



***GOLETA SANITARY DISTRICT
ADMINISTRATIVE CODE***

Adopted by Ordinance No. 70 on July 21, 2008

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TITLE 1 - PRELIMINARY MATTERS

Chapter 1. Adoption and Purpose of Code

Article 1. Introductory Information

SECTION 1-1.1.1. TITLE

This Code shall be known as the Goleta Sanitary District Administrative Code and may be referenced as the Administrative Code or Code.

SECTION 1-1.1.2. PURPOSE

This Code has been adopted by the Governing Board of the Goleta Sanitary District to set forth the statutes, ordinances, regulations, resolutions, policies, procedures and administrative provisions applicable to and/or promulgated by the District, and to provide the Board and the staff of the District with instructions and policies to implement the Sanitary District Act of 1923 as set forth in California Health and Safety Code Section 6400 et seq.

SECTION 1-1.1.3. ADOPTION AND AMENDMENT

This Code has been adopted by Ordinance No. 70 on July 21, 2008 and may be amended from time to time by action of the District's Governing Board.

SECTION 1-1.1.4. EFFECT OF CODE ON PAST ACTIONS AND OBLIGATIONS

Neither the adoption of this Code by the District nor the repeal or amendment by this Code of any ordinance, resolution, regulation, policy, procedure or administrative provision of the District shall affect:

- (a) The prosecution of any violations committed prior to the effective date of this Code;
- (b) Any fee or penalty due and unpaid prior to the effective date of this Code;
- (c) The validity of any bond required to be posted, filed, or deposited prior to the effective date of this Code;
- (d) Vested rights and obligations pertaining to periods prior to the effective date of this Code; or
- (e) Deposits or similar payments posted pursuant to requirements which are not included within this Code.

SECTION 1-1.1.5. MAINTENANCE OF CODE

(a) A current copy of this Code shall be maintained on file in the Goleta Sanitary District office at One William Moffett Place, Goleta, California, as the official copy and shall be available during regular business hours for inspection by members of the public. Additional copies of this Code shall be distributed to the District's General Manager and to Directors of the District's Governing Board.

(b) Each amendment to this Code shall be filed by the Secretary of the District in books for such purpose, properly indexed for ready reference.

(c) The Secretary of the District shall periodically distribute loose-leaf pages of this Code setting forth any amendments which have been made, with a notation as to the date on which such amendments were adopted.

Article 2. Rules of Construction

SECTION 1-1.2.1. SCOPE

Unless this Code indicates to the contrary, the general provisions, rules of construction, and definitions set forth in this Article govern the construction of this Code.

SECTION 1-1.2.2. INCONSISTENCIES

In the event of any inconsistency or conflict between the provisions contained in this Code and any statute, ordinance, regulation, resolution, policy, procedure or administrative provision applicable to and/or promulgated by the District, the latter shall prevail. This Code, insofar as it is substantially the same as existing statutes, ordinances, regulations, resolutions, policies, procedures or administrative provisions relating to the same subject matter, shall be construed as a restatement, summary and/or continuation thereof and not as a new enactment.

SECTION 1-1.2.3. EFFECT OF HEADINGS

Title, Chapter, Article, and Section headings are for convenience of reference only and shall not govern, limit or modify the scope, meaning, or intent of this Code.

SECTION 1-1.2.4. REFERENCES TO ORDINANCES OR RESOLUTIONS

When a reference is made in this Code to an ordinance, resolution or similar enactment, the reference is to an ordinance, resolution or enactment of the District. Whenever a reference is made to a portion of this Code, or to an ordinance, resolution or similar enactment, the reference shall also apply to any amendments and additions thereto.

SECTION 1-1.2.5. NOTICES

(a) When a notice is required to be given pursuant to this Code, such notice may be given by personal delivery to the person to be notified or by deposit in the United States mail in a

sealed envelope, postage prepaid, addressed to such person at the last known business or residence address as the same appears in the records pertaining to the matter to which the notice relates.

(b) Proof of giving any notice may be made by the certificate or the affidavit of a person over the age of 18 years, showing service in conformity with this Code or other applicable law.

SECTION 1-1.2.6. SEVERABILITY

If a provision of this Code is determined by a court of competent jurisdiction to be invalid, unenforceable or unconstitutional, such determination shall not affect the validity of the remaining portions of this Code.

SECTION 1-1.2.7. STATUTE OF LIMITATIONS

When a limitation or a period of time prescribed in an existing statute, ordinance, regulation, resolution, policy, procedure or administrative provision for acquiring a right or a remedy has begun to run before this Code goes into effect, the time already run shall be deemed a part of the time prescribed as such limitation.

SECTION 1-1.2.8. DEFINITIONS

Certain words and phrases used in this Code are defined as follows:

- (a) “Board” refers to the Governing Board of the Goleta Sanitary District.
- (b) “Director” refers to a member of the Board.
- (c) “District” refers to the Goleta Sanitary District.
- (d) “Employee” refers to a District employee.
- (e) “General Manager” refers to the District’s General Manager/District Engineer.
- (f) “Officer” refers to a District officer.
- (g) “President” refers to the presiding officer of the Board.
- (h) “Principal Act” refers to the Sanitary District Act of 1923 as set forth in California Health and Safety Code Section 6400 et seq.
- (i) “Secretary” refers to the Secretary to the Board.
- (j) “Treasurer” refers to the Treasurer of the District.

Article 3. General Information

SECTION 1-1.3.1. HISTORY

The Goleta Sanitary District was formed in 1942 by petition from local residents to provide sewer service to the small community of Goleta in Santa Barbara County. The District's formation was in accordance with and the District is now governed by the Sanitary District Act of 1923 (California Health and Safety Code Section 6400 et seq.).

Over the years, the District's boundaries have expanded by separate annexations of properties to its service area, as the community in Goleta grew to its current size. At present, the District owns and operates a system of sewers that collect wastewater from within the District's service area. The District's collection system extends from the westerly boundary of the City of Santa Barbara to the City's Municipal Airport and serves the residents of the District. In addition to its collection system, the District owns and operates the wastewater treatment and disposal facilities that serve the entire Goleta Valley population under separate contractual agreements with four other public agencies.

The District also owns and operates a reclamation facility that produces recycled water for distribution in the Goleta Valley. Under an agreement with the Goleta Water District, the Goleta Sanitary District produces up to 3 million gallons of recycled water per day that is distributed by the Goleta Water District for landscape irrigation on the campus of the University of California at Santa Barbara (UCSB), as well as parks and golf courses in Goleta.

Treated wastewater not used for irrigation is discharged into the Pacific Ocean through a pipeline (outfall) that extends over one mile off shore at a depth of approximately 98 feet below the ocean surface.

SECTION 1-1.3.2. DISTRICT GOVERNANCE AND MEETING SCHEDULES

A five-member Governing Board governs the District and is commissioned to establish the District's service policies. Members of the Board are elected at large from the District's service area for a term of four years. The Governing Board holds two regular monthly meetings to address the District's business. These meetings are held at the District's Administrative Building located at One William Moffett Place in Goleta, on the first and third Mondays of every month, commencing at 6:30 p.m. The Board holds special meetings to attend to business that requires attention before the next regular Board meeting.

SECTION 1-1.3.3. DISTRICT STAFF AND OPERATING DEPARTMENTS

The District's employees work under five closely related operating departments. These departments are (a) Administrative and Human Resources, (b) Collection System, (c) Treatment, Disposal and Reclamation Facilities, (d) Facilities Maintenance, and (e) Technical Services and Laboratory. Each department is managed by one supervising employee responsible for the operations of, and all employees associated with, the respective department. The department supervisors report to the District's Operations Manager, who in turn reports to the

General Manager. The General Manager is responsible for the District's overall operations in accordance with the policies adopted by the Governing Board.

SECTION 1-1.3.4. FISCAL YEAR

The District's fiscal year is defined as a 12-month period starting on the first day of July and ending on the last day of June of the following calendar year.

SECTION 1-1.3.5. MISSION

The mission of the District is to provide to the citizens of the Goleta Valley, wastewater collection, treatment and disposal, including reclamation and utilization of treatment by-products; to protect the public's health and the total environment; to conduct its operations in an efficient, dependable and cost-effective manner; to keep the public properly informed on sanitary service issues; and to do all this to meet the present and future needs of the Goleta Valley.

SECTION 1-1.3.6. OFFICIAL SEAL OF AUTHORITY

The official seal of the District is circular in shape and has engraved on the outer edge of the face the words "Goleta Sanitary District".

SECTION 1-1.3.7. BUSINESS HOURS

(a) The offices of the District normally remain open Monday through Friday, between the hours of 8:00 a.m. and 5:00 p.m.

(b) The District office is closed on the following holidays:

- New Year's Day (January 1);
- President's Day (Third Monday in February);
- Memorial Day (Last Monday in May);
- Independence Day (July 4);
- Labor Day (First Monday in September);
- Veteran's Day (November 11);
- Thanksgiving (Fourth Thursday in November)
- Christmas Day (December 25); and
- One Floater (Friday after Thanksgiving or the day before/after Christmas)

(c) If a holiday falls on a Sunday, the following Monday shall be observed. If a holiday falls on a Saturday, the preceding Friday shall be observed.

TITLE 2 - PERSONNEL

Chapter 1. Governing Board

Article 1. Board Functions

SECTION 2-1.1.1. GENERAL

The Governing Board is the legislative body that holds governing authority for the District, is responsible for establishing District policies, and determines whether such policies are being implemented by the General Manager. The Board appoints and evaluates the General Manager but is not responsible for the day-to-day management or operations of the District.

