

YUBA COUNTY WATER AGENCY

Policy Concerning Ethics, General Manager, and Related Matters

Revised: November 16, 2021

1.0 Purpose

The policy of the Yuba County Water Agency (“Yuba Water”) is to maintain the highest standards of ethics from its Directors and employees. The proper operation of Yuba Water requires that decisions and policy be made in the proper channels of governmental structure, that public office not be used for personal gain, and that all individuals associated with Yuba Water remain impartial and responsible towards the public. Accordingly, it is the policy of Yuba Water that its Directors and employees will maintain the highest standard of personal honesty and fairness in carrying out their duties, perform in a manner that reflects positively on Yuba Water, supports a strong safety culture, and meets the missions of flood control, water supply, fishery enhancement, recreation and hydrologic generation.

This policy contains two parts. The first part addresses mandated ethics training requirements for Directors and certain designated officers. The second part of this policy sets ethics standards for Directors, provisions concerning the General Manager, and related matters. The ethical standards to be followed by employees, including the General Manager, are provided in Yuba Water’s Human Resources Policies and Practices Manual.

The primary purpose of the ethics training policy (articles 2.0 – 2.5) is to ensure that all Directors and certain designated officers comply with the ethics training and reporting mandates imposed by Government Code sections 53234 through 53235.2.

The primary purpose of the ethics guidelines for Directors (articles 3.0 – 3.14) is to set forth the minimum ethical standards to be followed by the Directors. The objectives of this policy are to (1) provide guidance for dealing with ethical issues, (2) heighten awareness of ethics and values as critical elements in Directors’ conduct, and (3) improve ethical decision-making and values-based management.

2.0 Mandatory Ethics Training

2.1 Positions Requiring Training

Ethics training is required for all Directors (Government Code section 53235, subd. (a).) The following Yuba Water officers also will be required to receive ethics training: General Manager, Assistant General Manager, Director of Power Systems, Director of Administration Manager,

Director of Finance, Director of Water Resources and Flood Risk Reduction, Manager of Resource Planning, Government Relations Manager and Procurement and Contracts Administrator. (Government Code section 53234, subds. (a), (b) and (c)(1).) Collectively, Directors and the designated officers are the "Covered Officials" under this policy. The Board encourages all other employees to receive ethics training, although such training is not a legal requirement.

2.2 Training Curriculum

The training required by this policy must cover general ethics principles and ethics laws relevant to the Covered Officials' public service. All Covered Officials must receive ethics training in the following topics relevant to the service to Yuba Water:

- (1) Laws relating to personal financial gain by public servants, such as prohibitions on conflict of interest and bribery;
- (2) Laws relating to the privileges of office, such as limitations on personal receipt of gifts and travel, use of public resources, mass-mailing restrictions and prohibitions on gifts of public funds;
- (3) Government transparency laws, such as the Brown Act, the Public Records Act, and financial interest disclosure laws; and
- (4) Laws relating to fair public process, such as due process and competitive bidding requirements, bias prohibitions, and incompatible office restrictions.

Covered Officials may fulfill their required ethics training obligations by participating in any approved form of training, including but not limited to seminars, webinars, group or individual training, or self-study at home, in-person or on-line. If self-study courses are used, a test component must be included. (Government Code section 53235, subd. (d).)

2.3 Frequency of Training

Every two years, all Covered Officials must receive at least two hours of ethics training that complies with the requirements of Article 2.2. (Government Code section 53235, subd. (b).) All Covered Officials may take more than two hours of training every two years and the Board encourages all Covered Officials to obtain more than the required minimum training.

Newly elected or appointed Covered Officials must complete their first two hours of ethics training within one year after taking office. After completing the initial training requirement,

Covered Officials must receive a minimum of two hours of ethics training every two years for as long as they remain in office.

