of personal costs.*

## Right-versus-Right Ethical Dilemmas

Right-versus-right ethical dilemmas can be more difficult to resolve. An easy example, however, is when a political supporter urges you to do something that conflicts with your own best sense of what will serve your community's interests. In this dilemma, there is a conflict between your *responsibility* to do what is in the public's best interest and your *loyalty* to your political supporter. Responsibility and loyalty are both bona fide ethical values.

The key is, as a public servant, the ethical value of responsibility (and the responsibility to do what is in the public's best interest) trumps the ethical value of loyalty. This is when thinking about the public's perception of the right thing to do can be a useful dilemma-resolution strategy.

## Conclusion

In politics, there is a great temptation to engage in ends/means thinking in which one is tempted to conclude that good or desirable ends justify the means. As both Dr. Martin Luther King, Jr. and Gandhi have observed, the means *are* the end in a democracy and good ends cannot come from questionable means.

Public officials are stewards of the public's trust in both their institutions and their leaders. Central to that trust is a fair and open process. Conscientious attention to laws and principles of fair and open government will help you as a leader pursue both good means and good ends.

## Resources for Further Information

For more information about ethics laws and principles, check out the following resources:

- California Attorney General Publications: [www.caag.state.ca.us/publications/index.htm](http://www.caag.state.ca.us/publications/index.htm) (click on "ethics")
- Fair Political Practices Commission Publications: <http://www.fppc.ca.gov/index.php?id=226>
- Institute for Local Government Ethics Resource Center: [www.ca-ilg.org/trust](http://www.ca-ilg.org/trust)

*Disclaimer: Open meeting practices continue to evolve as the COVID-19 crisis continues and agencies use a wide range of technology to meet their needs. The information provided in this document is for general informational purposes only and is not intended to provide legal advice to any individual or entity. ILG urges you to consult with your own legal advisor before taking any action based on this information.*

## References

- <sup>1</sup> Cal. Gov't Code § 53235(a), (b).
- <sup>2</sup> Cal. Gov't Code § 53234(c).
- <sup>3</sup> Cal. Gov't Code § 53234(d)(3), (4).
- <sup>4</sup> This is a requirement of the Political Reform Act. See generally Cal. Gov't Code §§ 87200 and following.
- <sup>5</sup> See Cal. Gov't Code §§ 87200-87210; 2 Cal. Code Regs. §§ 18723-18740.
- <sup>6</sup> See generally Cal. Gov't Code §§ 84100 and following; 2 Cal. Code Regs. §§ 18401 and following.
- <sup>7</sup> See Cal. Gov't Code § 82015(b)(2)(B)(iii).
- <sup>8</sup> See generally Cal. Gov't Code §§ 54950 and following (for cities, counties, special districts and school districts); Cal. Educ. Code §§ 72121 and following (for community college district governing boards).
- <sup>9</sup> See Cal. Gov't Code 54952.2(a); Cal. Gov't Code § 54954.2(a).
- <sup>10</sup> Cal. Gov't Code § 54952.2(a).
- <sup>11</sup> Cal. Gov't Code § 54952.2(b); Cal. Educ. Code § 72121.
- <sup>12</sup> Cal. Gov't Code § 54952.2.
- <sup>13</sup> Cal. Gov't Code § 54952.2(c)(2).
- <sup>14</sup> Cal. Gov't Code § 54952.2(c)(5).
- <sup>15</sup> See Cal. Gov't Code § 54954.5; Cal. Educ. Code § 71122.
- <sup>16</sup> Cal. Gov't Code § 54954.2(a); Cal. Educ. Code § 72121.
- <sup>17</sup> Cal. Gov't Code § 54954.3(a); Cal. Educ. Code § 72121.5.
- <sup>18</sup> Cal. Gov't Code § 54954.3(a).
- <sup>19</sup> Cal. Gov't Code § 54954.3(b); *White v. City of Norwalk*, 900 F.2d 1421, 1425 (9th Cir. 1990).
- <sup>20</sup> Cal. Gov't Code § 54957.5.
- <sup>21</sup> See generally Cal. Gov't Code §§ 6250 and following.
- <sup>22</sup> Cal. Gov't Code § 6252(d).
- <sup>23</sup> Cal. Gov't Code § 6252(e).
- <sup>24</sup> *City of San Jose vs. Superior Court of the County of Santa Clara*, 2 Cal. 5<sup>th</sup> 608 (2017)
- <sup>25</sup> *Nasha v. City of Los Angeles*, 125 Cal. App. 4th 471 (2004).
- <sup>26</sup> See *Fairfield v. Superior Court*, 14 Cal. 3d 768 (1975); *Mennig v. City Council*, 86 Cal. App. 3d 341 (1978).
- <sup>27</sup> See generally Cal. Civ. Proc. Code § 1094.5.
- <sup>28</sup> See *Clark v. City of Hermosa Beach*, 48 Cal. App. 4th 1152 (1996) (requiring council to rehear an appeal from the planning commission's decision and provide a fair hearing).
- <sup>29</sup> See 42 U.S.C. §§ 1983, 1988.
- <sup>30</sup> See *Lacy Street Hospitality Service v. City of Los Angeles*, 22 Cal. Rptr. 3d 805 (2004) (depublished 2005 Daily Journal D.A.R. 84). This case may not be cited as precedent and is provided here only as an illustration.
- <sup>31</sup> Cal. Gov't Code § 84308.
- <sup>32</sup> See Cal. Gov't Code § 84308(a)(3); 2 Cal. Code Regs. § 18438.1.
- <sup>33</sup> See Cal. Gov't Code § 84308(b).
- <sup>34</sup> See Cal. Gov't Code § 1126.
- <sup>35</sup> *People ex rel. Chapman v. Rapsey*, 16 Cal. 2d 636, 641-642 (1940)
- <sup>36</sup> See Cal. Pub. Cont. Code § 100.
- <sup>37</sup> *Smith v. City of Riverside*, 34 Cal. App. 3d 529 (1973).
- <sup>38</sup> Cal. Gov't Code §§ 54201 and following.
- <sup>39</sup> Cal. Pub. Cont. Code §§ 20160-20162.
- <sup>40</sup> Cal. Pub. Cont. Code §§ 20120-20123.
- <sup>41</sup> Cal. Pub. Cont. Code § 20163.

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<sup>42</sup> See, e.g., Cal. Pub. Cont. Code § 20164.

<sup>43</sup> See 2 Cal. Code Regs. § 18703.5.

<sup>44</sup> Cal. Gov't Code § 82029; 2 Cal. Code Regs. § 18229.

<sup>45</sup> See Rushworth M. Kidder, *Moral Courage: Taking Action When Your Values Are Put to the Test* (William Morrow, 2005).

<sup>46</sup> See Rushworth M. Kidder, *How Good People Make Tough Choices: Resolving the Dilemmas of Ethical Living* (Simon and Schuster, 1995) 13-49.



# Rosenberg's Rules of Order

REVISED 2011

*Simple Rules of Parliamentary Procedure for the 21st Century*

*By Judge Dave Rosenberg*



## MISSION AND CORE BELIEFS

To expand and protect local control for cities through education and advocacy to enhance the quality of life for all Californians.

## VISION

To be recognized and respected as the leading advocate for the common interests of California's cities.

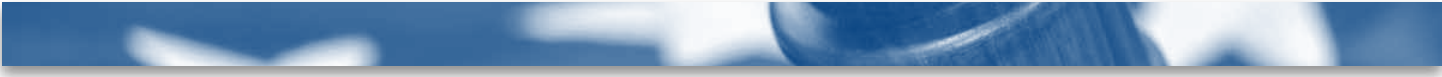
### About the League of California Cities

Established in 1898, the League of California Cities is a member organization that represents California's incorporated cities. The League strives to protect the local authority and autonomy of city government and help California's cities effectively serve their residents. In addition to advocating on cities' behalf at the state capitol, the League provides its members with professional development programs and information resources, conducts education conferences and research, and publishes Western City magazine.

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### ABOUT THE AUTHOR

Dave Rosenberg is a Superior Court Judge in Yolo County. He has served as presiding judge of his court, and as presiding judge of the Superior Court Appellate Division. He also has served as chair of the Trial Court Presiding Judges Advisory Committee (the committee composed of all 58 California presiding judges) and as an advisory member of the California Judicial Council. Prior to his appointment to the bench, Rosenberg was member of the Yolo County Board of Supervisors, where he served two terms as chair. Rosenberg also served on the Davis City Council, including two terms as mayor. He has served on the senior staff of two governors, and worked for 19 years in private law practice. Rosenberg has served as a member and chair of numerous state, regional and local boards. Rosenberg chaired the California State Lottery Commission, the California Victim Compensation and Government Claims Board, the Yolo-Solano Air Quality Management District, the Yolo County Economic Development Commission, and the Yolo County Criminal Justice Cabinet. For many years, he has taught classes on parliamentary procedure and has served as parliamentarian for large and small bodies.



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## INTRODUCTION

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The rules of procedure at meetings should be simple enough for most people to understand. Unfortunately, that has not always been the case. Virtually all clubs, associations, boards, councils and bodies follow a set of rules — *Robert's Rules of Order* — which are embodied in a small, but complex, book. Virtually no one I know has actually read this book cover to cover. Worse yet, the book was written for another time and for another purpose. If one is chairing or running a parliament, then *Robert's Rules of Order* is a dandy and quite useful handbook for procedure in that complex setting. On the other hand, if one is running a meeting of say, a five-member body with a few members of the public in attendance, a simplified version of the rules of parliamentary procedure is in order.

Hence, the birth of *Rosenberg's Rules of Order*.

What follows is my version of the rules of parliamentary procedure, based on my decades of experience chairing meetings in state and local government. These rules have been simplified for the smaller bodies we chair or in which we participate, slimmed down for the 21st Century, yet retaining the basic tenets of order to which we have grown accustomed. Interestingly enough, *Rosenberg's Rules* has found a welcoming audience. Hundreds of cities, counties, special districts, committees, boards, commissions, neighborhood associations and private corporations and companies have adopted *Rosenberg's Rules* in lieu of *Robert's Rules* because they have found them practical, logical, simple, easy to learn and user friendly.

This treatise on modern parliamentary procedure is built on a foundation supported by the following four pillars:

1. **Rules should establish order.** The first purpose of rules of parliamentary procedure is to establish a framework for the orderly conduct of meetings.
2. **Rules should be clear.** Simple rules lead to wider understanding and participation. Complex rules create two classes: those who understand and participate; and those who do not fully understand and do not fully participate.
3. **Rules should be user friendly.** That is, the rules must be simple enough that the public is invited into the body and feels that it has participated in the process.
4. **Rules should enforce the will of the majority while protecting the rights of the minority.** The ultimate purpose of rules of procedure is to encourage discussion and to facilitate decision making by the body. In a democracy, majority rules. The rules must enable the majority to express itself and fashion a result, while permitting the minority to also express itself, but not dominate, while fully participating in the process.

### Establishing a Quorum

The starting point for a meeting is the establishment of a quorum. A quorum is defined as the minimum number of members of the body who must be present at a meeting for business to be legally transacted. The default rule is that a quorum is one more than half the body. For example, in a five-member body a quorum is three. When the body has three members present, it can legally transact business. If the body has less than a quorum of members present, it cannot legally transact business. And even if the body has a quorum to begin the meeting, the body can lose the quorum during the meeting when a member departs (or even when a member leaves the dais). When that occurs the body loses its ability to transact business until and unless a quorum is reestablished.

The default rule, identified above, however, gives way to a specific rule of the body that establishes a quorum. For example, the rules of a particular five-member body may indicate that a quorum is four members for that particular body. The body must follow the rules it has established for its quorum. In the absence of such a specific rule, the quorum is one more than half the members of the body.

### The Role of the Chair

While all members of the body should know and understand the rules of parliamentary procedure, it is the chair of the body who is charged with applying the rules of conduct of the meeting. The chair should be well versed in those rules. For all intents and purposes, the chair makes the final ruling on the rules every time the chair states an action. In fact, all decisions by the chair are final unless overruled by the body itself.