SECTION 2-1.1.2. COMMUNICATIONS AMONG DIRECTORS

A quorum of the Board shall not discuss the business of the District directly, seriatim or through an intermediary except at a public meeting. A quorum of the Board may discuss the time, place and agenda for a meeting at any time. Less than a quorum of the Board (but not a committee) may discuss District business at any time.

SECTION 2-1.1.3. RELATIONSHIP WITH DISTRICT EMPLOYEES

(a) The Board and individual Directors may discuss with the General Manager the development and implementation of District policies. Only the Board, and not individual Directors, may direct the General Manager with respect to the development and implementation of District policies.

(b) The Board and individual Directors should generally not discuss District business directly with any District employee. Exceptions may be made where the Board (but not an individual Director) is investigating a matter involving the General Manager, or where the General Manager is unavailable and immediate action is needed. Any such contact shall be reported by the Director to the Board at the next Board meeting.

SECTION 2-1.1.4. ACTIONS BY INDIVIDUAL DIRECTORS

The Directors may take action only as a Board. Individual Directors shall not take action or speak on behalf of the District without express Board authorization. Directors shall not make commitments or representations of any kind to vendors or consultants who are providing or who may be interested in providing goods or services to the District, and all communications relating to such goods and services shall be referred to and handled by (i) the General Manager, or (ii) the committee or individual, if any, that has been expressly authorized by the Board to engage in and handle such communications.

[Amended by Ordinance No. 78 on May 21, 2012 and Ordinance No. 81 on June 1, 2015]

SECTION 2-1.1.5. EFFECTIVE DIRECTOR COMMUNICATIONS

A Director has many opportunities to communicate effectively. Openness, timeliness, directness, and truthfulness are the traits of good communication, regardless of the format or venue. The following policies and protocols shall apply to communications by Directors:

(a) General Guidelines

- (1)** Make no promises for the Board or the District.
- (2)** Be aware of how various forms of communication affect how messages are received: formal versus informal, written versus verbal, in-person versus over the phone versus electronic. Strive to use each form of communication at the appropriate time.
- (3)** Confer with the General Manager when in doubt. Staff is available to advise Directors on how best to proceed.
- (4)** Maintain neutrality when required by not commenting and/or stating an opinion regarding matters that are quasi-judicial in nature such as, but not limited to, administrative hearings on personnel matters or environmental impact reports, until the entire record is presented to the full Board. It is imperative that a Director maintain an open mind on such matters until after all information has been entered into the public record and presented to the full Board.

(b) Communicating with the Public

- (1)** A Director can always communicate with District constituents.
- (2)** Directors should inform the General Manager as soon as possible about concerns heard from constituents. Many times a concern can be handled administratively or relates to a matter that is already a work in progress.
- (3)** Directors shall not make personal commitments or promises for the District because only the Board can commit the District to an action or policy.
- (4)** Directors should understand that very often there is a fair amount of background to an issue and that the Director may have heard only one perspective.

(c) Communication with Other Agencies

- (1)** When attending meetings of other public agencies, Directors should introduce themselves so others know they are present.

(2) When speaking for the District at another agency's public meeting, Directors should always clearly state that what they are saying has been approved by the Board and should not deviate from the Board's message and/or position.

(3) Directors should be clear when the Board has no position on an issue.

(4) Directors should take opportunities to develop relationships, but always in a way that supports Board policy and avoids accusations of deal-making.

(5) Directors should be positive and cooperative in comments and attitudes about people and other agencies, particularly in public.

(6) Directors should communicate in a way that builds positive relationships.

(d) Speaking as a Private Individual

(1) When speaking as a private citizen at a public gathering, Directors should clearly state that they are doing so.

(2) Directors should keep in mind that, even when they say they are speaking as a private individual, many in the audience nevertheless hear comments in light of the Director's position as a member of the District's Board.

(3) Directors should apply common sense.

(4) Directors should avoid personal statements that might be interpreted as District policy.

(5) Directors should support District policy, avoiding personal statements that conflict with policy and identify when their personal opinions deviate from Board policy as determined by the Board majority.

(6) It is acceptable for Directors to speak as an individual on issues not related to District business, but Directors should make it clear that their remarks are solely their own.

(e) Communicating with Plant Partners

When attending meetings with representatives of agencies that own capacity rights in the District's wastewater treatment plant (County of Santa Barbara, City of Santa Barbara, Goleta West Sanitary District, and University of California at Santa Barbara) in connection with treatment plant issues, or with representatives of the Goleta Water District in connection with the District's water recycling facilities, Directors should advocate as decided by the District's Board, if the District Board has discussed the matter and arrived at a decision.

(f) Building Goodwill with Other Agencies

- (1) Remain positive in outlook, comments, and tone, particularly in public.
- (2) Work on building and improving positive relationships and mending previously strained relationships.
- (3) The staff of the District and other agencies can, and do, work things out with input and guidance from their respective Boards. Sometimes it may be more efficient not to say anything.
- (4) Learn about and understand the interests and needs of the other agencies.
- (5) Informal interactions help build connections better than formal interactions.
- (6) Do not force relationships. Work on them to the extent needed.
- (7) There is an appropriate time and place for applying pressure to get desired results. Grandstanding at public meetings rarely achieves this purpose.
- (8) Whatever happens, model good behavior, keep communications professional and civil, and always show others the same respect you hope to receive in return.

(g) Communicating in Writing

Directors should refer to District policies and consult with the General Manager on all correspondence and other written communications and should follow District policies regarding Board correspondence.

(h) Communicating Electronically

- (1) All communications to and from a Director related to District business, including email, mobile-to-mobile texting, mobile instant messaging, computer based instant messaging, chat logs, and similar modes of electronic communication may be considered a public record (even when using personal devices or originating from personal email accounts) and may be subject to disclosure under the Public Records Act to the same extent as written materials.
- (2) Electronic communications are potentially discoverable if legal proceedings are involved.
- (3) Electronic communications are often retained by and can be retrieved from electronic devices, software programs, and/or the companies that provide such services even after they have been deleted.

(4) With constituents and other agencies, generally it is better to communicate in person rather than through email. When communicating face to face, the other party is more likely to interpret the message correctly.

(5) When receiving an email related to District business, Directors should consider:

- Copying the email (and any response) to the General Manager;
- Using the email response as an opportunity to open a subsequent verbal communication with the constituent; and,
- Referring the matter to the General Manager for assistance in preparing a response (with suggestions for what might be included in the response).

(6) When writing back, refer to and rely on Board policy to address the concerns raised.

(7) Be careful about using “Reply to All” and using features that automatically fill in email addresses when emailing or posting on discussion boards, social media messages, and social networking sites. This can lead to inadvertent serial meetings that are prohibited by the Brown Act.

SECTION 2-1.1.6. TRAITS OF EFFECTIVE DIRECTORS

A successful Director clearly understands the role of the Governing Board as a whole, as well as his or her role as an individual Director. Directors most effectively represent the District when they do the following:

- (a) Represent all constituents of the District, considering the viewpoints of everyone as they conduct the District’s business;
- (b) Attend all Board meetings and meetings of committees to which they are appointed. If a Director cannot attend a meeting, he or she should notify the Board President (or the other committee member(s) for committee meetings) and the General Manager as soon as possible;
- (c) Are decisive, making and accepting a decision and moving on;
- (d) Consider and set short-term and long-term policy;
- (e) Support District policy, once decided;
- (f) Ask the General Manager clarifying questions and request supplemental information ahead of the Board or committee meeting (i) so the Director will be well prepared for the meeting, (ii) to avoid surprises, and (iii) to allow time for staff to prepare helpful answers;
- (g) Let staff administer and manage the District, provided that such actions are consistent with the policies set by the Board;

- (h) Read Board and committee agenda packets and prepare for all meetings;
- (i) Are a positive public face of the District;
- (j) Are inquisitive;
- (k) Are courageous about difficult decisions;
- (l) Clearly communicate their positions and reasoning and do not leave colleagues and staff guessing;
- (m) Think big picture;
- (n) Manage conflict carefully and use civil discourse;
- (o) Stay focused and efficient, using words carefully and concisely;
- (p) Are creative about solving problems;
- (q) Express optimism and open-mindedness;
- (r) Offer respect and consideration to each other, staff, guests from other agencies, and the public;
- (s) Work as a team;
- (t) Are timely with attendance and communications; and
- (u) Remain policy oriented and avoid focusing overly on operational details.

[Amended by Ordinance No. 81 on June 1, 2015]

Article 2. Board Organization and Officers

SECTION 2-1.2.1. GENERAL

The Board is organized as set forth in this Article.

SECTION 2-1.2.2. QUALIFICATIONS

All Board members shall be registered voters residing within the boundaries of the District and shall be at least eighteen (18) years of age.

SECTION 2-1.2.3. BOARD PRESIDENT AND PRESIDENT PRO TEM

Health and Safety Code Section 6486 requires the District's Board to choose a President from among its members. Health and Safety Code Section 6488 provides that, in case of the absence or inability of the President to act, the Board shall choose a President Pro Tem. The procedures for the selection of the President and President Pro Tem shall be as set forth in this Section, below.

(a) Rotation of Presidency

The office of President shall rotate on an annual basis among the five members of the Board. Such rotation was initially established in the order of seniority based on the number of years continuously served on the Board by the then current Board members. When a new member is elected to the Board, such new member shall be placed at the end of the rotation as of the second meeting in January following such election, immediately after the new President assumes office. When a new member is appointed to the Board, the Board shall determine by a majority vote of a quorum as soon as reasonably feasible, but prior to January of the upcoming year, the timing for the placement of such new member at the end of the rotation. In making said determination, the Board shall take into consideration (i) the date of the new member's appointment, (ii) the time that is expected to elapse before the new member is eligible to serve as President, and (iii) such other factors as the Board deems appropriate. A former Board member shall be considered a new member if he or she is elected or appointed to the Board after a break in service due to the fact that such member previously resigned or was not reelected. In the event two or more new members of the Board are elected or appointed at the same time, their placement relative to each other at the end of the rotation as provided above shall be determined by random selection.