2.4 Training Documentation

Compliance with the ethics training requirements set forth in Government Code sections 53234 through 53235.2 must be documented. The person or entity providing the training must provide a proof of participation to the Covered Official. (Government Code section 53235, subd. (e).) Yuba Water also will keep records of its Covered Officials' dates of participation in ethics training and the person or entity providing the training for five years after local officials receive the training. (Government Code section 53235.2, subd. (a).) The Board Secretary will maintain the ethics training records. All Covered Officials must submit a copy of their proofs of participation in all ethics training completed to the Board Secretary within 30 days of completing any ethics training. All ethics training policies and attendance records are public records subject to disclosure under the California Public Records Act. (Government Code section 53235.2, subd. (b).)

2.5 Miscellaneous Training Rules

Yuba Water will inform its Covered Officials of available ethics training opportunities at least once annually. (Government Code section 53235, subd. (f).)

It is the responsibility of each Covered Official to ensure his or her compliance with this policy, including selecting the ethics training courses and securing and submitting the ethics training documentation to the Clerk of the Board as required in Article 2.4.

If a Covered Official holds more than one position covered by the ethics training mandate, he or she need only complete the minimum two hours every two years to comply. (Government Code section 53235.1, subd. (c).) If a Covered Official wishes to receive credit for ethics training completed on behalf of another agency, he or she should submit the relevant documentation to the Clerk of the Board.

3.0 Ethics Guidelines for Directors

3.1 Responsibilities of Public Office

Yuba Water Directors are obligated to uphold the Constitution of the United States and the Constitution of the State of California. Directors will comply with applicable laws regulating their conduct, including conflict of interest, financial disclosure and open government laws. Directors will work in cooperation with other public officials unless prohibited from so doing by law or

officially-recognized confidentiality of their work, or if doing so would be contrary to the best interests of Yuba Water.

(Article 20, section 3 of the California Constitution; Government Code section 1360.)

3.2 Fair and Equal Treatment

Directors will not, in the performance of their official functions, discriminate against any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, veteran or military status, or any other protected class under federal, state or local laws. A Director will not grant any special consideration, treatment or advantage to any person or group beyond that which is available to every other person or group in similar circumstances.

(See, e.g., Article 1, section 31 of the California Constitution; Age Discrimination in Employment Act of 1967 (29 U.S.C. sections 621 and following); Americans with Disabilities Act of 1990 (42 U.S.C. sections 12101 and following); California Fair Employment and Housing Act (Government Code sections 12900 and following and Chapter 5 of Title 47, U.S.C.); Rehabilitation Act of 1973 (29 U.S.C. sections 701 and following); Title VII of the Civil Rights Act of 1964 (42 U.S.C. sections 2000e and following).)

3.3 Proper Use and Safeguarding of Agency Property and Resources

Except as authorized by law, a Director will not use or permit the use of Yuba Water-owned vehicles, equipment, telephones, materials or property for personal convenience or profit. A Director will not ask or require an employee to perform services for the personal convenience or profit of a Director or employee. Each Director must protect and properly use any Yuba Water asset within his or her control, including information recorded on paper or in electronic form. Directors will safeguard Yuba Water property, equipment, moneys and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust. Directors are responsible for maintaining written records, including expense accounts, in sufficient detail to reflect accurately and completely all transactions and expenditures made on Yuba Water's behalf, in accordance with the policy for reimbursement of expenses of Directors.

(Article 16, section 6 of the California Constitution; Government Code sections 8314 and 53232.3; Penal Code section 424; see *People v. Battin* (1978) 77 Cal.App.3d 635.)

3.4 Use of Confidential Information

- A. A Director is not authorized, without prior approval of the Board of Directors, to disclose information that qualifies as confidential information under applicable provisions of law to a person not authorized to receive it, that (1) has been received for, or during, a closed session meeting of the Board; (2) is protected from disclosure under the attorney/client or other evidentiary privilege; or (3) is not required to be disclosed under the California Public Records Act.
- B. This section does not prohibit any of the following: (1) making a confidential inquiry or complaint to a Yuba Water attorney or grand jury concerning a perceived violation of law, including disclosing facts to a Yuba Water attorney or grand jury that are necessary to establish the alleged illegality of an action taken by Yuba Water, or an elected official or employee; (2) expressing an opinion concerning the propriety or legality of actions taken by the Board in closed session, including disclosure of the nature and extent of the allegedly illegal action; or (3) disclosing information acquired by being present in a closed session that is not confidential information. Prior to disclosing confidential information pursuant to (1) or (2), above, however, a Director will first bring the matter to the attention of either the Board Chair or the full Board, to provide the Board an opportunity to cure an alleged violation.
- C. A Director who willfully and knowingly discloses for pecuniary gain confidential information received by him or her in the course of his or her official duties may be guilty of a misdemeanor under Government Code section 1098.