Since the chair runs the conduct of the meeting, it is usual courtesy for the chair to play a less active role in the debate and discussion than other members of the body. This does not mean that the chair should not participate in the debate or discussion. To the contrary, as a member of the body, the chair has the full right to participate in the debate, discussion and decision-making of the body. What the chair should do, however, is strive to be the last to speak at the discussion and debate stage. The chair should not make or second a motion unless the chair is convinced that no other member of the body will do so at that point in time.

### The Basic Format for an Agenda Item Discussion

Formal meetings normally have a written, often published agenda. Informal meetings may have only an oral or understood agenda. In either case, the meeting is governed by the agenda and the agenda constitutes the body's agreed-upon roadmap for the meeting. Each agenda item can be handled by the chair in the following basic format:



**First**, the chair should clearly announce the agenda item number and should clearly state what the agenda item subject is. The chair should then announce the format (which follows) that will be followed in considering the agenda item.

**Second**, following that agenda format, the chair should invite the appropriate person or persons to report on the item, including any recommendation that they might have. The appropriate person or persons may be the chair, a member of the body, a staff person, or a committee chair charged with providing input on the agenda item.

**Third**, the chair should ask members of the body if they have any technical questions of clarification. At this point, members of the body may ask clarifying questions to the person or persons who reported on the item, and that person or persons should be given time to respond.

**Fourth**, the chair should invite public comments, or if appropriate at a formal meeting, should open the public meeting for public input. If numerous members of the public indicate a desire to speak to the subject, the chair may limit the time of public speakers. At the conclusion of the public comments, the chair should announce that public input has concluded (or the public hearing, as the case may be, is closed).

**Fifth**, the chair should invite a motion. The chair should announce the name of the member of the body who makes the motion.

**Sixth**, the chair should determine if any member of the body wishes to second the motion. The chair should announce the name of the member of the body who seconds the motion. It is normally good practice for a motion to require a second before proceeding to ensure that it is not just one member of the body who is interested in a particular approach. However, a second is not an absolute requirement, and the chair can proceed with consideration and vote on a motion even when there is no second. This is a matter left to the discretion of the chair.

**Seventh**, if the motion is made and seconded, the chair should make sure everyone understands the motion.

This is done in one of three ways:

1. The chair can ask the maker of the motion to repeat it;
2. The chair can repeat the motion; or
3. The chair can ask the secretary or the clerk of the body to repeat the motion.

**Eighth**, the chair should now invite discussion of the motion by the body. If there is no desired discussion, or after the discussion has ended, the chair should announce that the body will vote on the motion. If there has been no discussion or very brief discussion, then the vote on the motion should proceed immediately and there is no need to repeat the motion. If there has been substantial discussion, then it is normally best to make sure everyone understands the motion by repeating it.

**Ninth**, the chair takes a vote. Simply asking for the “ayes” and then asking for the “nays” normally does this. If members of the body do not vote, then they “abstain.” Unless the rules of the body provide otherwise (or unless a super majority is required as delineated later in these rules), then a simple majority (as defined in law or the rules of the body as delineated later in these rules) determines whether the motion passes or is defeated.

**Tenth**, the chair should announce the result of the vote and what action (if any) the body has taken. In announcing the result, the chair should indicate the names of the members of the body, if any, who voted in the minority on the motion. This announcement might take the following form: “The motion passes by a vote of 3-2, with Smith and Jones dissenting. We have passed the motion requiring a 10-day notice for all future meetings of this body.”

## Motions in General

Motions are the vehicles for decision making by a body. It is usually best to have a motion before the body prior to commencing discussion of an agenda item. This helps the body focus.

Motions are made in a simple two-step process. First, the chair should recognize the member of the body. Second, the member of the body makes a motion by preceding the member’s desired approach with the words “I move . . .”

A typical motion might be: “I move that we give a 10-day notice in the future for all our meetings.”

The chair usually initiates the motion in one of three ways:

1. **Inviting the members of the body to make a motion**, for example, “A motion at this time would be in order.”
2. **Suggesting a motion to the members of the body**, “A motion would be in order that we give a 10-day notice in the future for all our meetings.”
3. **Making the motion**. As noted, the chair has every right as a member of the body to make a motion, but should normally do so only if the chair wishes to make a motion on an item but is convinced that no other member of the body is willing to step forward to do so at a particular time.

## The Three Basic Motions

There are three motions that are the most common and recur often at meetings:

**The basic motion.** The basic motion is the one that puts forward a decision for the body’s consideration. A basic motion might be: “I move that we create a five-member committee to plan and put on our annual fundraiser.”



**The motion to amend.** If a member wants to change a basic motion that is before the body, they would move to amend it. A motion to amend might be: “I move that we amend the motion to have a 10-member committee.” A motion to amend takes the basic motion that is before the body and seeks to change it in some way.

**The substitute motion.** If a member wants to completely do away with the basic motion that is before the body, and put a new motion before the body, they would move a substitute motion. A substitute motion might be: “I move a substitute motion that we cancel the annual fundraiser this year.”

“Motions to amend” and “substitute motions” are often confused, but they are quite different, and their effect (if passed) is quite different. A motion to amend seeks to retain the basic motion on the floor, but modify it in some way. A substitute motion seeks to throw out the basic motion on the floor, and substitute a new and different motion for it. The decision as to whether a motion is really a “motion to amend” or a “substitute motion” is left to the chair. So if a member makes what that member calls a “motion to amend,” but the chair determines that it is really a “substitute motion,” then the chair’s designation governs.

A “friendly amendment” is a practical parliamentary tool that is simple, informal, saves time and avoids bogging a meeting down with numerous formal motions. It works in the following way: In the discussion on a pending motion, it may appear that a change to the motion is desirable or may win support for the motion from some members. When that happens, a member who has the floor may simply say, “I want to suggest a friendly amendment to the motion.” The member suggests the friendly amendment, and if the maker and the person who seconded the motion pending on the floor accepts the friendly amendment, that now becomes the pending motion on the floor. If either the maker or the person who seconded rejects the proposed friendly amendment, then the proposer can formally move to amend.

### Multiple Motions Before the Body

There can be up to three motions on the floor at the same time. The chair can reject a fourth motion until the chair has dealt with the three that are on the floor and has resolved them. This rule has practical value. More than three motions on the floor at any given time is confusing and unwieldy for almost everyone, including the chair.

When there are two or three motions on the floor (after motions and seconds) at the same time, the vote should proceed *first* on the *last* motion that is made. For example, assume the first motion is a basic “motion to have a five-member committee to plan and put on our annual fundraiser.” During the discussion of this motion, a member might make a second motion to “amend the main motion to have a 10-member committee, not a five-member committee to plan and put on our annual fundraiser.” And perhaps, during that discussion, a member makes yet a third motion as a “substitute motion that we not have an annual fundraiser this year.” The proper procedure would be as follows:

**First**, the chair would deal with the *third* (the last) motion on the floor, the substitute motion. After discussion and debate, a vote would be taken first on the third motion. If the substitute motion *passed*, it would be a substitute for the basic motion and would eliminate it. The first motion would be moot, as would the second motion (which sought to amend the first motion), and the action on the agenda item would be completed on the passage by the body of the third motion (the substitute motion). No vote would be taken on the first or second motions.

**Second**, if the substitute motion *failed*, the chair would then deal with the second (now the last) motion on the floor, the motion to amend. The discussion and debate would focus strictly on the amendment (should the committee be five or 10 members). If the motion to amend *passed*, the chair would then move to consider the main motion (the first motion) as *amended*. If the motion to amend *failed*, the chair would then move to consider the main motion (the first motion) in its original format, not amended.

**Third**, the chair would now deal with the first motion that was placed on the floor. The original motion would either be in its original format (five-member committee), or if *amended*, would be in its amended format (10-member committee). The question on the floor for discussion and decision would be whether a committee should plan and put on the annual fundraiser.

### To Debate or Not to Debate

The basic rule of motions is that they are subject to discussion and debate. Accordingly, basic motions, motions to amend, and substitute motions are all eligible, each in their turn, for full discussion before and by the body. The debate can continue as long as members of the body wish to discuss an item, subject to the decision of the chair that it is time to move on and take action.

There are exceptions to the general rule of free and open debate on motions. The exceptions all apply when there is a desire of the body to move on. The following motions are not debatable (that is, when the following motions are made and seconded, the chair must immediately call for a vote of the body without debate on the motion):

**Motion to adjourn.** This motion, if passed, requires the body to immediately adjourn to its next regularly scheduled meeting. It requires a simple majority vote.

**Motion to recess.** This motion, if passed, requires the body to immediately take a recess. Normally, the chair determines the length of the recess which may be a few minutes or an hour. It requires a simple majority vote.

**Motion to fix the time to adjourn.** This motion, if passed, requires the body to adjourn the meeting at the specific time set in the motion. For example, the motion might be: “I move we adjourn this meeting at midnight.” It requires a simple majority vote.

**Motion to table.** This motion, if passed, requires discussion of the agenda item to be halted and the agenda item to be placed on “hold.” The motion can contain a specific time in which the item can come back to the body. “I move we table this item until our regular meeting in October.” Or the motion can contain no specific time for the return of the item, in which case a motion to take the item off the table and bring it back to the body will have to be taken at a future meeting. A motion to table an item (or to bring it back to the body) requires a simple majority vote.

**Motion to limit debate.** The most common form of this motion is to say, “I move the previous question” or “I move the question” or “I call the question” or sometimes someone simply shouts out “question.” As a practical matter, when a member calls out one of these phrases, the chair can expedite matters by treating it as a “request” rather than as a formal motion. The chair can simply inquire of the body, “any further discussion?” If no one wishes to have further discussion, then the chair can go right to the pending motion that is on the floor. However, if even one person wishes to discuss the pending motion further, then at that point, the chair should treat the call for the “question” as a formal motion, and proceed to it.

When a member of the body makes such a motion (“I move the previous question”), the member is really saying: “I’ve had enough debate. Let’s get on with the vote.” When such a motion is made, the chair should ask for a second, stop debate, and vote on the motion to limit debate. The motion to limit debate requires a two-thirds vote of the body.

**NOTE:** A motion to limit debate could include a time limit. For example: “I move we limit debate on this agenda item to 15 minutes.” Even in this format, the motion to limit debate requires a two-thirds vote of the body. A similar motion is a *motion to object to consideration of an item*. This motion is not debatable, and if passed, precludes the body from even considering an item on the agenda. It also requires a two-thirds vote.

## Majority and Super Majority Votes

In a democracy, a simple majority vote determines a question. A tie vote means the motion fails. So in a seven-member body, a vote of 4-3 passes the motion. A vote of 3-3 with one abstention means the motion fails. If one member is absent and the vote is 3-3, the motion still fails.

All motions require a simple majority, but there are a few exceptions. The exceptions come up when the body is taking an action which effectively cuts off the ability of a minority of the body to take an action or discuss an item. These extraordinary motions require a two-thirds majority (a super majority) to pass:

**Motion to limit debate.** Whether a member says, “I move the previous question,” or “I move the question,” or “I call the question,” or “I move to limit debate,” it all amounts to an attempt to cut off the ability of the minority to discuss an item, and it requires a two-thirds vote to pass.

**Motion to close nominations.** When choosing officers of the body (such as the chair), nominations are in order either from a nominating committee or from the floor of the body. A motion to close nominations effectively cuts off the right of the minority to nominate officers and it requires a two-thirds vote to pass.

**Motion to object to the consideration of a question.** Normally, such a motion is unnecessary since the objectionable item can be tabled or defeated straight up. However, when members of a body do not even want an item on the agenda to be considered, then such a motion is in order. It is not debatable, and it requires a two-thirds vote to pass.