The intent of the Board in adopting the forgoing procedures is that a new member will not serve as President until all existing members who desire to serve as President shall have served an annual term as President following the election or appointment of the new member. Exceptions to the procedures set forth above may be made on a case by case basis in the sole discretion of the Board to address unique circumstances and to achieve said intent.

(b) Date for Assuming Office

Each year the new President shall be confirmed by a majority vote of a quorum of the Board at its first meeting in January and said new President shall assume office as of the second meeting in January. No Board member shall be required to serve as President against his or her wishes.

(c) President Pro Tem

In case of the absence or inability of the President to act, the President Pro Tem shall be the Board member who is scheduled to serve as the President during the next annual rotation.

(d) Vacancy in Presidency

In the event the position of Board President becomes vacant due to resignation, death, removal or other circumstances, the President Pro Tem, as determined under Section (c) above, shall become the new President (the "Successor President") as of the effective date of the vacancy. In such event, the Board shall determine by a majority vote of a quorum as soon as reasonably feasible, but prior to January of the upcoming year, whether (i) the Successor President shall continue as the President for the next annual term commencing on the second meeting in January of the upcoming year, or (ii) the Board member who is scheduled to serve next in the annual rotation after the Successor President shall become the President for the upcoming year. In making said determination, the Board shall take into consideration (i) the number of Board meetings at which the Successor President presided as President Pro Tem prior to the vacancy in the Presidency, (ii) the number of Board meetings at which the Successor President will preside after filling the vacancy, and (iii) such other factors as the Board deems appropriate.

[Adopted as Resolution No. 15-593 on August 17, 2015]

SECTION 2-1.2.4. APPOINTMENT OF BOARD SECRETARY

(a) As required by Health and Safety Code Section 6486, the Board shall appoint a Secretary, who shall serve at the pleasure of the Board. The Secretary may but is not required to be a member of the Board.

(b) In the case of the absence or inability of the Secretary to act, the General Manager shall serve as Secretary Pro Tem.

[Section (b) was approved by Board action on July 21, 2014]

SECTION 2-1.2.5. APPOINTMENT OF TREASURER

Pursuant to the District's Investment Policy, the General Manager shall serve as the Treasurer for the District.

[Adopted as Resolution No. 14-573 on July 7, 2014]

SECTION 2-1.2.6. POWERS AND DUTIES OF BOARD OFFICERS

Officers of the Board shall perform the following duties:

(a) **President.** The President has no additional powers beyond those of any other Director, unless such additional powers have been specifically delegated by the Board. The following are the roles and responsibilities of the Board President:

- (1) Serve as presiding officer at all Board meetings;
- (2) Maintain proper conduct of Board meetings:
 - Run effective and efficient meetings, including but not limited to ensuring appropriate opportunities for public participation and managing the time;
 - Keep the Board focused on the discussion at hand and true to its proper role and responsibilities;
 - Avoid diversions from the agenda or disruptions in the conduct of District business;
 - Maintain proper and appropriate parliamentary procedure and agenda management (e.g., ensure that actions are taken with proper motions and seconds); and
 - Acknowledge and diplomatically facilitate appropriate public participation in the activities of the Board;
- (3) Vote, discuss, and make motions the same as other members of the Board; however, the President will only rarely make motions and second motions;
- (4) Allow the other Directors to complete their comments on an item before offering his or her own;
- (5) Keep the meeting discussions focused on properly noticed agenda items and steadfastly move the Board toward making decisions;

(6) Sign documents on behalf of the Board in accordance with District policies;

(7) Act as official head of the District for ceremonial purposes; and.

(8) Carry out such duties and exercise such authority as may be provided by law and as may be delegated to the President by the Governing Board from time to time.

(b) President Pro Tem. The President Pro Tem serves as presiding officer in the absence of the President and shall perform the same duties and have the same authority as the President during such times of absence.

(c) Secretary. The Secretary shall:

(1) Record the minutes of the meetings;

(2) Maintain the official record of ordinances, resolutions, motions and orders passed or adopted by the Board;

(3) Maintain documents filed with or by order of the Board;

(4) Certify the official status, capacity and signature of officers and employees on District documents;

(5) Certify to matters appearing of record in the files and records of the District; and

(6) Countersign all contracts, deeds, warrants, releases, receipts, and documents signed by the President, as required by Health and Safety Code Section 6487.

[Adopted as Resolution No. 03-418 on May 19, 2003. Amended by Ordinance No. 81 on June 1, 2015 and Ordinance No. 84 on September 19, 2016.]

SECTION 2-1.2.7. COMMUNICATIONS WITH MEDIA

(a) In cases where an article or editorial published by the media or a television or radio broadcast requires a prompt response from the District, the Board President (or in the President's absence, the President Pro Tem) and the General Manager are authorized to determine whether the response should be made prior to the next Board meeting. If it is determined that the District should respond prior to the next Board meeting, the President (or in the President's absence, the President Pro Tem) and the General Manager are authorized to (i) determine whether the response should be verbal or written, and (ii) prepare and distribute the response to the appropriate news agencies.

[Approved by Board action on December 6, 2004]

(b) If a Director chooses to talk with the media, the following practices should be followed to help the Director present his or her thoughts effectively:

- The phrase “No comment” should not be used, as it may be interpreted negatively.
- Media inquiries may be referred to the General Manager, or Directors may confer with the General Manager prior to speaking with the media to ensure that they are fully briefed on the facts associated with the topic at hand.
- When authorized by the Board, Directors may use staff for assistance and have staff prepare talking points so as to convey a consistent message about District actions.
- A Director should clarify when his or her view is dissenting, and should support adopted Board policy even when the Director is in the minority. Directors should not stimulate or inflame controversy.

(c) If multiple Directors communicate with the media before voting on a matter, they might inadvertently become parties to a serial meeting in violation of the Brown Act if the media shares with a majority of the Directors the positions of the other Directors on the matter.

[Amended by Ordinance No. 81 on June 1, 2015]

Article 3. Committees

SECTION 2-1.3.1. ESTABLISHMENT OF STANDING COMMITTEES

The District shall have the following standing committees:

- (a) Engineering Committee;
- (b) Finance Committee;
- (c) Personnel Committee; and
- (d) Outreach and Public Education Committee.

The District shall have such additional standing committees as may be established from time to time by approval of the Board. Upon establishing a new standing committee, the Board shall define the committee, designate the committee’s main functions and appoint the committee members.

[Name of Outreach, Government Relations and Sustainability Committee changed to Outreach and Public Education Committee by Board action on January 16, 2017.]

SECTION 2-1.3.2. STANDING COMMITTEE DEFINITIONS AND FUNCTIONS

The definitions and main functions of the District’s standing committees shall be as

02/06/17

follows:

(a) Engineering Committee

Definition:

The Engineering Committee shall serve in an advisory role to the Board and General Manager on matters pertaining to engineering and construction projects, studies, research and operating permit provisions.

Main Functions:

The Committee will typically be called upon to review the following types of assignments:

- (1) Provide advisory support to the District staff on all aspects of planning, design and construction of the District's capital programs for its facilities and infrastructure.
- (2) Assist staff in solicitation and selection of consultants for certain engineering studies and projects.
- (3) Provide support and guidance to staff where necessary for matters related to conflict resolution with engineering consultants and contractors.
- (4) Provide support to staff on miscellaneous engineering and technical operation issues where necessary.
- (5) Assist staff in the application and processing of the District's NPDES and other operating permits.
- (6) Provide periodic monitoring of the District's performance and compliance with the District's operating permits.
- (7) Provide occasional advisory support to staff on matters related to applications for annexation to and detachment from the District.

(b) Finance Committee

Definition:

The Finance Committee shall serve in an advisory role to the Board and General Manager and is commissioned with providing oversight and monitoring of the District's overall financial affairs and health.

Main Functions:

The Committee's main function is to ensure that the District's expenditures are

appropriate for its main charter of delivery of public service and that the District's revenues, including those from investments, are adequate to finance necessary District expenditures. The Committee will typically be called upon to review the following types of assignments:

(1) Review, oversee and monitor the District's annual proposed budget to verify that expenditures are appropriate for District operations and maintenance activities, and that revenues are adequate to meet expenditures.

(2) Provide advisory input on the methodology and value of District user charges and all other fees.

(3) Review annual budget status quarterly.

(4) Perform advisory functions in the selection and monitoring of investments of District funds.

(5) Oversee and support selection of outside consultants for performing financial services to the District including auditors of the District's financial statements, banks, and investment consultants, among others.

(6) Review and provide recommendations associated with the District's audited financial statements.

(7) Perform advisory functions in the management of the District's internal funds to ensure that the objectives of such funds are met.

(8) Provide advice and oversight regarding the need for outside financing and the vehicles associated with such financing specifically associated with large capital improvement projects.

(9) Review District expenditures as required, including but not limited to periodic warrants and claims.

(10) Provide advice to the Board of proposed District functions and projects, among other activities, with respect to the impact on District funds balances.

(c) **Personnel Committee**

Definition:

The Personnel Committee shall serve in an advisory role to the Board and the General Manager and is commissioned with providing oversight and monitoring of the District's overall human resources matters.

