



April 7, 2016

TO: LOCSO Board of Directors

FROM: Peter J. Kampa, Interim General Manager

SUBJECT: Agenda Item 11I – 4/7/2016 Board Meeting

Approve a Policy Establishing a Transparency Standard of Excellence and Direct the Implementation of Actions Supporting Public Outreach and Community Input

President

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Vice President

Jon-Erik G. Storm

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STAFF RECOMMENDATION

Staff recommends that the Board approve the following action:

Motion: I move that the Board adopt Resolution 2016-11 approving a policy establishing a Transparency Standard of Excellence for the District and directing the implementation of certain actions supporting public outreach and community input.

DISCUSSION

The Board has directed management to identify processes, policies and actions that increase the level of transparency and accountability of the District. State laws require that the District's business be conducted in public, which is accomplished through Brown Act compliant public meetings and other processes, as well as requirements to make District records readily available for public inspection, the Public Records Act.

This Board has recognized that informed public input is crucial to the Board's decision-making. An informed and involved public also make ideal future Board candidates and community leaders. The law prescribes the minimum transparency standard for special districts; typically requiring that we make certain documents and reports easy to access by the public, upon request.

This attached Resolution 2016-11 prescribes an action oriented public outreach, public input and public engagement program implemented through a system of interconnected policies, we are calling a Transparency Action Plan.

The result of transparency program implantation will hopefully be increased public understanding of the important services we provide, and an increased level of constructive input during meetings and in formulating initiatives. The proactive advance outreach should greatly assist us in informing our customers of the need for and benefit of investing in our infrastructure and the need for revenue measures such as rate increase; thereby reducing related public protests.

FINANCIAL IMPACT

Implementation of the Transparency Action Plan will divert existing staff time to writing press releases, blogs, articles, newsletters and flyers; posting information on the website, printing and distributing as needed to achieve the desired level of community understanding and constructive input. At this time, we do not anticipate the need for additional staffing related to this action. Expense for printing and copying will increase by less than \$1000 per year as a result of this program, and increased postage may be necessary on occasion in an effort to encourage customer participation in e-newsletters and other electronic distributions; which are virtually cost free.

Attachments

RESOLUTION NO. 2016-11

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LOS OSOS COMMUNITY SERVICES DISTRICT
APPROVING A POLICY ESTABLISHING A
TRANSPARENCY STANDARD OF EXCELLANCE FOR THE DISTRICT**

WHEREAS, the Los Osos Community Services District is a public agency subject to compliance with transparency laws and standards such as the Ralph M. Brown Act, and the Public Records Act; and

WHEREAS, the District desires to adopt a standard of transparency that is higher and more "community friendly" than state laws, with the intent of engaging the knowledge and expertise of the public, while providing the structure and process for efficient Board meetings where the Board makes knowledge-based Board decisions; and

WHEREAS, the district intends to adopt and keep updated a series of transparency related Board policies as further detailed herein and collectively referred to as the Transparency Action Plan; and

WHEREAS, by implementing these actions, the District shall qualify for and receive the industry benchmark for public transparency in local government: the Special District Transparency Certificate of Excellence, issued by the Special District Leadership Foundation (SDLF).

NOW, THEREFORE, BE IT RESOLVED that the Los Osos Community Services District Board of Directors does hereby direct the following actions:

1. The General Manager shall be responsible for implementation of this program and for populating the Board's agenda with the required policies and updates, as well as overseeing the implementation of the public outreach and public engagement programs.
2. Members of the Board of Directors and the management staff of the District shall maintain full compliance with the Ethics training requirements of California Government Code Section 53235. Training certifications for each will be made readily available for immediate copy without delay in the office during office hours, and on the District website.
3. The Board shall update its bylaws as required each February, specifically addressing and required changes to the Brown Act and public meeting related provisions.
4. The Board shall adopt and keep current a policy governing the handling of requests for public records and that requires the processing of such requests as quickly as possible and in accordance with law, as well as working with requesting parties to determine the most suitable record meeting their needs.
5. Management shall ensure the preparation and timely filing of the Annual Report of Financial Transactions and Compensation Reports with the State Controller's Office.
6. The Board shall adopt updated policies on Conflicts of Interest, Code of Ethics and Financial Reserves. In addition, the Board shall endeavor to develop Board member norms and Board meeting (conduct) protocol.
7. The Districts website shall be upgraded and kept updated to maintain all items listed in the SDLF Transparency checklist, and specifically shall prominently post:
 - a. Ethics Certificates for Board members and management staff
 - b. Annual Reimbursement report and details of those reimbursements
 - c. Financial reserves policies and the most recent four years of audits
 - d. Downloadable Public Records Act Request Form
 - e. Board meeting agendas and agenda supporting documents archived for each meeting and accessible for download a minimum of 72 hours in advance of meetings
8. The District will implement a process to receive as many customer email addresses as possible, and will produce a quarterly electronic newsletter for distribution to customers via web download and email.
9. The District will complete a salary and benefits benchmark survey at minimum every five years, and as needed based on employment conditions.
10. The District will hold at least one informational budget meeting annually in addition to the required adoption Public Hearing.

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately and the General manager shall endeavor to implement its provisions as quickly as possible given available financial and personnel resources.

On the motion of Director _____, seconded by Director _____, and on the following roll call vote, to wit:

Ayes: _____
Nays: _____
Absent: _____
Conflicts: _____

The foregoing resolution is hereby passed, approved, and adopted by the Board of Directors of the Los Osos Community Services District this 7th day of April 2016.