**Motion to suspend the rules.** This motion is debatable, but requires a two-thirds vote to pass. If the body has its own rules of order, conduct or procedure, this motion allows the body to suspend the rules for a particular purpose. For example, the body (a private club) might have a rule prohibiting the attendance at meetings by non-club members. A motion to suspend the rules would be in order to allow a non-club member to attend a meeting of the club on a particular date or on a particular agenda item.

## Counting Votes

The matter of counting votes starts simple, but can become complicated.

Usually, it’s pretty easy to determine whether a particular motion passed or whether it was defeated. If a simple majority vote is needed to pass a motion, then one vote more than 50 percent of the body is required. For example, in a five-member body, if the vote is three in favor and two opposed, the motion passes. If it is two in favor and three opposed, the motion is defeated.

If a two-thirds majority vote is needed to pass a motion, then how many affirmative votes are required? The simple rule of thumb is to count the “no” votes and double that count to determine how many “yes” votes are needed to pass a particular motion. For example, in a seven-member body, if two members vote “no” then the “yes” vote of at least four members is required to achieve a two-thirds majority vote to pass the motion.

What about tie votes? In the event of a tie, the motion always fails since an affirmative vote is required to pass any motion. For example, in a five-member body, if the vote is two in favor and two opposed, with one member absent, the motion is defeated.

Vote counting starts to become complicated when members vote “abstain” or in the case of a written ballot, cast a blank (or unreadable) ballot. Do these votes count, and if so, how does one count them? The starting point is always to check the statutes.

In California, for example, for an action of a board of supervisors to be valid and binding, the action must be approved by a majority of the board. (California Government Code Section 25005.) Typically, this means three of the five members of the board must vote affirmatively in favor of the action. A vote of 2-1 would not be sufficient. A vote of 3-0 with two abstentions would be sufficient. In general law cities in

California, as another example, resolutions or orders for the payment of money and all ordinances require a recorded vote of the total members of the city council. (California Government Code Section 36936.) Cities with charters may prescribe their own vote requirements. Local elected officials are always well-advised to consult with their local agency counsel on how state law may affect the vote count.

After consulting state statutes, step number two is to check the rules of the body. If the rules of the body say that you count votes of “those present” then you treat abstentions one way. However, if the rules of the body say that you count the votes of those “present and voting,” then you treat abstentions a different way. And if the rules of the body are silent on the subject, then the general rule of thumb (and default rule) is that you count all votes that are “present and voting.”

Accordingly, under the “present and voting” system, you would **NOT** count abstention votes on the motion. Members who abstain are counted for purposes of determining quorum (they are “present”), but you treat the abstention votes on the motion as if they did not exist (they are not “voting”). On the other hand, if the rules of the body specifically say that you count votes of those “present” then you **DO** count abstention votes both in establishing the quorum and on the motion. In this event, the abstention votes act just like “no” votes.

*How does this work in practice?*

*Here are a few examples.*

Assume that a five-member city council is voting on a motion that requires a simple majority vote to pass, and assume further that the body has no specific rule on counting votes. Accordingly, the default rule kicks in and we count all votes of members that are “present and voting.” If the vote on the motion is 3-2, the motion passes. If the motion is 2-2 with one abstention, the motion fails.

Assume a five-member city council voting on a motion that requires a two-thirds majority vote to pass, and further assume that the body has no specific rule on counting votes. Again, the default rule applies. If the vote is 3-2, the motion fails for lack of a two-thirds majority. If the vote is 4-1, the motion passes with a clear two-thirds majority. A vote of three “yes,” one “no” and one “abstain” also results in passage of the motion. Once again, the abstention is counted only for the purpose of determining quorum, but on the actual vote on the motion, it is as if the abstention vote never existed — so an effective 3-1 vote is clearly a two-thirds majority vote.

Now, change the scenario slightly. Assume the same five-member city council voting on a motion that requires a two-thirds majority vote to pass, but now assume that the body **DOES** have a specific rule requiring a two-thirds vote of members “present.” Under this specific rule, we must count the members present not only for quorum but also for the motion. In this scenario, any abstention has the same force and effect as if it were a “no” vote. Accordingly, if the votes were three “yes,” one “no” and one “abstain,” then the motion fails. The abstention in this case is treated like a “no” vote and effective vote of 3-2 is not enough to pass two-thirds majority muster.

Now, exactly how does a member cast an “abstention” vote?

Any time a member votes “abstain” or says, “I abstain,” that is an abstention. However, if a member votes “present” that is also treated as an abstention (the member is essentially saying, “Count me for purposes of a quorum, but my vote on the issue is abstain.”) In fact, any manifestation of intention not to vote either “yes” or “no” on the pending motion may be treated by the chair as an abstention. If written ballots are cast, a blank or unreadable ballot is counted as an abstention as well.

Can a member vote “absent” or “count me as absent?” Interesting question. The ruling on this is up to the chair. The better approach is for the chair to count this as if the member had left his/her chair and is actually “absent.” That, of course, affects the quorum. However, the chair may also treat this as a vote to abstain, particularly if the person does not actually leave the dais.

## The Motion to Reconsider

There is a special and unique motion that requires a bit of explanation all by itself; the motion to reconsider. A tenet of parliamentary procedure is finality. After vigorous discussion, debate and a vote, there must be some closure to the issue. And so, after a vote is taken, the matter is deemed closed, subject only to reopening if a proper motion to consider is made and passed.

A motion to reconsider requires a majority vote to pass like other garden-variety motions, but there are two special rules that apply only to the motion to reconsider.

First, is the matter of timing. A motion to reconsider must be made at the meeting where the item was first voted upon. A motion to reconsider made at a later time is untimely. (The body, however, can always vote to suspend the rules and, by a two-thirds majority, allow a motion to reconsider to be made at another time.)

Second, a motion to reconsider may be made only by certain members of the body. Accordingly, a motion to reconsider may be made only by a member who voted in the majority on the original motion. If such a member has a change of heart, he or she may make the motion to reconsider (any other member of the body — including a member who voted in the minority on the original motion — may second the motion). If a member who voted in the minority seeks to make the motion to reconsider, it must be ruled out of order. The purpose of this rule is finality. If a member of minority could make a motion to reconsider, then the item could be brought back to the body again and again, which would defeat the purpose of finality.

If the motion to reconsider passes, then the original matter is back before the body, and a new original motion is in order. The matter may be discussed and debated as if it were on the floor for the first time.

## Courtesy and Decorum

The rules of order are meant to create an atmosphere where the members of the body and the members of the public can attend to business efficiently, fairly and with full participation. At the same time, it is up to the chair and the members of the body to maintain common courtesy and decorum. Unless the setting is very informal, it is always best for only one person at a time to have the floor, and it is always best for every speaker to be first recognized by the chair before proceeding to speak.

The chair should always ensure that debate and discussion of an agenda item focuses on the item and the policy in question, not the personalities of the members of the body. Debate on policy is healthy, debate on personalities is not. The chair has the right to cut off discussion that is too personal, is too loud, or is too crude.

Debate and discussion should be focused, but free and open. In the interest of time, the chair may, however, limit the time allotted to speakers, including members of the body.

Can a member of the body interrupt the speaker? The general rule is “no.” There are, however, exceptions. A speaker may be interrupted for the following reasons:

**Privilege.** The proper interruption would be, “point of privilege.” The chair would then ask the interrupter to “state your point.” Appropriate points of privilege relate to anything that would interfere with the normal comfort of the meeting. For example, the room may be too hot or too cold, or a blowing fan might interfere with a person’s ability to hear.

**Order.** The proper interruption would be, “point of order.” Again, the chair would ask the interrupter to “state your point.” Appropriate points of order relate to anything that would not be considered appropriate conduct of the meeting. For example, if the chair moved on to a vote on a motion that permits debate without allowing that discussion or debate.

**Appeal.** If the chair makes a ruling that a member of the body disagrees with, that member may appeal the ruling of the chair. If the motion is seconded, and after debate, if it passes by a simple majority vote, then the ruling of the chair is deemed reversed.

**Call for orders of the day.** This is simply another way of saying, “return to the agenda.” If a member believes that the body has drifted from the agreed-upon agenda, such a call may be made. It does not require a vote, and when the chair discovers that the agenda has not been followed, the chair simply reminds the body to return to the agenda item properly before them. If the chair fails to do so, the chair’s determination may be appealed.

**Withdraw a motion.** During debate and discussion of a motion, the maker of the motion on the floor, at any time, may interrupt a speaker to withdraw his or her motion from the floor. The motion is immediately deemed withdrawn, although the chair may ask the person who seconded the motion if he or she wishes to make the motion, and any other member may make the motion if properly recognized.

## Special Notes About Public Input

The rules outlined above will help make meetings very public-friendly. But in addition, and particularly for the chair, it is wise to remember three special rules that apply to each agenda item:

**Rule One:** Tell the public what the body will be doing.

**Rule Two:** Keep the public informed while the body is doing it.

**Rule Three:** When the body has acted, tell the public what the body did.



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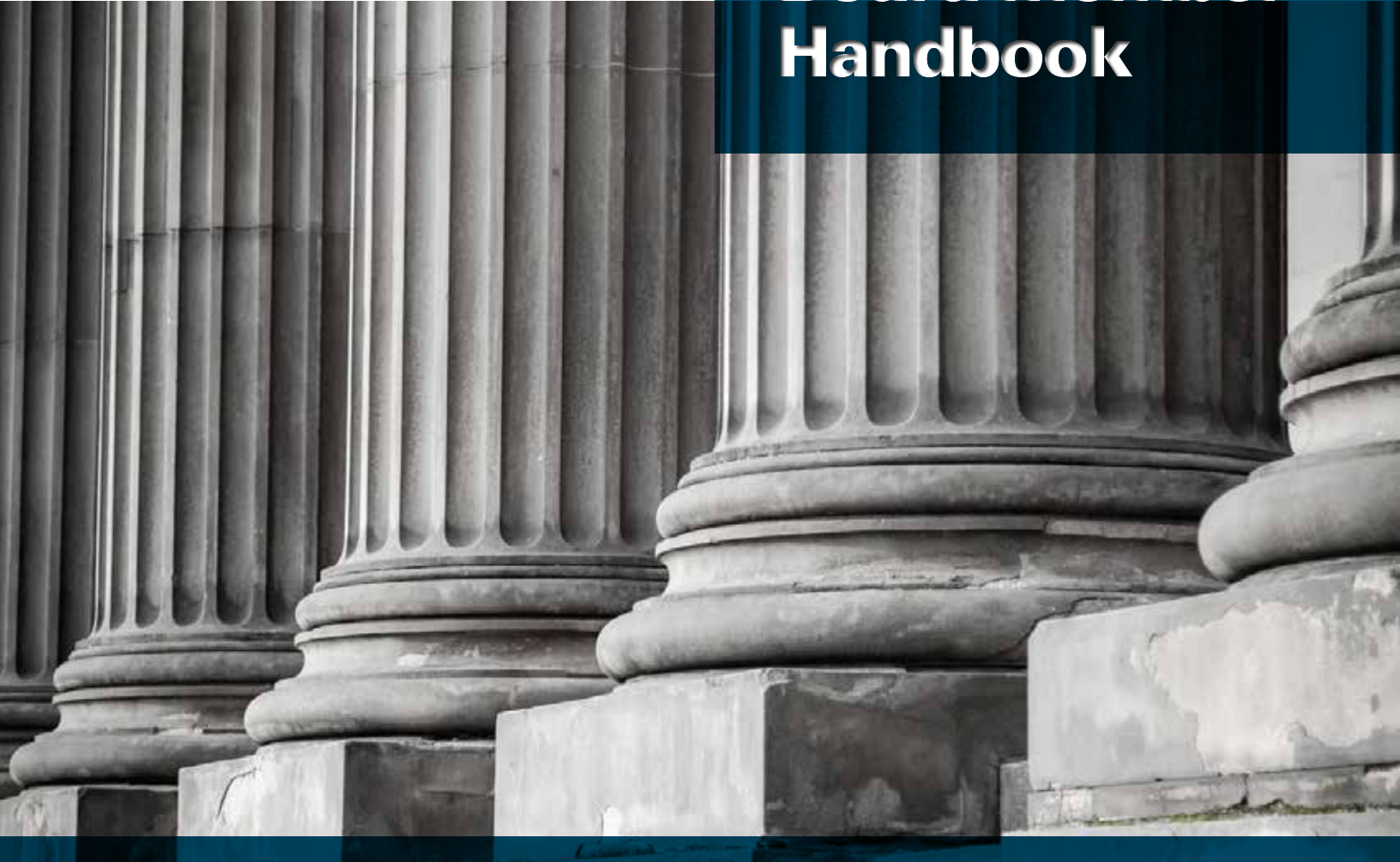
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SPECIAL DISTRICT

# Board Member Handbook



*A California Special Districts Association Publication ©2019*



## What do You Need to Know as a Special District Board Member?

You have been elected or appointed to a special district board by your community. This is a tremendous honor that comes with much responsibility. The mission of the California Special Districts Association (CSDA) is to provide you and your district with the resources necessary to best meet this responsibility. This handbook will serve as a fundamental guide in this endeavor.