Main Functions:

The Committee's main function is to ensure that District employment policies and

practices are consistent with those commonly adopted in the industry and in accordance with applicable laws. The Committee will typically be called upon to review the following types of assignments:

- (1) Review, oversee and monitor District human resources and employment policies and practices.
- (2) Oversee and monitor periodic updating of the District's human resources manual.
- (3) Periodically conduct compensation and benefit surveys to maintain competitive employment of District personnel.
- (4) Oversee and provide guidance to the Board on all matters related to the General Manager's employment contract, compensation, benefits and performance.
- (5) Perform advisory functions and support to the General Manager on matters associated with employee claims, grievances, complaints, terminations among other similar labor issues.
- (6) Provide recommendations relative to annual cost of living adjustments (COLA) for the compensation of all District staff.
- (7) Oversee and provide advice on District senior management employee succession planning efforts.
- (8) Oversee and manage the process of the required qualifications, criteria and recruitment of the General Manager when needed and provide recommendations to the Board.
- (9) Provide advice to the Board on matters associated with Director's compensation, benefits, travel policies and practices.

(d) Outreach and Public Education Committee

Definition:

The Outreach and Public Education Committee provides oversight and monitoring of the District's overall outreach, education and public relations and advises the Board and General Manager on such matters. In addition, the committee advises the Board and General Manager on government and agency relations and sustainability issues which may impact the district.

Main Functions:

The Committee's main functions are to insure that outreach, communications, public education policies and practices, government relations and sustainability practices

effectively support and promote District goals through outstanding communication, transparency and accountability. The Committee will typically be called upon to review the following types of assignments:

(1) Review, oversee and monitor District community outreach policies and practices and participate in development of a list of media contacts to implement media goals.

(2) Perform advisory functions and provide support to the Board and General Manager on matters associated with public outreach/education, activities, materials and communication methods.

(3) Oversee, monitor and participate with the Board and General Manager in the development and review of an annual community outreach/education plan and associated costs which include but are not limited to: newsletter, website, annual report, brochures, promo items, branding, logos, advertising, event booths, facility tours, library, educational workshops, sustainability and outreach goals to industry and civic groups, schools, media, public officials and agencies.

(4) Discuss Committee issues at the annual Board planning session each year.

(5) Monitor and evaluate activities of capacity rights partners, groups and agencies which impact District business and provide recommendations to the Board and General Manager on addressing ongoing issues of interest to the District.

(6) Monitor and gather information on sustainability issues which will result in improvements to public health and the environment and conserve costs and resources, and advise the Board and General Manager on such matters.

SECTION 2-1.3.3. ESTABLISHMENT OF AD HOC COMMITTEES

The Board may periodically establish ad hoc committees to address specific issues that are not within the purview of any of the District's standing committees. Ad hoc committees are generally established to address a single issue or set of issues and remain in existence for a limited period of time. Upon establishment of an ad hoc committee, the Board shall designate the main purposes of the committee and appoint persons to serve on the committee.

SECTION 2-1.3.4. COMMITTEE MEETINGS

Standing committee meetings and ad hoc committee meetings may be called only by the District Board or by the General Manager. If a Director who serves as a member of a committee desires to have a committee meeting called, the Director may bring the request to the Board or the General Manager for approval. If the Director brings the request to the General Manager and the General Manager, in his sole discretion, denies the request, the Director may bring the request to the Board for approval.

SECTION 2-1.3.5. COMMITTEE REPORTS

(a) **Committee Reports.** Members of each standing committee and each ad hoc committee shall make periodic reports to the Board regarding the activities of the committee and, where appropriate, the progress being made and the estimated time required to complete the tasks being undertaken by the committee.

(b) **Committee Recommendations.** A committee can make one of five recommendations to the Board: approval, disapproval, neutral, no recommendation, and informational.

(1) A recommendation to approve is given when the committee endorses the General Manager's recommendation or, alternatively, develops a recommendation of its own to present to the Board. In the latter case, both the General Manager's recommendation and that of the committee is presented to the Board.

(2) A recommendation to disapprove is less common and occurs when Board action is required on a matter (keeping in mind that a committee cannot take final action on an item), or in those instances when the General Manager's recommendation differs from the consensus developed by a committee.

(3) A neutral recommendation occurs in those instances when a committee is split on a matter.

(4) No recommendation occurs when the committee specifically decides not to make a recommendation. In such instances, the committee's discussions, if any, are summarized for the Board.

(5) An informational recommendation is made when the committee desires input from the Board in order to complete its review of an issue. In this instance the item is brought to the Board for discussion only (no action), and subsequently returns to the committee for additional review.

[Amended by Ordinance No. 78 on May 21, 2012, Ordinance No. 80 on July 15, 2013, and Ordinance No. 81 on June 1, 2015]

Article 4. Assumption of Office

SECTION 2-1.4.1. GENERAL

A person may assume office as a Director by election or appointment.

SECTION 2-1.4.2. ELECTION

Directors shall be elected in accordance with the District's Principal Act.

SECTION 2-1.4.3. CANDIDATE'S STATEMENTS

With respect to candidate's statements prepared pursuant to Elections Code Section 13307 by candidates who run for office as a member of the Board, the policy of the District is as follows:

(a) The cost of printing, handling and mailing of candidate's statements shall be paid by the candidates;

(b) Candidates shall not be permitted to submit additional materials to be sent to the voter with the sample ballot;

(c) The statement shall not exceed 200 words; and

(d) The Registrar of Voters shall be directed to give a copy of this policy to each candidate or his/her representative at the time that nomination documents are received.

[Adopted as Resolution No. 01-394 on May 21, 2001]

SECTION 2-1.4.4. UNSCHEDULED VACANCIES

(a) The office of Director may become vacant before the end of the term because of death, resignation or other event causing vacancy. A written resignation is irrevocable and is effective when filed with the Secretary, or upon the effective date stated in the resignation. An oral resignation is irrevocable and effective when accepted by the Board. All vacancies shall be filled in accordance with the provisions of Government Code Section 1780, as summarized below.

(b) The District shall notify the Santa Barbara County elections official of the vacancy no later than 15 days after either the date on which the District Board is notified of the vacancy or the effective date of the vacancy, whichever is later.

(c) The remaining Board members may fill the vacancy by appointment within 60 days after either the date on which the Board is notified of the vacancy or the effective date of the vacancy, whichever is later. The District shall post a notice of the vacancy in three or more conspicuous places in the District at least 15 days before the Board makes the appointment. The District shall notify the Santa Barbara County elections official of the appointment no later than 15 days after the appointment.

(d) If the vacancy occurs in the first half of a term of office and at least 130 days prior to the next general district election, the person appointed to fill the vacancy shall hold office until the next general district election that is scheduled 130 or more days after the date the District Board is notified of the vacancy, and thereafter until the person who is elected at that election to fill the vacancy has been qualified. The person elected to fill the vacancy shall hold office for the unexpired balance of the term of office.

(e) If the vacancy occurs in the first half of a term of office, but less than 130 days prior to the next general district election, or if the vacancy occurs in the second half of a term of office, the person appointed to fill the vacancy shall fill the balance of the unexpired term of office.

(f) In lieu of making an appointment, the remaining members of the Board may within 60 days of the date the Board is notified of the vacancy or the effective date of the vacancy, whichever is later, call an election to fill the vacancy. The election shall be held on the next established election that is 130 or more days after the date the Board calls the election.

(g) If the vacancy is not filled by the District Board by appointment, or if the District Board has not called for an election within 60 days of the date the District Board is notified of the vacancy or the effective date of the vacancy, whichever is later, then the Board of Supervisors of Santa Barbara County may appoint a person to fill the vacancy within 90 days of the date the District Board is notified of the vacancy or the effective date of the vacancy, whichever is later, or the Board of Supervisors may order the District to call an election to fill the vacancy.

SECTION 2-1.4.5. OATH OF OFFICE

Persons elected or appointed to the Board shall take the oath of office prior to assuming office in the manner and at the time prescribed by law. The Secretary or other person authorized by law shall administer the oath. Following the administering of the oath, the Secretary shall file a Certificate of Appointment and Oath of Office with the County.

Section 2-1.4.5 ROSTER OF PUBLIC AGENCIES FILING

(a) As required by Government Code Section 53051, the District has on file with the Secretary of State and also with the County Clerk of Santa Barbara County, a statement of the following facts:

- (1) The full, legal name of the District.
- (2) The official mailing address of the Governing Board of the District.
- (3) The name and residence or business address of each member of the Governing Board of the District.
- (4) The name, title, and residence or business address of the chairman, president, or other presiding officer, and clerk or secretary of the Governing Board of the District.

(b) Within 10 days after any change in the information set forth above, an amended statement setting forth the updated information shall be filed with the Secretary of State and with the County Clerk of Santa Barbara County. The information shall be submitted on a form prescribed by the Secretary of State.

Article 5. Meetings

SECTION 2-1.5.1. GENERAL

Pursuant to the Ralph M. Brown Act (Government Code Sections 54950 et seq.), all meetings of the Board shall be open and public. Persons shall be permitted to attend any portion of a meeting except a closed session.

SECTION 2-1.5.2. MEETINGS OF THE BOARD

(a) Scheduling Meetings.

(1) Regular meetings of the Board shall be held on the first and third Mondays of each month, at 6:30 p.m. in the District's Board room. If, by reason of fire, flood, earthquake or other emergency it shall be unsafe to meet in the place designated, the meetings may be held for the duration of the emergency at a place designated by the President.

(2) Special meetings of the Board may be called by the President or three Directors by delivering written notice to each Director and to each local newspaper of general circulation, radio or television station requesting notice in writing within the prior twelve months. The notice shall be delivered at least 24 hours before the time of each meeting. The notice may be waived by a Director who files a written waiver of notice with the Secretary or who is actually present at the meeting when it convenes.

