

RESOLUTION NO. 2007-3

**AMENDING AND RESTATING THE POLICY FOR COMPENSATION
AND EXPENSE REIMBURSEMENT FOR BOARD MEMBERS**

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MID-PENINSULA WATER DISTRICT

WHEREAS, by Resolution No. 2004-08, the Board of Directors revised its policy for compensation and expense reimbursement for Board members; and

WHEREAS, the Board desires again to amend and restate this policy to reflect the Board's current practices and procedures in a manner consistent with applicable law and recent amendments thereto.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Mid-Peninsula Water District hereby adopts the policy set forth below with regard to compensation and expense reimbursement for its Board members.

A. DIRECTOR FEES. Each Board member is authorized to receive compensation in the amount of One Hundred Dollars (\$100) per day for each day's attendance at regular or special meetings of the Board and for service rendered as a Director at the request of the Board, not to exceed ten (10) total days in any calendar month as permitted by applicable state law. Attendance at meetings, conferences, seminars or functions of the California Special Districts' Association, Association of California Water Agencies (ACWA), Local Agency Formation Commission (LAFCo), and the San Francisco Public Utilities Commission (SFPUC) is service rendered as a Director at the request of the Board. A Board member's attendance at any other conference or organized educational activity must be approved by the Board in advance in order for that Board member to receive the per diem compensation specified above.

B. REIMBURSEMENT OF EXPENSES. Board members will be reimbursed for any necessary expenses that are moderate and reasonable for the circumstances, including travel, lodging, meal, meeting and miscellaneous expenses as provided below, that are incurred in the performance of service rendered at the request of the Board, other than attending regular or special meetings of the Board. Reimbursement for expenses is contingent upon the Board member's submission of appropriate and complete documentation to the General Manager in accordance with Section C of this Resolution.

1. Travel/Transportation Expenses. All travel shall be booked at the government or group rate if available. Reimbursable travel/transportation expenses may include actual expenses for coach class airfare, ground transportation (to/from airports or hotels), parking, economy class car rental, or mileage reimbursement. Board members should use the most economical mode and class of transportation available that is reasonable for the circumstances. When commercial transportation is used, the District will reimburse the Board member the actual costs incurred or pay them directly to the carrier. Board members choosing to use private automobile travel rather than commercial transportation will be reimbursed for mileage at the current rate set by the United States General Services Administration (GSA) not to exceed what the actual cost of commercial transportation would have been. Board members using private automobile travel rather than commercial transportation will not receive Director fees as described in Section A for any additional days spent traveling due to the use of a private automobile. Board members using airport parking will use long term or economy parking when available.

2. Lodging Expenses. Lodging shall be made at the government or group rate if available. Reimbursable lodging expenses may include actual expenses for hotel, motel or other overnight accommodations. The District will reimburse the Board member the actual costs for the hotel/motel accommodations or pay them directly to the provider. Lodging expenses will not be reimbursed if attendance at a meeting described in Section A takes place within the District's service area or adjacent counties without prior Board approval.
3. Meal Expenses. Reimbursable meal expenses may include actual expenses for meals at restaurants or meals at hotels, conferences, seminars or meetings only if meals are not included in any registration fees for such meetings. Daily meal reimbursement will be permitted for actual costs not to exceed maximum meal rate established by GSA for that location.
4. Conference/Meeting Registration Expenses. Reimbursable registration expenses will include the actual registration fees for attendance at any meetings described in Section A of this Resolution or approved in advance by the Board.
5. Miscellaneous Expenses. Reimbursable miscellaneous expenses may include actual expenses for long distance or cellular telephone charges, fax, or internet connection fees used for District business. This may include a Board member's participation in any meeting described in Section A through a telephone conference or internet use for District business while attending a meeting described in Section A. A Board member will not receive the per diem compensation described in Section A for any teleconference meetings described above.

C. REPORT OF ACTIVITIES AND REQUEST FOR REIMBURSEMENT.

Board members will make a report to the Board of Directors following attendance at any activity attended at District's expense. Payment of any Director fees or reimbursement of any allowable expenses will be subject to the following:

1. Each Board member will submit a Request for Reimbursement, in a form established by the General Manager, within 30 days of the attending an allowable meeting or incurring a reimbursable expense. The Request for Reimbursement shall include:
 - the purpose for the expenditure
 - the date and location of the expenditure
 - an itemized list of meetings for which Director fees are payable and reimbursable expenses
 - copies of receipts for all expenses
2. The General Manager will review each request to ensure that it is in conformance with this policy and applicable law. In the event the General Manager disputes an item on the Request for Reimbursement, s/he may consult with General Counsel. The determination of the General Manager in consultation with General Counsel will be communicated to the Board Chair or the Vice Chair, as the case may be, prior to approving requests pursuant to Subsection C.3 below.
3. The Board Chair will approve all requests for reimbursement from other Board members. In the event that the Board Chair seeks reimbursement, the Vice Chair shall approve such requests.

D. PUBLIC RECORDS AND VIOLATION OF POLICY

All documents related to reimbursable District expenditures are public records subject to disclosure under the Public Records Act and other applicable laws.

Misuse of public resources or falsifying expense reports in violation of this Policy may result in any or all of the following:

1. Loss of reimbursement privileges
2. Restitution to the District
3. The District reporting the reimbursed expenses as income to State and Federal tax authorities
4. Prosecution for misuse of Public resources that could lead to civil penalties of up to \$1,000 per day and three-times the value of the resources misused and possibly criminal penalties.

PASSED AND ADOPTED this 24 day of May, 2007, by the following vote:

AYES: Directors Altscher, Feldman, Vella and Zucca

NOES:

ABSENT: Director Ohtaki



President of the Board of Directors,
Mid-Peninsula Water District

ATTEST:



Secretary of the Board