Your special district may refer to its board members as trustees, directors, commissioners, or another similar term. For simplicity and readability, this handbook

will use the term “board member” as a universal term for all special districts. The handbook will focus on the commitments, responsibilities, and resources that are relevant to all board members of every type of special district.

As a board member for a special district, you have committed to represent the best interests of your community, ensure the delivery of essential local services and infrastructure, and faithfully serve the public good while upholding the law. This is a high calling that depends upon mutual trust, support, and collaboration with your fellow board members, your district’s professional staff, and the network of special district leaders you will develop through CSDA.



### First steps board members should take after election or appointment include:

- Meet with the district’s general manager and legal counsel
- Ask the general manager and/or finance officer for an overview of the most recently approved budget and audit
- Take a tour of the district facilities
- Read your district’s enabling act found in California’s statutory codes
- Review your district’s most recent municipal services review (MSR) published by the local agency formation commission (LAFCO)
- Register for board member training at [csda.net](http://csda.net)

## About Special Districts

As a special district board member, you will often be asked, “What is a special district?” People sometimes do not realize how many of their essential services are provided by special districts, and they often do not understand what a special district is, how it functions, or even why it exists. Here are few answers to some frequently asked questions you’ll encounter as a board member.

### What is a “special district”?

An independent special district is a local form of government that is created, funded, and overseen by a community’s residents to provide a new or enhanced level of service and infrastructure to a community. Like counties and cities, special districts are an independent form of local government. Special districts are not school districts, community college districts, joint powers authorities, assessment districts, community facilities districts, “Mello-Roos” districts, or improvement districts.

### Why are special districts formed?

Special districts are formed when a community decides a specific type of service is needed and the community wants the service to be maintained with local control. The first special district in California, the Turlock Irrigation District, was established in 1887. Local farmers needed a way to access the local water supply and the Wright Act was passed by the Legislature to provide the legal foundation for water districts, and many other special districts.

The Legislature continued to develop new types of special districts as tools to help local residents come together to solve community problems and needs. Ultimately, special districts are formed by the community for the community. Special districts empower residents to find local solutions to fit the unique needs of their community.

### What types of special districts exist?

There are many types of special districts that can be established to fit the specific needs of a community. Some district types include:

- Airport
- Cemetery
- Community Services
- Fire Protection
- Harbor and Port
- Healthcare
- Irrigation
- Library
- Mosquito and Pest Abatement
- Recreation and Park
- Resource Conservation
- Sanitation
- Transit
- Utility
- Veterans Memorial
- Water

### How many special districts are there?

There are just over 2,000 independent special districts throughout California. They vary in size and some may serve a community of hundreds of thousands while others serve only a few hundred. Special districts are created to fit the size of the community they serve.

### How are special districts governed?

Independent special districts are governed by a board of directors that is elected by the community or appointed to fixed terms by one or more other locally elected governing bodies. Board members are responsible for setting the policies that ensure special districts continue to function and serve the community. It is also important to distinguish independent special districts from dependent special districts. Unlike independent special districts, dependent districts are indirectly governed by other government entities, such as city councils or county boards of supervisors. This is because dependent special district board members include ex-officio members from another legislative body or board members who are appointed to non-fixed terms. Ex-officio board members serve on the special district board only by virtue of their participation on another board. Board members appointed to non-fixed terms serve at the pleasure of another governing body. In other words, they may be replaced at any time and are not entitled to a full four-year term.



To expand your knowledge further, visit [csda.net](http://csda.net) to find the *About Special Districts Guide* and the *Special District Formation Guide* to learn more about special districts and how they are formed.





Special districts and their board members are subject to a number of laws established to ensure special districts remain transparent and accountable to their communities. These laws are discussed in greater detail later in this handbook under the chapter, *Accountability and Transparency*.

### **How are special districts funded?**

Special districts utilize many different funding sources to establish and maintain their services and overall infrastructure. Some districts receive enterprise revenues that are collected as fees for services such as water, sewer, or electricity. Special districts can also receive non-enterprise revenues that include one percent ad valorem property tax, parcel taxes, or benefit assessments that are approved by the community. Frequently, special districts will receive a combination of enterprise and non-enterprise revenues in order to best meet the needs of their community.

### **What makes special districts so “special”?**

As a board member who dedicates time and effort to your local special district, you understand and know from firsthand experience what makes special districts so special. It’s the connection to the community, the focused specialized service, and the commitment of local residents such as yourself that distinguishes special districts from other forms of government.

To raise awareness and understanding of special districts, CSDA established the Districts Make the Difference public outreach campaign. Resources are available at [DistrictsMakeTheDifference.org](https://DistrictsMakeTheDifference.org) to explain special districts and include:

- Videos
- Fact sheets
- Infographics
- Posters
- Brochures



## Good Governance

Special district boards are the voice of the community. Every elected or appointed public official needs to care about governance—it is the essence of what boards do. Governance is taking the wishes, needs, and desires of the community and transforming them into policies that govern the district.

The success of your district, and special districts as a form of government, depends largely upon how well you do your job as a board member. If the board does not respond to the needs of the community and govern its district effectively, it will erode the public trust, jeopardize public support of district services, and may even threaten the existence of the district itself.

### Effective Governance Model

The good news is that a lot of work has been done on effective governance. Based upon a model developed by the California School Boards Association and adapted by CSDA for special districts, there are three critical dimensions that interact to determine how a board operates and its effectiveness as an organization:

1. The board as an organizational entity;
2. Individuals who together make up the board; and
3. Specific jobs the board must perform.

These are the core components of effective special district governance: a competency-based group of individual citizens coming together as an effective team to accomplish the specific responsibilities that only governing boards can do on behalf of their community.

#### *The Board as an Organizational Entity*

Any board, public or private, nonprofit or corporate, exists as an organizational entity, with its own unique organizational culture, norms, values, and operating style. There are attributes or characteristics that are consistently present in boards that operate in a highly effective way.

Effective boards become known as effective because they operate in an organizational environment of trust, honesty, and openness. These boards exhibit, as a team, the following characteristics:

- Recognize all board members as equally legitimate—no matter how different or difficult an individual may be.
- Strive to maintain a “no secrets, no surprises” operating norm.
- Acknowledge that conflicts and differences are inevitable, not necessarily “bad”, and must be faced and analyzed.
- Immediately turn to solutions rather than playing the “gotcha” game.
- Treat all staff with dignity and respect.
- Treat all community members with dignity and respect, even in the face of criticism and opposition.
- Exhibit creative thinking, know how to handle failure as well as success, encourage risk taking, and create a climate of support for excellence.
- Accept collective responsibility for the conduct, behavior, and effectiveness of the board.

#### *Individuals Who Together Make up the Board*

While boards develop unique organizational cultures, they are, after all, composed of individuals. These individuals and their values, skills, and knowledge shape how boards operate at any given time. Individuals also determine whether the board will sustain effective behavior as a group expectation.

Not everyone who serves on a special district board becomes an effective board member or leader. Those who do become effective board members also become highly valued community leaders. When an entire board is composed of truly effective board members, rather than individuals, the board becomes highly effective.

So, how are highly valued community leaders different than individuals who just serve on boards? They think about governance differently by understanding the fundamental role

# *Governance is taking the wishes, needs, and desires of the community and transforming them into policies that govern the district.*



The most effective board members maintain the following priorities:

- Serve the public
- Support the staff as they carry out direction
- Respect fellow board members
- Seek consensus



of effective governance and the citizen leader. Effective board members exhibit the following characteristics:

- Recognize that the board, not the individual board member, governs the special district—the authority of any one board member rests only with the board as a whole.
- Heed caution when someone attempts to impose their own agenda on the district rather than working to build support for an institutional agenda.
- Appreciate that how a board member governs is as important as what a board member does—that manners make a huge difference.
- Establish trust and treat everyone with the same respect with which the board member expects others to treat them.
- Respect the diversity of perspectives and styles.
- Operate in a transparent fashion, while always keeping confidential information confidential.

## *Specific Jobs the Board Must Perform*

We know that effective boards have strong competency-based cultures and that individual effective board members have strong governance skills, but the next question is: “To do what?” The third dimension of a board addresses the governing body’s specific responsibilities. Special district boards have certain duties that no one else in the organization or the community can perform.

In the next chapter, *Primary Roles and Responsibilities*, we will explore these duties, but first we must acknowledge one of the biggest challenges to special districts—how board members can learn and demonstrate competency.

## **Training and Development**

We all have room to learn the governance skills required to be an effective special district leader. To do so, we must establish a culture of participation in our special district community. Just as we expect our staff to be involved in their profession, to learn and develop new skills, so too must we as effective board members learn to hone our governance skills.

We must lead by example and encourage our colleagues to branch out and learn the skills of governance. We must establish a culture of continuing education in the special district community. This includes both required trainings and recommended trainings.

## *Required Trainings*

Every special district board member is required by law to complete ethics training and sexual harassment prevention training at least once every two years.

Ethics training is mandated by Government Code Section 53235 et. seq., which is popularly referred to by its enacting legislation, AB 1234 (Salinas) of 2005. Special district board members must receive the required two-hour training within



one year of their first day of service, and then every two years thereafter. A board member who serves more than one agency shall satisfy the requirements once every two years, regardless of how many boards they serve on.

All ethics trainings must cover laws related to conflicts of interest, gifts, reimbursements, government transparency, and fair processes, including but not limited to incompatible offices and competitive bidding practices.

Sexual harassment prevention training is mandated by Government Code 53237 et. seq., which was enacted by AB 1661 (McCarty) of 2016. Special district board members must receive the required two-hour training within the first six months of taking office, and then at least once every two years thereafter.

All sexual harassment prevention trainings must include 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. The training includes practical examples aimed at instructing the board member in the prevention of sexual harassment, discrimination, and retaliation.

CSDA offers various forms of online and in-person ethics and sexual harassment prevention training opportunities. You can register online at [csda.net](http://csda.net).

### *Recommended Trainings*

It is recommended that every newly elected or appointed special district board member attend CSDA's workshops that introduce the topic of governance. CSDA strives to offer these opportunities in various locations throughout the state annually.

As a longer-term goal, during your first term in office it is also recommended you obtain the Recognition in Special District Governance certificate from the Special District Leadership Foundation (SDLF). This recognition was designed to honor special district board members and is comprised of two distinct parts: the completion of the Special District Leadership Academy and 10 hours of continuing education.

The Special District Leadership Academy consists of four courses: Governance Foundations, Setting Direction/Community Leadership, Board's Role in Human Resources, and Board's Role in Finance and Fiscal Accountability. The four courses are unique from any other courses on special district governance in that they are curriculum that has been created by special districts and agreed upon as what governing officials of special districts should know. SDLF has endorsed the Academy as the core special district governance training in California.