(3) The Board may hold an emergency meeting, but not a closed session, without 24 hours notice in the case of a work stoppage, crippling disaster or other activity severely impairing public health or safety and requiring prompt action due to the disruption or threatened disruption of public facilities. Each newspaper, radio or television station requesting notice of special meetings shall be notified by the Secretary by telephone at least one hour prior to an emergency meeting. If telephone service is not available, the newspapers, radio or television stations shall be notified of the meeting, the purposes of the meeting and action taken as soon after the meeting as possible.

(b) Preparation for Meetings. District staff prepares a detailed agenda packet relating to the business to be transacted at each Board meeting. In order to facilitate compliance with the agenda posting requirements under the Brown Act, and to allow sufficient time for review, agenda packets are completed and delivered to Directors, either by hard copy, or by email with a link to the District's website, by the close of business on the Friday preceding regularly scheduled Monday Board meetings. Agenda packets are available to the public at that time, with allowances for copying time. Materials for any closed session portion of the agenda are not made available to the public.

(c) Directors prepare for Board meetings by studying the agenda packet in detail in advance of the meeting. If a Director has questions about the information in the agenda packet, he or she should contact the General Manager for clarification or further explanation. District business is transacted in the most complete, efficient, and effective manner when Directors

review and understand the information and issues relating to all agenda items before they arrive at the Board meeting.

(d) Staff Report. The agenda packet will normally include a relatively short staff report (one to two pages) for each agenda item. Depending on the nature of a particular agenda item, the staff report will include some or all of the following information:

(1) Title of Item. The title in the staff report is a brief description of the nature of the agenda item and should be the same as on the agenda. The title determines what action the Board is allowed to take and/or the nature of the information that the Board may receive. For example, if an item is identified on the agenda as being for “Discussion” or for “Information”, the Board may not vote on the item at that meeting. This requirement ensures that the public is properly informed regarding the action the Board may take so they can decide whether or not to attend the meeting or otherwise participate.

(2) Staff Summary. A short, general summary of the agenda item is provided. Additional details may be provided in supplemental reports or other documents.

(3) Presenter Information. The staff member or Director who will present the agenda item is identified, along with the nature of the presentation (verbal, slides, etc.).

(4) Anticipated Time. An estimate of how long the agenda item will take is provided. The estimate is intended to help manage time during a Board meeting, but it does not limit the actual time that the Board may spend on any item.

(5) Form of Action. The form of action (motion, minute order, resolution, or ordinance) required by the Board is noted.

(6) Committee Review and Recommendation. If an item was reviewed by a committee, the name of the committee, the date(s) on which it discussed the item, and its recommendations are noted, as applicable.

(7) Legal Counsel Review. If legal counsel has reviewed and/or provided an opinion relating to an item, the staff report notes that fact.

(8) Cost and Funding Source. The known or estimated cost, if any, associated with a recommended action is noted, along with the funding source.

(9) Recommendation. The General Manager’s recommendation on the item is noted. The recommendation is phrased in such a way so that, if a Director concurs, he or she may read or make specific reference to the recommendation when making a motion.

(e) Supplemental Reports. One or more staff reports may be included for an item if the Board needs more information than can be provided in the staff report. Other reports (or report executive summaries) and documents may also be included if needed for the Board to consider and/or act on an item.

(f) Action Document. Any recommended action documents (e.g., minute order resolution, or ordinance) are include with the agenda item.

SECTION 2-1.5.3. ADJOURNMENT

(a) A regular, adjourned regular, special or adjourned special meeting may be adjourned to a time and place specified in the order of adjournment. A meeting may be adjourned by those Directors who are present, or by the District Secretary.

(b) If a quorum is not present for a regular or adjourned regular meeting, the Secretary may declare the meeting adjourned to a stated time and place and cause a written notice of such adjournment to be given in the same manner as provided for a special meeting. When a regular or adjourned regular meeting is adjourned, the resulting adjourned meeting is a regular meeting for all purposes.

(c) A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special or adjourned special meeting was held within 24 hours after the time of adjournment. When an order of adjournment fails to state when the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings.

SECTION 2-1.5.4. CONTINUANCE OF HEARINGS

A hearing held, or noticed to be held at a meeting may be continued or reconvened to a subsequent meeting in the same manner and to the same extent as the adjournment of meetings. If the hearing is continued to a time less than 24 hours after the time specified in the order, a notice of continuance of hearing shall be posted immediately following the meeting at which the order of continuance was made.

SECTION 2-1.5.5. CLOSED SESSIONS

(a) The Board may conduct a closed session to:

- (1)** Consider the appointment, employment, evaluation of performance, discipline, or dismissal of an employee;
- (2)** Consider complaints or charges levied against an employee unless the employee requests a public hearing;
- (3)** Establish the District's position for employee negotiations;
- (4)** Confer with or receive advice from legal counsel regarding pending or potential claims or litigation;
- (5)** Consider real property acquisition or disposition; or
- (6)** Conduct business when public session is not possible due to interruption.

(b) The agenda shall state the purpose of the closed session unless the purpose of the closed session is to:

(1) Consider complaints or charges levied against an employee, in which case the identity of the employee shall not be disclosed unless already publicly known or requested by the employee;

(2) Discuss pending or potential claims or litigation where disclosure of the identity of the claimant or litigant would prejudice the District; or

(3) Consider real property acquisition where disclosure of the identity of specific property would prejudice the District.

(c) If possible, the Board shall avoid taking action in closed session. Action may be taken in closed session when necessary to avoid prejudice to the District. When the potential for prejudice does not exist, action taken in closed session shall be publicly announced at the same meeting as the closed session. If the action was taken by roll call vote, the vote shall be announced.

(d) When a closed session held at the end of a meeting will result in a decision authorizing expenditures, the action shall be deferred until the next regular meeting and considered as a part of the regular agenda, unless the matter involves:

(1) Litigation with court imposed deadlines before the next regular meeting;

(2) Appointment, removal or dismissal of District officers or employees; or

(3) Response to emergency conditions.

(e) Matters discussed in closed session are strictly confidential. Disclosure of information from a closed session may prejudicially impact District interests and can result in (i) the possible censure by the Board of a Director who breaches the confidentiality requirement, or (ii) the issuance of an injunction against such conduct by a court. To protect the confidentiality of information presented in closed session, staff will collect all written material distributed during the session at the end of the session.

SECTION 2-1.5.6. AGENDA

(a) **General Requirements.** The Board meeting agenda is an informational, decision-making, and management tool. It presents the issues under consideration and provides a brief general description of actions the Board will consider taking. The agenda is accompanied by a packet of supporting materials designed to aid decision-making by presenting in sufficient factual detail the issues and options which are to be used in the decision-making process. Typically, each item presented to the Board includes recommendations for specific actions. The following general requirements shall apply to agendas for Board meetings:

(1) The agenda for a regular meeting shall be posted at least 72 hours prior to the meeting. The agenda for an adjourned meeting shall be the same as the agenda for the meeting which was adjourned not more than 5 calendar days earlier. If matters are added to the

agenda for an adjourned meeting or if the adjourned meeting is held more than 5 days after the adjournment, a new agenda shall be posted at least 72 hours prior to the adjourned meeting.

(2) The agenda for a special meeting shall be posted at least 24 hours prior to the meeting.

(3) The Board shall act only (i) on matters appearing on the agenda, (ii) on emergency matters, or (iii) on matters where the need to take action has arisen subsequent to the posting of the agenda and there is a need to take immediate action.

(4) The Board shall receive public comments on matters not appearing on the agenda for regular meetings but shall not act on such matters unless the Board adds the matter to the agenda as provided above.

(b) **Agenda Organization.** The agenda for regular Board meetings will generally be organized as follows:

(1) **Call to Order.** The President calls the meeting to order.

(2) **Roll Call.** The Secretary calls the roll of the Directors. If a quorum of the Board is not present, no proceedings or discussions may occur. If a Director enters the meeting late or departs early, these times are recorded in the minutes.

(3) **Approval of Minutes.** The Board approves the draft minutes of prior meetings, with or without revisions.

(4) **Public Comments.** Public comments are presented on items not appearing on the agenda.

(5) **Business.** Items of District business are considered and acted upon by the Board.

(6) **General Manager's Report.** The General Manager reports to the Board on District operations, upcoming events and other items of interest or significance to the District.

(7) **General Counsel's Report.** General Counsel reports to the Board on recent developments and legal issues of interest or significance to the District.

(8) **Committee/Directors' Reports and Approval/Ratification of Director Activities.** Directors provide verbal reports on (i) District committee meetings attended by them, (ii) activities engaged in by them as representatives of the District, and (iii) other issues of interest or significance to the District. Directors submit written reports in advance of the meeting relating to their attendance at meetings of other agencies as representatives of the District and also briefly highlight verbally items of importance contained in the written reports.

(9) President's Report. The President provides a verbal report on (i) District committee meetings attended by him/her, (ii) activities engaged in by him/her as a representative of the District, and (iii) other issues of interest or significance to the District. The President submits written reports in advance of the meeting relating to his or her attendance at meetings of other agencies as a representative of the District and also briefly highlights verbally items of importance contained in the written reports.

(10) Items for Future Meetings. Directors make requests for the addition of items to the agendas for future Board meetings, including suggested new ideas and concepts.

(11) Correspondence. The Board discusses correspondence sent to and by the District since the last Board meeting.

(12) Approval of Board Compensation and Expenses and Ratifications of Claims Paid by the District. The Board considers and acts upon requests for the payment of compensation and expenses for Board members and the ratification of claims paid by the District.

(13) Closed Sessions. Closed sessions usually are held at the end of the meeting. Upon returning to open session, the Board President will announce any reportable action taken in closed session, as required by law.

(14) Adjournment. Upon the conclusion of all agenda items, the President adjourns the meeting.