Marshall E. Ochylski
President, Board of Directors
Los Osos Community Services District

ATTEST:

APPROVED AS TO FORM:

Peter J. Kampa
Interim General Manager and Secretary to the Board

Michael W. Seitz
District Legal Counsel

District Transparency Certificate of Excellence *checklist*

Showcase your district's commitment to transparency

BASIC REQUIREMENTS

- Current Ethics Training for all Board Members**
(Government Code Section 53235)
 - Provide copies of training certificates along with date completed
- Compliance with the Ralph M. Brown Act**
(Government Code Section 54950 et. al)
 - Provide copy of current policy related to Brown Act compliance
 - Provide copy of a current meeting agenda (including opportunity for public comment)
- Adoption of policy related to handling Public Records Act requests**
 - Provide copy of current policy
- Adoption of Reimbursement Policy, if district provides any reimbursement of actual and necessary expenses**
(Government Code Section 53232.2 (b))
 - Provide copy of current policy
- Annual disclosure of board member or employee reimbursements for individual charges over \$100 for services or products. This information is to be made available for public inspection. "Individual charge" includes, but is not limited to: one meal, lodging for one day, or transportation.** (Government Code Section 53065.5)
 - Provide copy of the most recent document and how it is accessible
- Timely filing of State Controller's Special Districts Financial Transactions Report - includes compensation disclosure.** (Government Code Section 53891)
 - Provide copy of most recent filing
SDLF staff will verify that district is not listed on the State Controller's 'non-compliance list'
- Conduct Annual Audits**
(Government Code Section 26909 and 12410.6)
 - Provide copy of most recent audit and management letter and a description of how/where documents were made available to the public
- Other Policies – have current policies addressing the following areas (provide copies of each):**
 - Conflict of Interest
 - Code of Ethics/Values/Norms or Board Conduct
 - Financial Reserves Policy

WEBSITE REQUIREMENTS

- Maintain a district website with the following items**
(provide website link; all are required)
 - Names of Board Members and their terms of office
 - Name of general manager and key staff along with contact information
 - Election procedure and deadlines
 - Board meeting schedule (Regular meeting agendas must be posted 72 hours in advance pursuant to Government Code Section 54954.2 (a) (1) and Government Code Section 54956 (a))
 - District's mission statement
 - Description of district's services/functions and service area
 - Authorizing statute/enabling act (Principle Act or Special Act)
 - Current district budget
 - Most recent financial audit
 - Archive of Board meeting minutes for at least the last 6 months
 - List of compensation of Board Members and staff and/or link to State Controller's webpage with the data
- Website also must include at least 4 of the following items:**
 - Post Board Member ethics training certificates
 - Picture, biography and email address of board members
 - Last 3 years of audits
 - Reimbursement and Compensation Policy
 - Financial Reserves Policy
 - Online/downloadable Public Records Act request form
 - Audio or video recordings of board meetings
 - Map of district boundaries/service area
 - Link to California Special Districts Association mapping program
 - Most recent Municipal Service Review (MSR) and Sphere of Influence (SOI) studies (full document or link to document on another site)

Continued on reverse



checklist continued

OUTREACH/BEST PRACTICES REQUIREMENTS

Must complete at least 2 of the following items:

- Regular district newsletter or communication (*printed and/or electronic*) that keeps the public, constituents and elected officials up-to-date on district activities (*at least twice annually*)
 - Provide copy of most recent communication and short description on the frequency of the communication, how it's distributed and to whom
- Community notification through press release to local media outlet announcing upcoming filing deadline for election and process for seeking a position on the district board, prior to that election (*or prior to the most recent deadline for consideration of new appointments for those districts with board members appointed to fixed-terms*)
 - Provide copy of the press release (*and the printed article if available*)
- Complete salary comparison/benchmarking for district staff positions using a reputable salary survey (*at least every 5 years*)
 - Provide brief description of the survey and process used as well as the general results
- Special Community Engagement Project
Designed and completed a special project promoting community engagement with the district (potential projects may be broad in nature or focus on specific issues such as rate-setting, recycled water, identifying community needs, etc.)
 - Submit an overview of the community engagement project, reviewing the process undertaken and results achieved
- Hold annual informational public budget hearings that engage the public (*outreach, workshops, etc.*) prior to adopting the budget
 - Provide copy of most recent public budget hearing notice and agenda
- Community Transparency Review
The district would be required to obtain a completed overview checklist from at least 2 of the following individuals* (*the district may choose to conduct the overview with these individuals simultaneously or separately*):
 - Chair of the County Civil Grand Jury
 - Editor of a reputable local print newspaper (only one may count toward requirement)
 - LAFCo Executive Officer
 - County Auditor-Controller
 - Local Legislator (only one may count toward requirement)
 - Executive Director or President of local Chamber of Commerce
 - General Manager of a peer agency (special district, city or county)

* Provide proof of completion signed by individuals completing Community Transparency Review

How do I proceed?

- Step 1: Complete the requirement checklist
- Step 2: Send checklist and all supporting materials or contact the SDLF staff on how to submit all materials electronically:
 - SDLF
 - 1112 I Street, Suite 200
 - Sacramento, CA 95814
- Step 3: Approval process review performed by SDLF staff
- Step 4: Receive your certificate and recognition

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SDLF is supported by



The Special District Leadership Foundation (SDLF) is an independent, non-profit organization formed to promote good governance and best practices among California's special districts through certification, accreditation and other recognition programs. SDLF is supported through the California Special Districts Association and Special District Risk Management Authority.