*SDLF is a 501(c)(3) organization formed to provide recognition and certification opportunities to special district officials and employees to enhance service to the public. It is dedicated to excellence in local government. You can learn more about SDLF at [sdlf.org](http://sdlf.org).*



*Learn more  
about CSDA's  
professional  
development  
offerings at  
[csda.net](http://csda.net).*



## Primary Roles and Responsibilities

One of the first and most important distinctions to make in your work as a board member is the difference between your responsibilities and those of the general manager and staff. Clearly understanding and respecting these roles, and how they interact, is critical to the long-term success and sustainability of your special district.

### Role of a Board Member

One of the most significant responsibilities as a board member is to understand that the board is a team and you need to work together as such. Understanding the dynamics of the group, as well as the individual perspectives and opinions of your fellow board members, is crucial to the success of the team, the district, and community you represent. This united approach will help to strengthen the district and provide the grounds for maintaining a clear vision of the future, a unity of purpose, and a cohesive board.

The specific responsibilities of the board are clustered into five areas:

1. Setting the direction for the district;
2. Establishing and supporting the policies and structure of the district;
3. Overseeing the financial resources necessary to fund the district;
4. Guiding employee relations policy, including the hiring and supervising of the general manager who, in turn, operates the district and hires/manages its staff; and
5. Serving as community leaders who communicate effectively on behalf of the district.

### Setting Direction

The board establishes the special district's mission and vision. In building a mission statement, the board must clearly understand the purpose of the district and answer the question of "why?" Why does the district exist? It will also be helpful for the board to identify core values that guide the district in its mission.

When developing a vision statement, the board must answer the question of "what?" What would the district look like should it accomplish its mission to the fullest extent? Doing so requires agreement on the board as to what the future of the district should look like.

With a mission and vision as its foundation, the board sets direction through the district's strategic plan, which may guide the development of more specific objectives for implementation by the general manager and staff. In developing a strategic plan, the board will evaluate the present, anticipate the future, and prioritize goals that must be accomplished to achieve the vision. Strategic plans should be reviewed periodically and adjusted appropriately.

### *Establishing Policies*

Policies are written statements specifying the manner in which the district's business is conducted. The board's job is to develop, maintain, revise, and enforce the district's policies. These policies provide needed direction for the general manager and staff, and for the constituents of the district.

One may view a special district's enabling act in California statute as the framework or "constitution" the district must operate under as a "subdivision of the state." However, independent special districts are not state entities, nor are they entities of a city or county. They are independent local governments, which are separate legal entities similar to other municipalities. Board-approved policies, resolutions, and ordinances are the tools by which boards direct the district in achieving its mission and securing its vision within the boundaries of its enabling act.

Board policies should guide district governance, such as board meetings, agendas, and minutes, board conduct, and rules of order. Policies should also be adopted

concerning district finances, personnel, communications, and other key functions.

While policies are approved by the board and may be requested by the board, they are typically drafted and recommended by staff. Sometimes this is done with review and direction of a board subcommittee.

### *Overseeing Finances*

Boards ensure sound fiscal policy exists and that practices and controls are in place so that the district, board, general manager, and staff have direct accountability to their constituents. Furthermore, the board will approve an annual budget and request and approve periodic reports on the fiscal status of the district.

Commensurate with the board's role in financial oversight and fiduciary responsibilities, it should establish a financial reserve policy and capital improvement plan (CIP). It will also approve contracts of certain size and scope according to State law and board policy. To ensure adequate funding to provide quality services and infrastructure to its community, the board must impose sufficient rates, fees, and taxes.

### *Guiding Employee Relations*

The board's charge is to support and assess the performance of the general manager, approve personnel policies, establish salary structure and benefits packages, approve memorandums of understanding (MOUs) negotiated with labor, approve job descriptions and organizational structure, and establish a

strong communications link between the board and general manager.

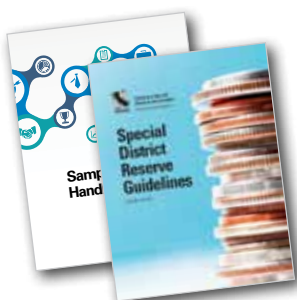
One of the most important decisions a board will ever make is the hiring of a general manager. Other than a district's general counsel and some rare additional exceptions for large special districts, the general manager is the only individual the board hires and supervises.

The general manager is responsible for hiring and supervising all other staff, sometimes through senior or mid-level managers in larger districts. Empowering the general manager to successfully carry out this key duty is critical to the success of the district. This should include a fair and constructive annual general manager evaluation process.

### *Serving as Community Leaders*

A district and its board are linked in the eyes of the public and often seen as one and the same. Therefore, the conduct of board members reflects upon the district and the community it serves. This holds true during board meetings and formal district events, as well as during other interactions with community, the media, businesses, and other levels of government. Even the personal lives and behaviors of a board member can impact the perception and effectiveness of the district.

In your role as a board member, your board may designate you to formally represent your board to other organizations or participate in ceremonial events. Boards will often establish policies to guide such situations. It is



To expand your knowledge further, visit [csda.net](http://csda.net) to find CSDA's *Sample Policy Handbook* and *Special District Reserve Guidelines* to learn more.



important to distinguish when you are speaking on behalf of the board and when you are speaking as an individual. However, as a public official, you should recognize that people will often construe your speech and actions as representative of your district, its staff, and your fellow board members regardless of the manner, time, and place in which they occur. This reality should lead board members to be thoughtful, intentional, and unified, not to be silent or absent.

It is a mistake for a special district to attempt to “fly under the radar.” Transparency is essential to democracy, and scrutiny is inevitable in government. This will be covered more in the next chapter, *Accountability and Transparency*, but here it is important to note that board members play a key role in a special district’s public outreach and engagement efforts. If a special district and its leaders are not telling the story of the district, somebody else will.

### Role of the General Manager and Staff

The general manager is the executive staff officer of the district and for the board. This individual administers the district, providing day-to-day leadership, and maintains exclusive management and control of the operations and works of the district within State law and the policies of the board. In some districts, this position may be referred to as the district administrator, chief executive officer, executive director, district director, or another title. For the purposes of this handbook, it will be referred to as general manager.

Overarching best practices for a general manager include:

1. Developing and delivering reports to keep the board of directors and public well-informed of district operations and the status of district goals;
2. Providing recommendations on actions requiring board approval, including policies, resolutions, ordinances, and other matters;
3. Maintaining and advancing the operations of the district and implementing those policies, strategies, and directives approved by the board; and
4. Playing an active role in moving the district forward in serving its mission, carrying out its strategic plan, and attaining its vision.

As noted previously, the general manager has authority over and directs all employees, including hiring, supervision, evaluations, promotions, disciplinary actions, and terminations. All directives for staff should be given by the general manager or designated supervisor within the district. Authority may be delegated to other staff or consultants at the general manager’s discretion.

The general manager should dutifully and faithfully carry into effect the lawfully expressed policies of the board, including planning the short, medium, and long-term work program for the district, facilitating constructive and harmonious board relations, preparing and managing the district budget, conducting studies, and delivering written and oral presentations.



Visit [sdlf.org](http://sdlf.org) to download the **SDLF High Performing District Checklist** to provide special districts with best practices related to the areas of finance and human resources.



#### Best practices that make the best board members:

- Do your homework: Read all board packets and materials in advance of meetings.
- Don’t play “gotcha”: Share questions with the general manager in advance of the board meeting.
- Listen first, speak second: Prioritize understanding the perspectives of others.
- Build an expertise: Find an important issue that other board members are not already invested in and become a leader, such as on LAFCO, environmental sustainability, etc.
- Stick to principles, not positions: Develop strong and well-considered principles, rather than digging heels into one position of a false dichotomy.
- Oppose the action, not the implementation: When necessary, vote “No” on a board agenda item, but don’t undermine or obstruct the successful implementation of board-approved decisions. Support and respect the actions of the board as a whole.



## Accountability and Transparency

The residents of the district, as voters, owners, constituents, and customers of the district, possess the ultimate responsibility for its oversight and direction. The board is elected or appointed to serve as the voice of these residents. There are a host of legal requirements designed to ensure special districts remain accountable and transparent to its residents.

While special district boards must meet all mandated State laws, they should strive to exceed these requirements and set an example to other governments and organizations.

### Legal Requirements

Significant mandates have been placed upon special districts by the State Legislature, which often exceed the standards for the State and some other local agencies. These legal requirements include, but are not limited to:

- Website Maintenance
- Open and Public Meetings under the Ralph M. Brown Act
- Public Records under the California Public Records Act
- Regular Financial Audits
- Finances and Compensation Posted Online
- Ethics Training for Board Members
- Conflict of Interest Compliance under the Political Reform Act

### Websites

Beginning January 1, 2020 every special district must maintain a website, per Government Code Section 53087.8. All special district websites must display district contact information, agendas, state-mandated financial transaction and compensation reports, and a report of the district's enterprise systems. An exemption is available for special districts that pass an annual resolution detailing evidence of a hardship.

### Open and Public Meetings

Per the Ralph M. Brown Act (Brown Act), special district board meetings must be accessible to the public. To facilitate access and participation, special districts must post their regular meeting agendas at least 72 hours in advance in a publicly accessible location and on their website. The board may only act on issues included in the agenda and the public must be permitted to address the board. The Brown Act includes myriad provisions and exceptions and has been the subject of significant litigation. It is recommended that board members read the Brown Act, found at Government Code Section 54950 et. seq., in its entirety and consult district legal counsel as necessary.

### Public Records

As required by the California Public Records Act (CPRA), found in Government Code 6250 et. seq., special district records are subject to public review and scrutiny. The public may request copies of records in the possession of a special district, including records on a board member's personal device or account that are related to district business. Districts may charge a reasonable fee for the cost of printing and paper, but the district may not charge for staff time in producing such copies. As with the Brown Act, the CPRA includes numerous provisions and exceptions and is shaped by countless lawsuits. It is recommended special districts consult legal counsel as necessary in response to specific public records act requests.

### Financial Audits

Government Code Section 26909 mandates regular audits of special districts by the county auditor-controller or a certified public accountant. The audit must be filed with the state controller and county auditor-controller.

### Online Financial and Compensation Reports

Since 1949, special districts have been required to submit a financial transaction report to the state controller. In 2014, legislation additionally required completion of a compensation report and required that both the compensation report and financial transaction reports be posted or linked to



a conspicuous place on each special district’s website. The state controller now provides all of this information in an open data format at [www.bythenumbers.ca.gov](http://www.bythenumbers.ca.gov) and [www.publicpay.ca.gov](http://www.publicpay.ca.gov).

### *Ethics Training*

In 2005, the State enacted AB 1234 (Salinas) mandating special district board members complete at least two hours of training in general ethics principles and ethics laws every two years. Board members have an obligation to conduct business in an ethical manner and make decisions that are in the best interests of their constituents. Building and maintaining the public’s trust requires you to avoid any situation where your self-interest may come first.

### *Conflict of Interest Compliance*

Passed by voters via Proposition 9 in 1974, the Political Reform Act (PRA) is designed to ensure elections are fair and government officials serve all citizens equally. The PRA generally governs political campaign spending and contributions, as well as a variety of ethics rules, including conflicts of interest. It prohibits a special district official from making, participating in making, or influencing a decision in which the official knows or has reason to know the decision will have a material financial effect on the official’s economic interests, with limited exceptions.