(c) Public Comments. At all regular and special Board meetings, members of the public must be given the opportunity to speak on any item of business appearing on the agenda before or during the Board's consideration of the item. During the public comment period, members of the public may also make a request to have a matter of business placed on the agenda for a future Board meeting. At all regular Board meetings, members of the public must also be given the opportunity to speak on any item within the subject matter jurisdiction of the District. At special Board meetings, the Board is not required to allow members of the public to speak on items that are not on the agenda. The President may ask anyone desiring to make public comments to complete a speaker card with the speaker's name, contact information, and the agenda item or issue the speaker wishes to address. Members of the public who decline to submit a completed speaker card shall nevertheless be allowed to address the Board. The President calls the speakers to address the Board and asks them to identify the agenda item or issue they wish to address. Members of the Board and District staff may briefly respond to statements made or questions posed by persons speaking during the public comment period. The following rules and requirements shall apply with respect to public comments:

(1) Each speaker is limited to 5 minutes, unless a longer period is approved by the Board.

(2) Speakers may not speak out of turn and may speak only when called upon by the Board President.

(3) Speakers must stay on topic. If the speaker is addressing the Board during the consideration of a specific agenda item, he or she shall only address the agenda item under consideration. If the speaker is addressing the Board under the public comments item of the agenda, he or she shall only address issues that are within the subject matter jurisdiction of the Board.

(4) If a speaker does not comply with the rules and procedures imposed by the District, the President may (i) issue a warning, (ii) make a finding that the speaker is out of order, and/or (iii) require the speaker to leave or be removed from the meeting.

(5) Any District employee who is offended by discriminatory or harassing comments made by a speaker may be excused from the meeting.

(d) Requesting Addition of Agenda Items. Any Board member or member of the public who wishes to have a matter of business placed on the agenda for a future Board meeting shall submit the request to the Board at a regular or special Board meeting. All such requests shall (i) include sufficient information to enable the Board members to determine whether the request relates to a matter that is within the jurisdiction of the District and is otherwise proper for consideration and/or action by the Board, and (ii) include supporting documentation, if available.

(e) Board Action on Requests. If the Board determines that the request relates to a matter that is within the jurisdiction of the District and is otherwise proper for consideration and/or action by the Board, then (i) the Board shall direct the General Manager to place the matter on the agenda for a future Board meeting in accordance with the timing provisions of Section (g) below, and (ii) if, based on the comments, if any, provided by Board members and District staff, the Board determines that there is a need to perform analysis, assemble information, confer with District legal counsel or outside consultants, have the matter reviewed by a Board committee, or undertake other activities prior to placing the matter on a future agenda for Board consideration and/or action (collectively, "Agenda Processing Activities"), the Board may authorize such Agenda Processing Activities. If the Board determines that the request does not relate to a matter that is within the jurisdiction of the District and is not otherwise proper for consideration and/or action by the Board, the matter will not be placed on the agenda for a future Board meeting.

(f) Limitations. All discussions among Board members relating to a proposed agenda item under Section (e) above shall be limited to (i) whether or not the request relates to a matter that is within the jurisdiction of the District and is otherwise proper for consideration and/or action by the Board, and (ii) the Agenda Processing Activities, if any, that should be undertaken before the matter is added to a future agenda. In connection with such discussions, the Board members shall not (A) develop a collective concurrence among a majority of the Board as to the action to be taken on the proposed agenda item, (B) reveal their views or position on the substance or merits of the issue, or (C) disclose how they expect to vote when the matter comes before the Board as an agenda item.

(g) Timing. After receiving direction from the Board pursuant to Section (c) above, the General Manager shall arrange to have the matter added to the agenda for a future regular or special Board meeting as soon as reasonably feasible, taking into consideration (i) the schedule for future Board meetings, (ii) the number and nature of the other matters which are anticipated to be on the agendas for future meetings, (iii) whether all Board members are expected to be in attendance at future meetings, and (iv) the need to undertake Agenda Processing Activities. Where appropriate, the General Manager may require the person who requested the addition of an agenda item to provide supporting documentation at least one (1) week before the matter is brought before the Board if such documentation was not submitted at the time the request was made.

(h) Agenda Additions by General Manager. The General Manager shall have the authority to place a matter of business on the agenda for a regular or special Board meeting where the General Manager requires Board direction or approval regarding the matter or where the matter otherwise requires consideration and/or action by the Board.

[Amended by Ordinance No. 81 on June 1, 2015 and Ordinance No. 85 on October 17, 2016]

SECTION 2-1.5.7. INTERRUPTION

The Board may order the meeting room cleared and continue in closed session if a meeting is willfully interrupted, the orderly conduct of the meeting becomes infeasible and order cannot be restored by the removal of individuals interrupting the meeting. Only matters appearing on the agenda may be considered in such a closed session. Duly accredited representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend the session. The Board may establish a procedure for readmitting individuals not responsible for willfully disturbing the meeting.

SECTION 2-1.5.8. RULES OF ORDER

Meetings shall be conducted in accordance with *Rosenberg's Rules of Order: Simple Parliamentary Procedures for the 21st Century*, insofar as such rules are compatible with the District's Principal Act and the other laws of the State of California.

SECTION 2-1.5.9. MANNER OF TAKING ACTION

(a) The Board shall take action by motion, minute order, resolution, or ordinance.

(1) Motion. The Board uses a motion to submit a matter for action. A motion can be a parliamentary tool used by a member of the Board (plus another member who seconds the motion) to place a matter before the entire Board for its consideration. A motion also can be used to initiate Board authorization or approval on simple matters that are routine in nature, such as providing direction to staff, communicating a District position, approving a task order, increasing a purchase order amount, or approving a proclamation. The minutes of the Board meeting document the Board's determination on these matters. A motion is always used

to place a recommendation before the Board to authorize a minute order, approve a resolution, or adopt an ordinance.

(2) Minute Order. A minute order formalizes an action taken by the Board for which a more formal resolution or ordinance is not required. The Board's decision is recorded in the minutes as evidence that an action did occur, and the minute order provides formal documentation of the action. For example, a minute order can be used to memorialize approval of a project acceptance, authorize execution of a notice of completion, or authorize minor amendments to agreements. A minute order typically is used when a third party requires written evidence of a Board action. The District Secretary may prepare a minute order, as necessary, to reflect actions of the Board.

(3) Resolution. A resolution constitutes a more formal written expression of the will of the Board as the District's legislative body. Resolutions represent an official Board action and/or position taken on a particular issue that is considered to be more temporary in nature than an ordinance but for which a separate permanent record is needed. Resolutions preserve the history of the action taken in a separate official instrument in addition to documentation in the Board's minutes. Unless other dates are stated in the resolution, a resolution becomes effective immediately and remains in effect until rescinded, cancelled, or superseded by the Board acting by means of a new resolution. Resolutions typically are used to adopt policies, approve agreements, approve memoranda of understanding with bargaining groups, and establish or amend job classifications. Resolutions, if properly written, can sometimes be used to change the rates and charges that the District imposes for the privilege of receiving service. Given the nuances of the law in this area, General Counsel should always be consulted to determine the proper instrument for approving rates and charges.

(4) Ordinance. An ordinance is the most formal form of action that can be taken by the Board. Ordinances are used to establish the local laws that are within the District's power to enact and are applicable throughout the District. Ordinances may not be in conflict with federal or state law. An ordinance is the authorizing instrument to change the District's Administrative Code. Ordinances may also be used to set the District's rates and charges after consultation with General Counsel. State law requires that some ordinances be published or posted. In some cases, a public hearing is required prior to adoption of an ordinance. Unless other dates are stated in the ordinance or unless the law otherwise provides, an ordinance becomes effective upon expiration of the week of publication or posting, and remains in full force and effect until repealed, modified, or superseded by the Board in another ordinance, or by action of the voters through initiative or referendum. The District, the Board, and members of the public are all bound by the requirements of an ordinance. Ordinances are the law of the District and must be enforced by staff, who have no discretion to act otherwise. Only the Board itself may waive, modify, or suspend an ordinance by the enactment of a subsequent ordinance. The only way to change an ordinance is to pass an ordinance that revises the original.

(b) At least three (3) Board members must be present to constitute a quorum to consider District business.

(c) An affirmative vote of a majority of the Board members present is necessary to approve a motion, resolution or ordinance, unless a different voting requirement is provided by law.

(d) Motions may be adopted by voice vote. Resolutions may be adopted by voice vote, but on demand of any member of the Board, the roll shall be called. The roll shall be called on ordinances.

(e) Motions and resolutions shall be effective when adopted unless a different effective date is stated or is required by law. Ordinances shall be published once in a newspaper published in the District and shall be effective one week after the date of publication as required by Health and Safety Code Section 6490, unless a different effective date is stated or is required by law.

(f) Items presented for consideration at Board meetings are to be handled in a consistent manner to ensure that: (i) pertinent facts associated with a matter are presented not only for the benefit of the Board but also for the benefit of any member of the public who is present; (ii) actions taken by the Board are properly approved; and (iii) the Board takes action only on items that are scheduled for action on the agenda. For example, the Board may discuss but may not take action on an item that is identified as being for discussion, information, and/or as an announcement.

[Amended by Ordinance No. 81 on June 1, 2015]

SECTION 2-1.5.10. EFFECTIVE PARTICIPATION IN BOARD MEETINGS

The following ground rules apply to all Directors:

(a) Directors should come to each meeting prepared and should contact the General Manager before the meeting if they have questions or need clarification or additional background. Many times questions can be answered in advance without taking up meeting time. It also helps staff to understand a Director's concerns before the meeting so they can be prepared with the needed information.