(Government Code section 54963.)

3.5 Conflict of Interest

- A. A Director will not have a financial interest in a contract with Yuba Water, or be a purchaser at a sale by Yuba Water or a vendor at a purchase made by Yuba Water, unless the Director's participation is authorized under Government Code section 1090, 1091 or 1091.5, or other provisions of law. A Director will not participate in the discussion, deliberation or vote on a matter before the Board of Directors, or in any way attempt to use his or her official position to influence a decision of the Board, if he or she has a prohibited interest with respect to the matter, as defined in the Political Reform Act, Government Code sections 81000 and following, relating to conflicts of interest. Generally, a Director has a disqualifying financial interest in a matter if a Board decision would have a reasonably foreseeable material financial effect (as defined by the Fair Political Practices Commission ("FPPC") regulations) on the Director, or his or her immediate family, that is distinguishable from the effect on the public generally,

concerning: (a) a business entity in which the Director has a direct or indirect investment of \$2,000 or more; (b) real property in which the Director has a direct or indirect interest worth \$2,000 or more; (c) a source of income of the Director amounting to a total of \$500 or more within 12 months before the Board decision; (d) a source of gifts to the Director amounting to \$470 or more within 12 months before the Board decision; or (e) a business entity in which the Director holds a position as a director, officer, partner, trustee, manager or employee. An "indirect interest" means any investment or interest owned by the spouse or dependent child of the Director, by an agent on behalf of the Director, or by a business entity or trust in which the Director, or the Director's spouse, dependent child or agent, owns directly, indirectly or beneficially a ten percent interest or greater. A Director will not accept gifts or honoraria that exceed the limitations specified in the Fair Political Practices Act or FPPC regulations. Directors will report all gifts, campaign contributions, income, and financial information as required under the Agency's Conflict of Interest Code and the provisions of the Political Reform Act and FPPC regulations. The dollar limitations referred to in this section are revised from time to time by the FPPC.

(Government Code sections 87100 and following.)

- B. If a Director believes that he or she may be disqualified from participation in the discussion, deliberations or vote on a particular matter due to a conflict of interest, the following procedure will be followed: (a) if the Director becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Director will notify the General Manager and Yuba Water's legal counsel of the potential conflict of interest, so that a determination can be made whether it is a disqualifying conflict of interest; (b) if it is not possible for the Director to discuss the potential conflict with the General Manager and Yuba Water's legal counsel before the meeting, or if the Director does not become aware of the potential conflict until during the meeting, the Director will immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is a disqualifying conflict of interest; and (c) upon a determination that there is a disqualifying conflict of interest, the Director (1) will not participate in the discussion, deliberation or vote on the matter for which a conflict of interests exist, which will be so noted in the Board minutes and (2) will leave the room until after the discussion, vote and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters (e.g., the consent calendar), in which case the Director will identify the nature of the conflict and not vote on the specified item. If the item is agendized for discussion and possible action, the Director may speak on his or her personal interests in the matter during the time the general public speaks on the issue but must leave the room during Board discussion and action on that item.

- C. A Director will not recommend the employment of a relative by Yuba Water. In addition, a Director will not recommend the employment of a relative to any person known by the Director to be bidding for or negotiating a contract with Yuba Water.
- D. A Director who knowingly asks for, accepts, or agrees to receive any gift, reward or promise thereof for doing an official act, except as may be authorized by law, may be guilty of a misdemeanor under Penal Code section 70.