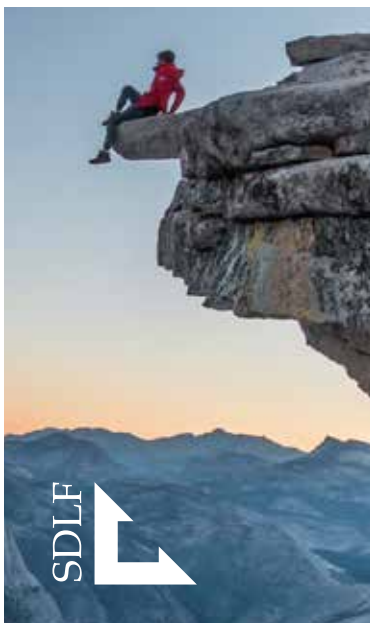
### **Third Party Oversight, Review, and Regulation**

In addition to the legal requirements adhered to by special districts, there are a number of entities and programs, which provide varying levels of oversight, review, or regulation:

- Local Agency Formation Commission
- County Auditor-Controller
- County Civil Grand Jury
- County District Attorney and State Attorney General
- State Controller
- State Auditor
- State Treasurer
- State Fair Political Practices Commission
- Other State Regulators

### **Best Practices**

Many special districts go beyond State mandated legal requirements to promote accountability and transparency. To facilitate and recognize best practices among special districts, the Special District Leadership Foundation (SDLF) has established a District Transparency Certificate of Excellence as well as other programs and scholarships. Visit [sdlf.org](http://sdlf.org) to review the programs and download an application.



*Learn more  
about **SDLF**  
Programs &  
Scholarships  
at [sdlf.org](http://sdlf.org).*



## **Legislative Advocacy, Media Outreach, and Public Engagement**

The decisions you make and the actions you take as a board member directly impact your community and the services they receive. It is equally true that districts are affected when board members do not make crucial decisions or fail to take action.

As a board member, you are an advocate for your district and your community. You will have to balance a number of responsibilities throughout your term. However, there are several simple yet influential ways you can take action as a board member.

## Engage with the Capitol

Extensive travel to Sacramento is not necessary to effectively engage with the Capitol. Likely the most important way board members can partake in advocacy efforts is to submit letters of support or opposition when CSDA sends out a “Call-to-Action.”

Throughout the legislative session, CSDA closely analyzes and tracks any bill that may impact special districts. When an especially important bill arises, CSDA will issue a “Call-to-Action” and request letters so the Capitol hears the voice of special districts. Make sure your district’s voice is heard and work with others at your district to write support and opposition letters on behalf of your district.

Meeting with your legislators is another valuable way of advocating for your district and engaging with the Capitol. There are times throughout the year when legislators leave the Capitol and return to their legislative districts. During these legislative recesses, do your best to schedule a meeting with your legislator and their staff. Just as you represent your community as a special district board member, your legislator represents you, your special district, and your community. Make sure your legislator knows what issues are important to your district and how your district is impacted by legislation. The more legislators know about the special districts they represent, the more educated they will be when creating legislation that affects all special districts.

Once you’ve met with your legislators, let CSDA know which legislators you have a relationship with so that CSDA can coordinate grassroots activities on key votes in the State Legislature. Do this by completing the Grassroots Mobilization Survey at [csda.net/take-action](http://csda.net/take-action).

## Engage with the Media

During your term as a special district board member, you will likely have to interact with the media. Do not be intimidated by the idea of communicating with the press. It is vital that you help inform the media’s narrative regarding your district. You do not want the only media mentions for your district to be one-sided or unfairly skewed against your district. The only way to ensure your district has a voice in what the media covers is for your district to be proactive. Be sure that any media outreach you undertake is in line with your board policies and/or protocols. Every special district should have a media protocol that determines who should serve as a spokesperson for the district under different circumstances. It is important to work as a team and support a clear and consistent message from your district.

Press releases should be utilized as a way to inform the press of particularly significant events. A few opportunities to send out press releases include when your district receives an award, after new board members are elected, or after a major project is successfully completed. Encourage your district to send out timely press releases in accordance with your board policy. You should also be looking for the best opportunities for your district to interact with the media. Not everything will be compelling to the media, but the media cannot acknowledge your district’s positive achievements if they are not informed. Media advisories are another way to engage with the media. If your district is hosting an event, encourage the general manager or district staff to send out an invitation to local reporters. Sometimes allowing the media to see for themselves helps garner positive press for your district. Also, inviting the media to your district allows you and other district representatives to build a working relationship with the



Throughout the year, CSDA maintains multiple resources to ensure you can stay up to date on the latest legislative issues impacting special districts. Explore the following resources:

- **Advocacy News:** Provides real-time notifications or daily summaries of legislative updates directly to your inbox. Join Advocacy News at [csda.net/advocate/advocacy-blog](http://csda.net/advocate/advocacy-blog).
- **Take Action Page:** Lists the most pressing legislative issues and provides background information and next steps for your district. Visit the Take Action page at [csda.net/advocate/take-action](http://csda.net/advocate/take-action).
- **Legislative Roundup:** Biannual webinar, free to CSDA members, connecting members with CSDA’s lobbyists for a live update and Q and A on the latest events in Sacramento.



reporters in your community. You want to serve as a resource to the media so when reporters have questions, they reach out for your district's perspective.

You may also want to suggest your district's media policy and/or protocol includes standard talking points for district representatives to reference when working with the media. Maintaining consistent messaging with the media will lend a level of credibility and reliability that the media will remember when writing about your district. As the media's understanding of your district grows, you should notice more accurate and informed press attention for your district.

### Engage with Your Community

Special districts provide essential services to millions of Californians. Yet, many people have not heard of special districts or do not understand what a special district truly is. Polling shows that as soon as people understand the services provided and maintained by special districts, their perceived value of special districts rises exponentially. As a board member, you can help the public understand your district and its important role in your community.

#### Social Media

There are numerous ways to interact and connect with the community you serve. In today's world, most community members are on some form of social media. Although social media can be time consuming for you and district staff, it is worthwhile. A district policy or protocol should guide who is responsible for posting on behalf of the district. Typically, this is assigned to a member of the staff and board members may engage by liking and/or sharing district posts from their personal accounts.

Social media can provide an instant connection with your community. Instead of forcing local residents to go looking for information, you can make important information immediately available on social media.

Engaging on social media does not require continuous posts to all platforms throughout the day. Instead, post to social media when you have something you need and want to share with the

public. Post about any community events where your district will be represented. Share a quick fact or update about your district that may interest your community.

Even if you do not frequently post to social media, monitor your accounts to see if people make comments, have questions, or provide suggestions. You may choose not to respond to comments on social media but at least you are aware of what your community is saying. People may voice something on social media that they would not ordinarily say in person or in a more formal setting. At times, people may post negative comments but with social media, engagement is ultimately the goal. Social media starts an ongoing conversation with your community.

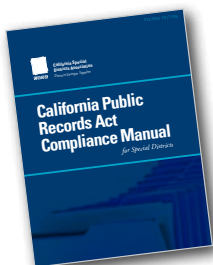
#### Community Events

Another effective way to engage with your community is with community events. As a board member, you can encourage your district to host an event where the public is invited to your district. Holding tours during the summer to demonstrate how your district functions or hosting a holiday party as a way for the community to celebrate together are just a few event ideas.

If you are a board member at a smaller district or a district type that does not easily lend itself to visits, collaborate with other districts and businesses in your community. Reach out to other special districts in your area to discuss a possible "district day" where representatives from multiple districts gather together and answer questions about their respective districts. Hosting a booth at the local career fairs or sponsoring a local event are other valuable ways of building a connection with the community you serve.

#### Join the Public Outreach Campaign

CSDA launched the Districts Make the Difference public outreach campaign to raise awareness and understanding for special districts. Encourage your district to participate in the campaign. Add a link to the [DistrictsMakeTheDifference.org](http://DistrictsMakeTheDifference.org) on your district's website so people can utilize the campaign resources and learn about the different types of special districts and how they are governed. Raising awareness for special districts helps local residents understand the value of special districts and the significant role they play in the community.



**CSDA's *California Public Records Act Compliance Manual* is a general summary of the CPRA as it applies to special districts. For more information on this manual visit [csda.net](http://csda.net).**



## Responses to Tough Questions

As with all forms of government, special districts sometimes face tough questions. Special district board members should be aware of these questions and be prepared to respond to them.

*Why are some special districts funded by property taxes, while others are funded by fees or a combination of fees and taxes?*

Special district funding is primarily determined by the residents who receive district services and pay for those services. Special districts may receive two types of revenue: enterprise revenue and non-enterprise revenue. Some districts rely exclusively on one type, but most receive a combination of the two.

Enterprise revenue is derived by fees for service. Common forms of enterprise revenue include property-related fees, governed under Proposition 218, such as water, sewer,

or trash rates. However, enterprise revenue may also include smaller charges like registration fees for a soccer league or yoga class. Facility rentals, cemetery interment fees, and medical billing are also forms of enterprise revenues.

Non-enterprise revenue is derived from taxes and assessments paid as a condition of owning property that benefits from the services and infrastructure provided by a special district. The most common form of non-enterprise revenue is the one percent ad valorem local property tax, which is distributed through the county auditor-controller's office. This is dictated by Proposition 13 and is usually what someone is referring to when they mention the "property tax." Non-enterprise revenue may also include special taxes, benefit assessment districts, community facilities districts (also known as CFDs or Mello-Roos districts), and similar funding mechanisms.

It is important to note that most residents have approved at least some level of both enterprise and non-enterprise revenue for their special district. This provides the district

with a diverse and sustainable revenue portfolio that can better withstand economic shifts and secure the highest credit ratings for infrastructure investment. It also ensures that everyone who benefits from a district contributes to the cost of the district. For example, water and sewer services benefit a property's value regardless of whether that property's owner currently uses those services.

*Can special districts tax residents without their consent?*

No. Proposition 13 limited ad valorem property taxes to one percent of property value for every homeowner. Many special districts, along with cities, counties, and schools, receive a share of this revenue. If a district requires additional revenue it must obtain the approval of its voters or property owners as appropriate.

While cities and counties may impose general taxes with majority voter approval, all special district taxes are considered "special taxes" and require a two-thirds vote. A general obligation bond that raises property taxes temporarily to pay-off the bond must also receive two-thirds voter approval. Certain assessments may be approved with a majority of those who benefit from the service and property related fees must go through what's known as a majority protest proceeding in accordance with Proposition 218.

*Why do we have community facilities districts, Mello-Roos districts, and special districts all funding our services?*

Community facilities districts (CFDs) and Mello-Roos districts are just two names for the same thing, but neither are a special district with a board that provides a service. CFDs or Mello Roos districts are funding mechanisms that may be established by a special district, city, county, or school district to help fund services and public works for that area. CFDs or Mello-Roos districts are typically approved by property owners in developing areas where there are fewer than 12 residents. In cases where there are 12 or more residents, they must be approved by voters.

*Why do special districts have such large reserves?*

Special districts need adequate reserves to ensure they can respond to their community's needs in the event of emergencies or disasters, like flooding, earthquakes, wildfires, or even droughts. Prudent reserves are often needed to accumulate the capital to pay for large infrastructure projects, or to secure financing. In addition, reserves provide a safety cushion to stabilize rates and maintain adequate services during economic downturns.

It should be noted that some reports of special district reserve levels have misinterpreted data within the state controller's Financial Transaction Report in a manner that confused districts' fixed assets with cash on hand. CSDA has worked with the state controller's office to ensure this report is presented in the most clear and consistent manner possible to avoid such errors in the future.

CSDA has also developed the Special District Reserve Guidelines, a comprehensive guide for accumulation and management of special district reserves. The report lays out policy procedures and high standards for special districts to follow in handling their fiduciary responsibilities.

*Don't special districts have board members who are heavily compensated?*

Board member compensation is set in statute by the State Legislature. Some special districts have statutory authority to adjust compensation, within strict limits, via a vote of the board during a properly noticed open and public meeting. Unlike city council members and county supervisors, special district board members are not eligible for the California Public Employees' Retirement System (SB 53 of 1993).

While every type of special district must comply with its own statutory parameters, most special district board members receive about \$100 per meeting. It is important to note that the work of a board member does not begin when a meeting commences and end when it adjourns. Board members typically review lengthy meeting packets, study issues thoroughly, and may be in communication with constituents or district staff throughout the month.

Every special district is unique and the demands and qualifications necessary to well-serve different special districts will vary.

*Aren't special districts fragmented government?*

Special districts provide real-world solutions to meet the needs of residents that otherwise would not be met. In fact, their name and their strength is derived from the way they specialize in a service. Special districts are passionate about providing a service people need. They are not easily distracted from their mission, and they develop an expertise at providing a service in the most efficient, effective, and sustainable manner possible.