(b) During the meeting, Directors should express their thoughts and support them wherever possible with facts, figures, and references. Specifically, sources of information should be identified so as to establish a Director's credibility with his or her colleagues. Specific statements are more persuasive than generalized statements. Examples: (a) "I spoke with _____, who is the President of the _____ Homeowners' Association and they would like the District to _____" is better than "The public thinks that we should do _____;" (b) "{Specific name} told me _____" is better than "I was told that _____;" (c) "{Specific organization} has a concern with _____" is better than "Everyone thinks that _____."

(c) Directors should be creative. Innovative ideas supported by sound reasoning are welcome on complicated matters when the Board is attempting to arrive at a consensus.

(d) Directors should take a positive approach and keep an open mind. When a Director proposes an idea, the other Directors should look for the value in that idea.

(e) Directors should be enthusiastic. Enthusiasm can be contagious.

(f) Directors should stay on the subject and should not introduce other agendas. Comments should be brief, but long enough to establish the points.

(g) Directors should ask for clarification when they do not understand what someone is saying. Criticism should be positive and constructive. Critical comments should be directed to the issues being discussed, not toward the person expressing the idea.

(h) The rights of others to have their opinions and feelings heard should be protected. Silent Directors should be encouraged to participate.

(i) Directors should help the Board President by interrupting gently when others take up outside issues. For example a Director may say, “We’re getting a little off the subject here, maybe we should get back to our topic.”

(j) Directors should share their thoughts. Holding back an idea robs the Board and staff of a Director’s knowledge and opinion and prevents further development of the idea. Directors should have confidence in themselves and speak up.

(k) Ideas should be protected. Directors should help the Board President create an atmosphere where people feel comfortable expressing ideas even if the ideas are not perfect. For example, when someone begins attacking another’s idea, a Director may say, “That idea probably has faults; most ideas do. Let’s just let ideas come out for now and evaluate them later.”

(l) Directors should make every reasonable effort to attend all Board meetings, participate, be on time, stay for the entire meeting, and advise the General Manager or District Secretary in advance if they are unable to attend.

(m) Directors should be active listeners, be open-minded, and consider all points of view.

(n) Directors should ask themselves: “What, right now, would help the Board move ahead and get this problem solved? What can I do to help the Board function more effectively? How can I help?”

(o) Directors should always remember that civil discourse is one of the keys to effective communication.

[Amended by Ordinance No. 81 on June 1, 2015 and Ordinance No. 81 on June 1, 2015]

SECTION 2-1.5.11. MINUTES OF BOARD MEETINGS

(a) **Preparation of Draft Minutes.** Draft minutes for all regular and special meetings of the Board shall be prepared by the Board Secretary promptly following the meeting in question, and in all events prior to the next regular Board meeting. The Board Secretary may, in his or her discretion, have the draft minutes reviewed by the District’s General Manager and/or legal counsel prior to bringing the draft minutes to the Board.

02/06/17

(b) Approval by Board. The draft minutes shall be approved by the Board at a regular or special Board meeting, subject to any changes the Board may decide to make. The draft minutes are not official until approved by the Board. Upon approval, the minutes shall be signed by the President and attested by the Secretary.

(c) Contents. The minutes of meetings shall not include summaries of the comments made or of the discussions occurring at Board meetings. Instead the minutes shall generally include only the following:

- (1) The date and place of the meeting;
- (2) The time of commencement and time of adjournment;
- (3) The persons in attendance, subject to the limitations and as more particularly set forth in Section (d) below;
- (4) Motions made by Board members, including the identity of the Board member making the motion and of the Board member seconding the motion, if any;
- (5) The action taken by the Board with respect to each motion which has been made and seconded, including the vote of each Board member; and
- (6) The number and title of ordinances and resolutions adopted at the meeting.

(d) Persons in Attendance. The Ralph M. Brown Act provides at Government Code Section 54953.3 that a member of the public shall not be required, as a condition to attendance at a meeting of a legislative body of a local agency, to register his or her name, to provide other information, to complete a questionnaire, or otherwise to fulfill any condition precedent to his or her attendance. Section 54953.3 further provides that, if an attendance list, register, questionnaire, or other similar document is posted at or near the entrance to the room where the meeting is to be held, or is circulated to the persons present during the meeting, it shall state clearly that the signing, registering, or completion of the document is voluntary, and that all persons may attend the meeting regardless of whether a person signs, registers, or completes the document. In addition, although a legislative body may request that persons who wish to address the body complete and submit a speaker card, because anonymous speech is constitutionally protected, the completion and submission of a speaker card must be optional. In order to comply with the forgoing requirements, only the following persons in attendance at a Board meeting shall be identified in the minutes:

- (1) District Board members;
- (2) District staff members, when attending the meeting in their staff capacity;
- (3) District legal counsel and consultants, when attending the meeting in their counsel or consultant capacity;
- (4) Representatives of other public agencies, when attending the meeting in their representative capacity, except in cases where a public agency representative makes a request that he or she not be identified in the minutes; and

(5) Persons addressing the Board who have asked to be identified in the minutes for the record.

(e) **Exceptions.** The Board may deviate from the policy set forth herein on a case-by-case basis to address specific circumstances as may be determined by the Board, subject to compliance with applicable legal requirements.

[Amended by Resolution No. 13-557 on August 19, 2013.]

Article 6. Director Meeting Attendance and Compensation

SECTION 2-1.6.1. PURPOSE

This Article sets forth the policies of the District pertaining to the payment of compensation and addresses other issues when Directors (i) attend regular and special meetings of the District’s Board, meetings of District standing committees and ad hoc committees, and meetings of other agencies, associations and organizations at which matters that affect the District are to be discussed and/or acted upon, (ii) serve on boards and committees of various associations and organizations, and (iii) engage in other activities that contribute to their effectiveness as Directors and/or benefit the District (collectively, “Director Activities”). The Board may deviate from these policies on a case-by-case basis to address specific circumstances as may be determined by the Board. When approving Director Activities, the Board may impose such requirements, restrictions and limitations as it deems appropriate.

SECTION 2-1.6.2. AUTHORIZED COMPENSATION

Directors shall be compensated for meeting attendance associated with Director Activities where the compensation is (i) specifically authorized by the Board on a case-by-case basis, or (ii) included in the table of pre-approved Director Activities set forth below. In the event a Board or committee meeting of the California Special Districts Association (CSDA), the California Sanitation Risk Management Authority (CSRMA), or the California Association of Sanitation Agencies (CASA) is held as part of a larger conference or event for which the District has authorized attendance, but where the District does not pay compensation, the District will not pay compensation for attending said Board or committee meeting.

PRE-APPROVED DIRECTOR ACTIVITIES	
<u>Meeting</u>	<u>Authorized Directors</u>
<u>GSD Governing Board:</u> <ul style="list-style-type: none"> • Regular Board meetings • Special Board meetings 	All Directors
<u>GSD Committees:</u> <ul style="list-style-type: none"> • Standing committee meetings • Ad hoc committee meetings 	Directors appointed as committee members, and Directors appointed as alternates when attending committee meetings in the absence of a regular committee member

<u>Santa Barbara Chapter of CSDA:</u> <ul style="list-style-type: none"> • Executive Board meetings 	As approved by the District Board or (if authorized) by the Board President
<u>CSDA:</u> <ul style="list-style-type: none"> • Board of Directors meetings • Legislative Committee meetings 	As approved by the District Board or (if authorized) by the Board President
<u>CSRMA:</u> <ul style="list-style-type: none"> • Board of Directors meetings 	As approved by the District Board or (if authorized) by the Board President
<u>CASA:</u> <ul style="list-style-type: none"> • Board of Directors meetings • Legislative Committee meetings 	As approved by the District Board or (if authorized) by the Board President
<u>GWSD Governing Board meetings:</u> <ul style="list-style-type: none"> • Regular meetings and special meetings held in lieu of regular meetings 	As approved by the District Board or (if authorized) by the Board President
<u>GWD Board of Directors meetings:</u> <ul style="list-style-type: none"> • Regular meetings and special meetings held in lieu of regular meetings 	As approved by the District Board or (if authorized) by the Board President

SECTION 2-1.6.3. RATE OF COMPENSATION

Where compensation is authorized under this Article for meeting attendance associated with Director Activities, such compensation shall be at the rate periodically established by ordinance of the Board in accordance with Health & Safety Code Section 6489, Chapter 2 of Division 10 of the Water Code, and other applicable provisions of law. The following procedures shall be followed when approving any increase in Director compensation:

- a) The District shall schedule a public hearing and publish notice of the hearing once a week for two successive weeks.
- b) The Board shall conduct a public hearing and adopt an ordinance increasing Director compensation.
- c) The increase shall not exceed an amount equal to five percent (5%), for each calendar year following the operative date of the last adjustment, of the compensation which is received when the ordinance is adopted.
- d) The ordinance shall be entered in the District’s minutes.

- e) The ordinance shall be published once in a newspaper published in the District.
- f) The ordinance shall take effect sixty (60) days from the date of adoption, unless a later effective date is provided in the ordinance.
- g) The voters of the District shall have the right to petition for referendum on the ordinance.

Resolution No. 11-522, which was adopted on September 6, 2011, sets forth a procedure for calculating cost of living adjustments to the salary scale for employees of the District. Resolution No. 11-522 shall not apply to the compensation payable to Directors of the District, and Director compensation shall be only be adjusted pursuant to the procedures set forth in Health & Safety Code Section 6489, Chapter 2 of Division 10 of the Water Code, and other applicable provisions of law, as summarized above.

SECTION 2-1.6.4. MAXIMUM COMPENSATION

The maximum compensation a Director is entitled to receive is as follows:

- (a) Daily The maximum number of Director Activities that a Director shall be compensated for per day is one (1).
- (b) Monthly The maximum number of Director Activities that a Director shall be compensated for in a calendar month is six (6).