(Government Code sections 1090 and following, 81000 and following, and 87105; Penal Code sections 68 and 70.)

3.6 Soliciting Political Contributions

Directors are prohibited from soliciting political funds or contributions at Yuba Water facilities, or from Yuba Water employees. A Director will not accept, solicit, or direct a political contribution from (a) Yuba Water employees, officers, consultants or contractors, or (b) any person or entity who has a financial interest in a contract or other matter while that contract or other matter is pending before the Agency. A Director will not use Yuba Water's seal, trademark, stationary, or facsimile thereof, in any solicitation for political contributions contrary to state or federal law.

(Government Code section 3205.)

3.7 Incompatible Offices and "Revolving Door" Policy

- A. Any Director appointed or elected to a public office of another public entity, the duties of which may require action contradictory or inconsistent with the interest of the first entity (as determined under applicable law), is deemed to have vacated his or her office with Yuba Water upon taking the second, incompatible office.
- B. For a period of one year after leaving office, Directors will not represent for compensation non-governmental entities before Yuba Water with regard to any issues over which that Director had decision-making authority during the three years prior to leaving office.
- C. For purposes of this section, "represent" will mean for compensation to actively support or oppose a particular decision in a proceeding by lobbying in person the officers or employees of Yuba Water or otherwise acting to influence the officers of Yuba Water.
- D. These restrictions will not apply to representation of not-for-profit charitable entities before Yuba Water.

- E. Nothing in this section is intended or will be applied to prevent a former Director from participating in meetings of the Board in the same manner as other members of the public. (See, for example, Government Code section 54954.3.)

(Government Code sections 1099, 53227 and 87406.3; see also, 73 Ops.Cal.Atty.Gen. 357 (1990).)

3.8 Board-General Manager Relationship

- A. The Board sets policy for Yuba Water and oversees its financial affairs. The General Manager will: (a) have full charge and control of the management, administration, supervision, maintenance, operation and construction of the Yuba Water flood control, water, power, and other systems, property, services, and operations; (b) have full power and authority to employ, supervise, manage, promote, reassign, suspend, demote, discipline, and discharge all employees at pleasure, consistent with other provisions of law and Board-approved Human Resources Policies and Practices Manual, other personnel policies, annual budgets, and contracts; (c) prescribe the duties of employees, consistent with Board policy; (d) fix and alter the compensation of employees, subject to approval by the Board; and (e) have full power and authority to approve, sign, implement, and perform contracts and agreements on behalf of Yuba Water consistent with the Agency Act and other applicable laws, Board-approved ordinances, policies, and budgets, and the Yuba Water Purchasing and Contracting Procedures. The Board will, after considering the recommendation of the General Manager, appoint the Director of Finance. The Director of Finance will install and maintain a system of auditing and accounting that will completely and at all times show the financial condition of Yuba Water in accordance with generally accepted accounting principles and legal requirements. The Board will retain an auditor as an independent contractor of Yuba Water (other than the Director of Finance) to conduct an annual audit of Yuba Water's books, records, and financial affairs in accordance with generally accepted auditing standards. The auditor will report to the Board, who will periodically review the auditor's work.

- B. The General Manager serves at the pleasure of the Board, subject to the terms of any Yuba Water/General Manager employment agreement. The Board will provide policy direction and instructions to the General Manager on matters within the authority of the Board by majority vote of the Board during duly-convened Board and Board committee meetings. Directors will deal with matters within the authority of the General Manager through the General Manager, and not through other Yuba

Water employees, except as it pertains to the functions of the Director of Finance and Yuba Water consultants employed by the Board, including the Yuba Water auditor. Directors will refrain from making requests directly to Yuba Water employees (rather than to the General Manager) to undertake analyses, perform other work assignments or change the priority of work assignments. Directors may request non-confidential, factual information regarding Yuba Water operations to assist Directors in their work on behalf of Yuba Water from Yuba Water employees.

(Agency Act sections 84-7 and 84-8.1.)