While special districts may dot many local landscapes, each one is unique to the needs of its community. Special districts arguably offer the closest, or “most local,” level of service to their community. Residents will likely notice a difference in access and responsiveness when attending a recreation and park district meeting to discuss a playground as opposed to what they may receive on such a specific topic at a general-purpose government meeting. The same could be said in relation to library districts, harbor districts, mosquito abatement districts, water districts, and so on.

Similarly, special districts offer residents a meaningful opportunity to engage with their government and serve their community. The barriers associated with running for Congress, the State Legislature, and even county or city governing bodies are often staggering, with campaigns sometimes costing hundreds of thousands or millions of dollars. And the politics are sometimes highly partisan. Raising that level of campaign money and investing that number of hours away from family and paid employment is out of the reach of most Californians. While serving on a special district board is a significant undertaking, it is far more accessible to the average person.

*Do special district services overlap with cities and counties?*

No. local agency formation commissions (LAFCOs) oversee the formation, dissolution, and boundaries of special districts and cities. There are 58 LAFCOs, one per county. They ensure that special districts and cities don’t overlap in a way that provides redundant services. LAFCOs also conduct regular municipal services reviews (MSR) on special districts to help ensure they are providing efficient and effective services.

*There are just over 2,000 independent special districts compared to 977 school districts, 482 cities and 58 counties.*

*Why so many and why can’t they be consolidated to save taxpayers money?*

What really matters is the quality of services and how well a special district responds to the residents it serves. Consolidation may work in some cases, but it doesn’t work in all cases. Bigger bureaucracies that are further removed from voters are not always more efficient. Even where consolidation may make sense in concept, it may not be economically feasible due to lack of proximity to neighboring infrastructure, such as water or sewer pipes.



An inherent bias for or against consolidation doesn’t improve services. Rather, a thoughtful, case-by-case approach, that includes stakeholders and an objective analysis, will promote the best local government options for each community. Ultimately, the residents who receive and pay for the services should have the final say.

It is also important to keep in mind that there are not 2,000 special districts providing the same service throughout the state. For instance, there are about 346 fire protection districts, 47 mosquito abatement and vector control districts, 95 recreation and park districts, 10 airport districts, and so on.

*Who are special districts accountable to?*

Special districts are accountable to the residents who elect their boards, approve their funding sources, and use their services. This offers a community local control.

If residents need something or want to see something changed, they may go to their special district and petition their board. When authority is pulled away from local government bodies and centralized further from residents, the community’s ability to influence its government and hold it accountable may become more challenging.

Numerous state laws help residents hold special districts accountable, such as the Ralph M. Brown Act, the California Public Records Act, the Political Reform Act, and more. Additionally, a number of other bodies facilitate oversight and reporting requirements, including the LAFCO, county auditor-controller, county district attorney, state attorney general, and state controller’s office.



## Quick Reference for Laws Affecting Special Districts

As subdivisions of the State of California, special districts are governed by state law. Every fall, after the legislative session concludes, CSDA runs a “New Laws” series. At the beginning of each year, CSDA provides its members with a New Laws report, which includes hundreds of enacted bills and court rulings.

CSDA’s publication, *Laws Governing Special Districts*, is a member resource that provides a thorough overview of the most significant long-standing laws affecting the governance of all types of special districts. This resource includes a spreadsheet outlining the enabling act for each type of special district. Following are excerpts of some of the most frequently referenced laws affecting all special districts.



See what’s included in the *Laws Governing Special Districts Guide* at [csda.net](http://csda.net).

## Resources for You and Your Special District

Since 1969, CSDA has been providing special districts with representation at the Capitol, professional development opportunities, and a host of programs and resources designed to help them better serve their communities.

### Advocacy and Public Affairs

CSDA is the only association representing the interests of California’s independent special districts, of all types and sizes and from all corners of the state. Our legislative staff reviews and monitors every bill introduced for its potential impact on special districts. Bills requiring action are quickly brought to the attention of the Legislative Committee and Board of Directors to adopt a position on each issue and lobby accordingly.

Our six District NetWorks help special districts connect and take action on issues of concern, locally or statewide. A CSDA Public Affairs Field Coordinator works with leaders in each Network, providing valuable legislative updates, facilitating communications, and coordinating regional events. Local chapters of CSDA provide more opportunities for collaboration and information sharing.

### Professional Development

CSDA offers many unique educational opportunities for special district board members and staff. These range from extensive governance training to specialized conferences and regional workshops.

- Special District Leadership Academy (SDLA)
- Special District Board Secretary/Clerk Conference
- General Manager Leadership Summit
- Annual Conference and Exhibitor Showcase
- Workshops in Ethics, Harassment Prevention, and more

In addition, CSDA webinars, offered live and on-demand, provide affordable and convenient access to education in a wide variety of topics. Find a complete list of trainings at [csda.net](http://csda.net).



*Visit [csda.net](http://csda.net) for online resources available for members, including tools and information crucial to any special district's operational effectiveness.*



**CSDA is committed to providing solutions to special district needs. That includes discounts and programs especially designed to save districts time and money.**

**A complete listing of Value Added Benefits is available at [csda.net](http://csda.net).**

## Online Resources

At [csda.net](http://csda.net), members have access to tools and information crucial to any special district's operational effectiveness. Below are a few highlights of what you can find once you've logged in.

### *CSDA Communities*

Our online forum gives CSDA members a fast and easy way to share relevant information and get answers to questions from those most qualified to answer – your peers. Search for and connect with other members through the Member Directory, or find service and product providers through the Buyers Guide.

### *Knowledge Base*

The Knowledge Base is your online go-to for answers to many questions about local governance and policies related to special districts. The Frequently Asked Questions section contains answers to the inquiries we hear most often from special districts. The Sample Document Library is a collection of useful examples contributed by other special districts.

Also included in the Knowledge Base is an array of downloadable publications and reference materials on topics such as:

- Ballot Measure Guidelines
- Brown Act Compliance
- California Public Records Act
- Parliamentary Procedure
- Reserve Guidelines
- And many more

## California Special Districts Alliance



California Special Districts Association  
*Districts Stronger Together*



Special District Risk Management Authority



CSDA Finance Corporation

**California Special Districts Alliance** is a collaborative partnership between CSDA, the CSDA Finance Corporation and the Special District Risk Management Authority (SDRMA). Our three organizations work together to provide the best in resources and education for your special district.

CSDA Finance Corporation has facilitated nearly \$1 billion in financing for capital improvements, land acquisitions, and equipment purchases. Learn more at [csdafinance.net](http://csdafinance.net).

Special District Risk Management Authority provides full-service risk management programs, including Workers' Compensation, Property/Liability, and Health Coverages. Learn more at [sdrma.org](http://sdrma.org).



### **3. New Business**

#### **b. Consider Nominations and Elect President of the Board.**

The President has the following responsibilities: (a.) The President presides at all meetings of the Board. (b.) The President acts as the Board's primary representative to the CEO/Harbormaster. (c.) The President may decide when special meetings of the full Board need to be called to deal with issues that cannot wait until the next regular Board meeting. (d.) The President appoints members of the Board to serve on any committees of the Board, and the President also appoints members of any other committees. All appointments by the President are subject to the consent of the person so appointed. (e.) The President may give other special assignments to Harbor Commissioners. (f.) The President will coordinate any communications with the news media on behalf of the Board. (g.) The President must also perform such other duties as assigned by the Board, these Bylaws, or as are commonly required of a presiding officer of a local government agency in California. (h.) The President oversees the Board's business and sets meeting schedules and agendas with input from other Board members and Harbor executive staff. (i.) In the absence of both the President and the Secretary, the most senior Commissioner in attendance will run any scheduled meetings. (j.) The President is authorized to sign checks and all documents as authorized by the Board.

***Public Comment?***



### **3. New Business**

#### **c. Consider Nominations and Elect Secretary of the Board.**

The Secretary has the following responsibilities: (a.) The Secretary has the power to affix the District's Seal to all resolutions and ordinances adopted by the Board and to contracts and instruments authorized for execution on behalf of the District. (b.) The Secretary may, upon consultation with the CEO/Harbormaster, appoint a member of the District staff to assist in the Secretary's duties, such as preparing minutes and agenda packets. (c.) The Secretary acts as President Pro-Tem when the President is absent and is authorized to sign checks and attest to legal documents for the District as authorized by the Board.

***Public Comment?***



### **3. New Business**

#### **d. Review of Standing and Ad-Hoc Committees and Appointment of New Members.**

i.) Finance Committee

ii.) Revenue Generation Committee

iii.) Personnel Committee

iv.) Legal Affairs, Policies, and Procedures Committee

v.) Infrastructure Committee

vi.) Special Events and Community Outreach Committee

***Public Comment?***



### **3. New Business**

- e. Review of Current CCHD Grants and New Grant Applications Presented by Community System Solutions  
CEO Mike Bahr.**

***Public Comment?***



**December 3, 2024**

**To: Crescent City Harbor Commissioners**

**Grant Status Report**

The following is a summary of the current grants that have been awarded to the Crescent City Harbor District and recent grants that have been applied.

The summary includes the use of funds, the award amount and key 2025 tasks.

Each of the grants was written by Community System Solutions and we are familiar with each project element and can answer any questions as needed.

**Active Grants**

**CA Coastal Conservancy Grant South Beach Bathroom**

Use of Funds: Design, Permitting and Construction of Bathrooms and Showers on Anchor Way,

Awarded funds: \$450,000    Remaining Funds: \$426,000

Match Requirement (Remaining): \$106,000 (In-Kind)

Timeline: Project Start Date: June 2023. Project End Date: June 2026

Project Tasks Completed:

- Contract for modular building awarded – Public Restroom Company

Key 2025 tasks:

- Finalize Location
- Hire Contractor
- Apply for Building Permit
- Purchase Building
- Pour Foundation and Install Building
- Hookup building to utilities
- Ribbon cutting ceremony

**CA Coastal Conservancy Grant (Citizen's Dock Planning)**

Use of Funds: Initial Design and Environmental Impact Studies for construction of a new Citizens' Dock and Seawall.

Awarded funds: \$927,000                      Remaining Funds: 100% allocated

Match Requirement (Remaining): Match Met

Timeline: Project Start Date June 2023 - Project End Date: Est December 2025

Project Tasks Completed:

- All project contracts awarded
- 30% Design Complete - Moffatt & Nichol
- Public meetings complete - CSS
- NEPA and CEQA studies underway - Moffatt & Nichol

Key 2025 tasks:

- Receive final NEPA and CEQA Report for Seawall and Citizens' Dock

**FEMA / CAOES Hazard Mitigation Grant Program:**

Use of Funds: 1) Identify Highest best use of developable properties; 2) Design & Engineering; NEPA/CEQA; for Climate Resiliency Solutions along Harbor waterfront.

Awarded funds: \$1,350,000      Remaining Funds: \$1,000,000

Match Requirement (Remaining): \$75,000

Timeline: Project Start Date: October 16, 2023. Project End Date: October 16, 2026

Project Tasks:

- Strategic Property Development Plan – CSS – (complete)
- Property Development Marketing – Crede Group – (ongoing)
- Vertical Breakwater Design – Moffat & Nichol – (ongoing)
- Geotech Study for Seawall and Citizens' Dock – Moffat & Nichol – (completed)
- Eel Grass Study – Moffat & Nichol – (ongoing)
- Level 1 and Level 2 environmental study of boatyard – SHN – (ongoing)

Key 2025 tasks:

- Boat Yard – Review finding of Level 1 and Level 2 environmental study. Determine if any additional environmental work needs to be done at boat yard. Prepare and release RFP for additional work if needed.
- Prepare RFP and award for Engineering study of key facilities and cost estimates for following components:
  - Stabilize and armor seawall
  - Boat Pull Out area
  - Dock repairs or replacement
  - Renovate building
  - Other key boat yard elements
- Prepare RFP and award for CEQA/ NEPA of Boat Yard for all future construction elements

## **GRANTS AWARDED, NOT YET ACTIVE**

### **US DOT MARAD Port Infrastructure Development Grant (PIDP) 2022 - Seawall**

Use of Funds: 1) Construction of a new seawall 2) repair and renovate the seafood packing and trucking area 3) replace the aged cargo handling equipment atop the seawall

Awarded Funds: \$7,366,565

Remaining Funds: \$7,366,565

Match Requirement (Remaining): \$1,570,489

Current Status: Grant cannot be spent until the NEPA Environmental Study is complete. NEPA being funded by CA Coastal Conservancy Grant (Citizens Dock) and FEMA / CAOES Hazard Mitigation Grant Program.

Timeline: Project Start Date: January 2023. Project End Date: January 2028

#### Key 2025 tasks

- File completed NEPA report.
- Finalize contract with PIDP start project and draw down funds.
- Finalize seawall design – (grant funded)
- Finalize construction estimates – (grant funded)
- Determine final scope of project – (grant funded)
- Hold public meetings to get input on final design and scope– (grant funded)
- Apply for project amendments if needed – (grant funded)
- Apply for construction permits – (grant funded)

#### Key 2026 tasks

- Construct New Seawall – (grant funded)

### **US DOT MARAD Port Infrastructure Development Grant (PIDP) 2024 – Citizens’ Dock**

Use of Funds: Construction of Citizens Dock – phase 1

Grant Amount Awarded: \$8,000,000 Match Requirement: \$2,000,000

Current Status: Grant cannot be spent until NEPA Environmental Study is complete. NEPA is being funded by CA Coastal Conservancy Grant (Citizens Dock) and FEMA / CAOES Hazard Mitigation Grant Program.

Timeline: Project Start Date: November 2024. Project End Date: November 2029

#### Key 2025 tasks

- Finalize Grant Award documents
- File completed NEPA report.



- Finalize contract with PIDP start project and draw down funds.
- Finalize Citizens Dock design – (grant funded)
- Finalize construction estimates – (grant funded)
- Determine final scope of project – (grant funded)
- Hold public meetings to get input on final design and scope– (grant funded)
- Apply for project amendments if needed – (grant funded)
- Apply for construction permits – (grant funded)

#### Key 2026 tasks

- Construct Citizens’ Dock – phase 1 – (grant funded)

### **Grant Applications Recently Submitted or Being Prepared**

#### **EPA Climate Change Grant - Crescent City Harbor District Green Fleet Initiative**

##### Use of Funds:

1. Revitalize the Boat Yard with pier Improvements, boat pull out improvements, boat building facility rehabilitation, improvements to all facilities and all needed equipment, including travel lift.
2. Containerized Ice Plant
3. Hybrid Electric Commercial Fishing Boat Conversion Business
4. Energy Storage System for Ice Plant and Fish Filet Facility
5. Workforce Opportunity Training Program
6. Harbor Staff expansion to run programs

Grant Amount Requested: \$20,000,000 Match Requirement: \$0

Grant Award Announcement: January 2025.

Timeline: Project Start Date: January 2025. Project End Date: January 2030

#### **CA Energy Commission Waterfront Facility Improvement Program**

##### Use of Funds:

1. Citizens’ Dock permitting and planning
2. Citizens’ Dock public Community Engagement process
3. Develop Designs for Harbor Dependent Marine Commercial businesses.
4. Develop a Business Case and Investment Plan to Finance the Retrofitting of the Underutilized Harbor Areas.

Project can be used for match for PIDP Citizens’ Dock grant.

Grant Amount Requested: \$1,500,000

Grant Award Announcement: February 2025.

Timeline: Project Start Date: January 2025. Project End Date: January 2028

CCHD GRANTS AWARDED									
Grant Name	Grant Funder	Funded Projects	Project Amount	Grant Amount Awarded	Match Requirement (Remaining)	Grant Start Date	Grant End Date	Grant Amount Remaining	Current Status
<b>CA Coastal Conservancy Grant South Beach Bathroom</b>	CA Coastal Conservancy	Design, Permitting and Construction of Bathrooms and Showers on Anchor Way, near Starfish Way.	\$450,000	\$450,000	\$106,000 (In-Kind)	Jun-23	Jun-26	\$426,000	Moffatt & Nichol working on permit completion.
<b>CA Coastal Conservancy Grant Citizen's Dock Planning</b>	CA Coastal Conservancy	1) Design, Environmental Impact Studies and Permitting for construction of a new Citizens' Dock.	\$927,000	\$927,000	Match Met	Jun-23	Jun-26	100% Allocated	NEPA being completed
<b>Harbor Mitigation Grant Program (HMGP)</b>	FEMA and Cal OES	1) Identify Highest best use of developable properties; 2) Design & Engineering; NEPA/CEQA along waterfront	\$1,500,000	\$1,350,000	\$75,000	Jan-24	Jan-29	\$1,000,000	Multiple projects ongoing. RFPs needs to be prepared for next projects
<b>Port Infrastructure Development Grant (PIDP) 2022</b>	ODOT - Maritime Administration	1) Construction of a new seawall 2) repair and renovate the seafood packing and trucking area 3) replace the aged cargo handling equipment atop the seawall	\$9,208,207	\$7,366,566	\$1,570,489	Jan-23	Jan-28	\$7,366,566	Awaiting NEPA results, before contract award contract can be finalized
<b>Port Infrastructure Development Grant (PIDP) 2024</b>	ODOT - Maritime Administration	Construction of Citizens Dock	\$10,000,000	\$8,000,000	\$2,000,000	Nov-24	Nov-29	\$8,000,000	Awaiting DOT request for initial award documents
CCHD GRANTS APPLIED FOR UNDER REVIEW									
Grant Name	Grant Funder	Project Applied For	Project Amount	Grant Amount Requested	Match Requirement	Project Timeline	Announcement Date	Status	
<b>EPA Climate Change Grant</b>	US EPA	1) Revitalize Boat Yard and equipment; 2) Ice Plant 3) Boat business; 4) ESS; 5) Workforce Training; 6) Staff	\$20,000,000	\$20,000,000	\$0.00	3 years	Jan-25	Grant Submitted	
<b>Waterfront Facility Improvement Program Grant</b>	CA Energy Commission	1) Citizens' Dock permitting and planning; 2) Designs for Harbor Dependent Businesses; 3) Match for PIDP grant	\$1,650,000	\$1,500,000	\$150,000	3 years	Feb-25	Grant being written	



### 3. New Business

**f. Consider and Vote to Authorize Purchase of Mobile Freezer Containers and Other Measures to Support Ice Distribution.**

- i) 40-foot used freezer container NTE \$10,000.00
- ii) 20-foot used freezer container NTE \$7,000.00
- iii) electrical connections NTE \$5,000.00

Del Norte County has identified grant funding opportunities under the American Rescue Plan Act (Public Law 117-2, Coronavirus State and Local Fiscal Recovery Funds, CSLFRF). Counties are authorized to allocate a portion of their ARPA funds to support local governments, including special districts, in addressing eligible needs such as infrastructure projects, public health initiatives, and economic recovery efforts. If approved by the CCHD Board, the CEO/Harbormaster will submit an application to the Del Norte County Board of Supervisors to seek funding under this program and any other applicable authority.

***Public Comment?***



### **3. New Business**

#### **g. Discuss New Ideas for Revenue Generation.**

*background materials for revenue generation available for download here:*

<https://www.ccharbor.com/2024-12-03-archived-agendas-meeting>

***Public Comment?***



### **3. New Business**

- h. Consider Report on the Chamber of Commerce and Visitors Bureau Presented by Director Cindy Vosburg and Vote to Authorize Funding.**

***Public Comment?***



## 4. Old Business

- a. **Discuss Finance and Administration Policies and Procedures and Vote to Approve Any Desired Changes.**

*(available for download here)*

<https://www.ccharbor.com/files/2be68e39f/CCHD+Fin+%26+Admin+-+Policies+%26+Procedures+%283.2.2024.11%29.pdf>

***Public Comment?***



## **5. Communications and Reports**

### **a. Financial Report**

***Public Comment?***

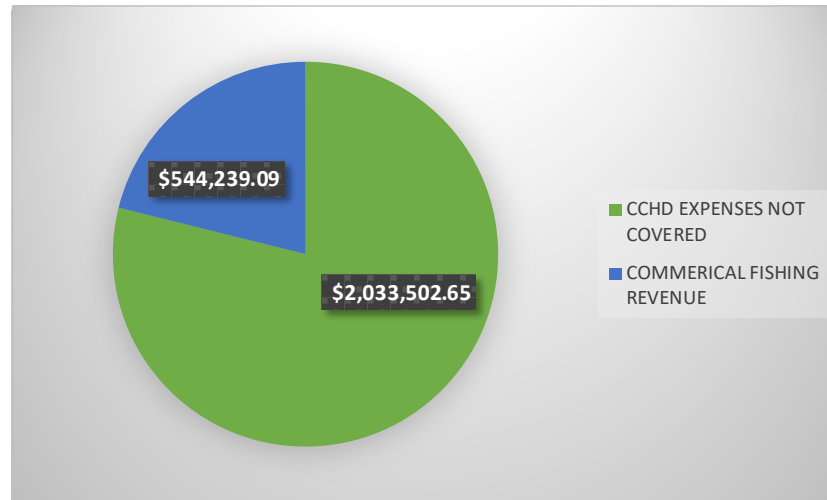


October 2023 - September 2024  
CCHD OPERATIONAL EXPENSES

ADVERTISING	\$ 10,003.13
AUTO EXPENSES	\$ 53,304.65
BANK FEES / SURCHARGES	\$ 18,756.46
DUES / CHARITABLE CONTRIBUTIONS	\$ 2,738.91
CONTRACTORS OPERATIONS	\$ 120,907.44
INSURANCE POLICIES	\$ 304,525.86
PROFESSIONAL FEES / CONSULTANTS	\$ 163,139.20
OFFICE / GENERAL OPERATIONS	\$ 94,687.90
PAYROLL EXPENDITURES	\$ 1,307,349.58
REPAIRS / MAINTENANCE	\$ 66,380.63
SUPPLIES, MATERIALS & FUEL	\$ 35,963.89
UTILITIES	\$ 399,984.09
<b>TOTAL</b>	<b>\$ 2,577,741.74</b>

October 2023 - September 2024  
COMMERCIAL FISHING REVENUE

MARINA	FEES	UTILITIES	CRANA	MOORAGE	DOCKWA	NO INSURANCE	SLIP RENTALS	STORAGE	TOTAL
\$80,152.74	\$35.00	\$798.52	\$2,700.00	\$63,425.20	\$276,533.05	\$3,450.00	\$2,478.77	\$12,101.00	\$441,674.28
									<b>POUNDRAGE \$ 102,564.81</b>
									<b>TOTAL \$ 544,239.09</b>





## **5. Communications and Reports**

### **b. CEO/Harbormaster Report**

***Public Comment?***



## **5. Communications and Reports**

### **c. Harbor Commissioner & Committee Reports**

- (1) Commissioner Annie Nehmer**
- (2) Commissioner Dan Schmidt**
- (3) Commissioner John Evans**
- (4) Commissioner Gerhard Weber**
- (5) President Pro-Tem Rick Shepherd**

***Public Comment?***

## 6. MEETING ADJOURNMENT

*Adjournment of the Board of Harbor Commissioners will be until the next meeting scheduled for **Tuesday, December 17, 2024**, at 2 p.m. PDT. The Crescent City Harbor District complies with the Americans with Disabilities Act. Upon request, this agenda will be made available in appropriate alternative formats to person with disabilities, as required by Section 12132 of the Americans with Disabilities Act of 1990 (42 U.S.C. §12132). Any person with a disability who requires modification in order to participate in a meeting should direct such request to (707) 464-6174 at least 48 hours before the meeting, if possible.*