3.9 Improper Activities and the Reporting of Such Activities; Protection of "Whistle Blowers"

- A. The General Manager has primary responsibility for: (1) ensuring compliance with Yuba Water's Human Resources Policies and Practices Manual and ensuring that employees do not engage in improper activities; (2) investigating allegations of improper activities; and (3) taking appropriate corrective and disciplinary actions. The Board has a duty to ensure that the General Manager is operating Yuba Water according to law and the policies approved by the Board. Directors are encouraged to fulfill their obligation to the public and Yuba Water by disclosing to the General Manager to the extent not expressly prohibited by law, improper activities within their knowledge. Directors will not interfere with the General Manager's responsibilities in identifying, investigating, and correcting improper activities, unless the Board determines that the General Manager is not properly carrying out these responsibilities. Nothing in this section affects the responsibility of the Board to oversee the performance of the General Manager.
- B. A Director will not directly or indirectly use or attempt to use the authority or influence of his or her position for the purpose of intimidating, threatening, coercing, commanding or influencing any other person for the purpose of preventing such person from acting in good faith to report or otherwise bring to the attention of the General Manager or the Board any information that, if true, would constitute: a work-related violation by a Director or employee of any law or regulation, gross waste of Yuba Water funds, gross abuse of authority, a specified and substantial danger to public health or safety due to an act or omission of a Yuba Water official or employee, use of a Yuba Water office or position or of Yuba Water resources for personal gain, or a conflict of interest of a Director or employee.
- C. A Director will not use or threaten to use any official authority or influence to effect any action as a reprisal against another Director or employee who reports or otherwise

brings to the attention of the General Manager any information regarding the subjects described in this section.

- D. Any person who believes that he or she has been subjected to any action prohibited by this section may file a confidential complaint with (1) the General Manager, or (2) a Director, if the complaint involves the conduct of the General Manager, who will thereupon refer the matter to the full Board to investigate the complaint. Upon the conclusion of the investigation, the General Manager (or the Board in the case of a complaint against the General Manager) will take appropriate action consistent with Yuba Water's Human Resources Policies and Practices Manual, related human resources policies and procedures, and applicable law.

(Labor Code section 1102.5, and following, and Government Code sections 53298 and 53298.5.)

3.10 Compliance with the Brown Act

Directors, and persons elected but who have not yet assumed office as Directors, will fully comply with the provisions of the Brown Act, the State's open meeting law for public agencies. The Board has adopted "Rules for Proceedings of the Board of Directors" to guide the Board in ensuring that decisions are made during meetings of the Board that are open to the public, in compliance with the Brown Act.

(Government Code sections 54950 and following, and 54952.1 and 54959.)

3.11 Directors' Compensation and Expense Reimbursement

Directors will fully comply with the provisions of the Board's "Directors' Compensation and Expense Reimbursement Policy".

(Government Code sections 53232 and following; Water Code sections 20200 and following.)

3.12 Changes in Compensation

Changes in the compensation of the Board will require approval by a 5/7ths vote of the Board during an open meeting of the Board.

(Agency Act section 7.)

3.13 Candidate's Statement

A Director will not include false or misleading information in a candidate's statement for a general Yuba Water election filed pursuant to section 13307 of the Elections Code.

(Elections Code section 13313.)

3.14 Violation of Ethics Guidelines

A perceived violation of this policy by a Director should be referred to the Board Chair or the full Board of Directors for investigation, and consideration of any appropriate action warranted. A violation of this policy may be addressed by the use of such remedies as are available by law to Yuba Water, including but not limited to: (a) adoption of a resolution expressing disapproval of the conduct of the Director who has violated this policy; (b) injunctive relief; or (c) referral of the violation to Yuba Water legal counsel, and/or the grand jury or district attorney.

4.0 Policy Review

The Clerk of the Board shall ensure that this Policy shall be reviewed at least every two years.

4.1 Version History

Date	Version#	Description
December 22, 2016	001	Initial Release
April 16, 2019	002	Bi-Annual Review
November 2, 2021	003	Bi-Annual Review