SECTION 2-1.6.5. BOARD COMPENSATION REQUEST FORMS

In order to receive compensation which is authorized under this Article for meeting attendance associated with a Director Activity, Directors shall submit to District Staff a completed Governing Board Compensable Meeting Attendance Sheet within four (4) weeks of the Director Activity in question. Completed Governing Board Compensable Meeting Attendance Sheet must be submitted by noon on the Wednesday immediately prior to the District's next regular payday in order for compensation to be paid on such payday.

SECTION 2-1.6.6. RESTRICTIONS ON DIRECTORS

Without the express prior authorization of the Board, no Director shall, as a representative of the District, engage in Director Activities or speak on behalf of the Board. In the event the Board approves a Director Activity that involves the election or appointment of the Director to serve as a board or committee member of an association or organization, such Board approval shall remain in effect for the then current term of such board or committee position, unless withdrawn earlier by the Board as provided below. All other Board approvals relating to Director Activities shall lapse one year after the approval is granted unless the Board takes action to extend the term of the approval or unless a different term is stated at the time of approval. Approvals may be granted or withdrawn at any time by action of the Board. Any Director who wishes to continue engaging in a previously approved Director Activity shall be responsible for

bringing the matter to the Board for consideration and action before the term of the Board approval, as provided above, expires. Unless specifically authorized by the Board in advance or ratified after the fact, no compensation or expenses shall be paid following expiration or withdrawal of such Board approval. For purposes of this Section 2-1.6.6, a Director shall be deemed to be acting as a representative of the District when engaging in a Director Activity if (i) the District pays any compensation or expenses in connection with the Director Activity, or (ii) the Director Activity involves the election or appointment of the Director to serve as a board or committee member of an association or organization and such association or organization requires the approval of the Board in connection with the election or appointment. In order to avoid conflicts of interest, the Board may on a case by case basis delegate to the Board President the authority to appoint individual Directors to attend meetings of other agencies, associations and organizations and serve on boards and committees of associations and organizations.

SECTION 2-1.6.7. REPORT REQUIREMENT

Directors shall provide brief reports on meetings attended at the expense of the District at the next regular meeting of the Board.

[Adopted by Resolution No. 13-558 on September 3, 2013. Amended by Resolution No. 14-579 on August 4, 2014 and Resolution No. 15-586 on February 2, 2015]

Article 7. Payment of Expenses for Director Activities

SECTION 2-1.7.1. PURPOSE

This Article sets forth the policies of the District pertaining to the payment of expenses relating to Director Activities, as defined in Article 6, above. The Board may deviate from these policies on a case-by-case basis to address specific circumstances as may be determined by the Board. When approving Director Activities, the Board may impose such requirements, restrictions and limitations as it deems appropriate relating to the payment of expenses, the manner of transportation to be used, the selection of hotels, maximum reimbursable hotel rates and similar matters.

SECTION 2-1.7.2. AUTHORIZED EXPENSES

The District will pay for reasonable, ordinary and necessary expenses incurred in connection with Director Activities where the expenses are (i) specifically authorized by the Board on a case-by-case basis, or (ii) included in the table of pre-approved Director Activities set forth below. In the event any expenses associated with the pre-approved Director Activities listed below are paid by the California Special Districts Association (CSDA), the California Sanitation Risk Management Authority (CSRMA), or the California Association of Sanitation Agencies (CASA), the District will not pay such expenses. The payment of expenses by the District shall not be limited to one (1) meeting or other Director Activity per day or to six (6) meetings or other Director Activities in a calendar month.

PRE-APPROVED DIRECTOR ACTIVITIES	
<u>Meeting</u>	<u>Authorized Directors</u>
<u>GSD Governing Board:</u> <ul style="list-style-type: none"> • Regular Board meetings • Special Board meetings 	<ul style="list-style-type: none"> • All Directors
<u>GSD Committees:</u> <ul style="list-style-type: none"> • Standing committee meetings • Ad hoc committee meetings 	<ul style="list-style-type: none"> • Directors appointed as committee members, and Directors appointed as alternates when attending committee meetings in the absence of a regular committee member
<u>Santa Barbara Chapter of CSDA (SBCSDA):</u> <ul style="list-style-type: none"> • Regular meetings of members 	<ul style="list-style-type: none"> • All Directors
<u>SBCSDA:</u> <ul style="list-style-type: none"> • Executive Board meetings 	<ul style="list-style-type: none"> • As approved by the District Board or (if authorized by the Board) by the Board President
<u>State CSDA:</u> <ul style="list-style-type: none"> • Board of Directors meetings • Legislative Committee meetings 	<ul style="list-style-type: none"> • As approved by the District Board or (if authorized by the Board) by the Board President
<u>State CSDA:</u> <ul style="list-style-type: none"> • <u>Annual Conference</u> 	<ul style="list-style-type: none"> • The Board President or an alternate Director designated by the Board President • Directors who serve as a member of the Board of Directors or as a member of any committee of CSDA at the State level • Newly elected or appointed Directors during the first 12 months in office
<u>State CSDA:</u> <ul style="list-style-type: none"> • <u>Legislative Days</u> 	<ul style="list-style-type: none"> • The Board President or an alternate Director designated by the Board President • Directors who serve as a member of the Legislative Committee of CSDA at the State level • Newly elected or appointed Directors during the first 12 months in office
<u>CSRMA:</u> <ul style="list-style-type: none"> • Board of Directors meetings 	<ul style="list-style-type: none"> • As approved by the District Board or (if authorized by the Board) by the Board President
<u>CASA:</u> <ul style="list-style-type: none"> • General membership conferences in January and August of each year 	<ul style="list-style-type: none"> • All Directors
<u>CASA:</u> <ul style="list-style-type: none"> • Annual Washington DC conference 	<ul style="list-style-type: none"> • Board President or an alternate Director designated by the Board President

<ul style="list-style-type: none"> • Annual Spring conference 	<ul style="list-style-type: none"> • Newly elected or appointed Directors during the first 12 months in office
<u>CASA:</u> <ul style="list-style-type: none"> • Board of Directors meetings • Legislative Committee meetings 	<ul style="list-style-type: none"> • As approved by the District Board or (if authorized by the Board) by the Board President
<u>Water Environment Federation:</u> <ul style="list-style-type: none"> • Annual Technical Exhibition and Conference (WEFTEC) 	<ul style="list-style-type: none"> • All Directors, but only where the event is held within driving distance and does not involve an overnight stay, in which case one day's attendance is pre-approved • Newly elected or appointed Directors during the first 12 months in office, but not including attendance at technical workshops
<u>GWSD Governing Board meetings:</u> <ul style="list-style-type: none"> • Regular meetings and special meetings held in lieu of regular meetings 	<ul style="list-style-type: none"> • As approved by the District Board or (if authorized) by the Board President
<u>GWD Board of Directors meetings:</u> <ul style="list-style-type: none"> • Regular meetings and special meetings held in lieu of regular meetings 	<ul style="list-style-type: none"> • As approved by the District Board or (if authorized) by the Board President

SECTION 2-1.7.3. REGISTRATION FEES

Registration fees associated with approved Director Activities such as conferences, seminars, workshops and meetings shall be District expenses and shall be paid in advance directly by the District.

SECTION 2-1.7.4. TRANSPORTATION

Transportation expenses associated with approved Director Activities, including expenses for parking and special travel arrangements such as taxi or shuttle service, shall be District expenses and shall be subject to the following requirements:

- a. When possible, the District will pay or be invoiced in advance for public transportation fares such as airfare and car rental costs.
- b. If travel is to be completed by vehicle, a District vehicle should be used whenever possible.
- c. If a District vehicle is not available, the use of a personal vehicle is authorized, provided that the vehicle owner has on file with the District proof of adequate current insurance coverage prior to travel.
- d. When a personal vehicle is used, the owner will be compensated for mileage at the rates provided in Internal Revenue Service Publication 463 or any successor publication.
- e. Compensation for travel mileage will be for the route corresponding to the shortest distance (using the freeway system whenever possible) between the Director's home and the

site of the conference, event or meeting, as calculated by Google maps.

f. Any mileage associated with personal travel in excess of the mileage as specified above using Google maps will not be compensated by the District.

g. Transportation expenses of any nature that are associated with meals during attendance at and/or while travelling to and from the conference, event or meeting are non-compensable by the District.

h. When public transportation is used, Directors shall use government and group rates offered by transportation providers, when available.

i. If air transportation is used for travel of less than 200 miles one way, reimbursement of transportation expenses shall be limited to the cost that would have been incurred for ground transportation.

j. In the case of air travel, under no circumstances will the reimbursement for airfare exceed the cost of the lowest available round trip airfare from Goleta to the conference, event or meeting site.

k. Air travel mileage and other benefits earned by the Directors when using their personal credit cards for expenses in connection with Director Activities are not exchangeable and/or usable for District travel.

l. Tips paid by Directors in connection with public transportation or valet parking are not considered District expenses and shall not be reimbursed by the District.

SECTION 2-1.7.5. LODGING

Lodging expenses associated with approved Director Activities shall be District expenses and shall be subject to the following requirements:

a. Lodging expenses shall be based on single occupancy rates.

b. If lodging is in connection with a conference or organized educational activity, lodging costs shall not exceed the single occupancy maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available at the time of booking. If the group rate is not available, Directors shall use government rates, if available, or shall use lodging comparable to that of the associated conference or activity, that is consistent with the requirements of this policy.

c. Each Director shall make his or her own hotel reservations using his or her personal funds, debit card or credit card, and shall be reimbursed at the lesser of (i) the actual rate paid by the Director, or (ii) the maximum group rate published by the sponsor for the hotel at which the Director stays.

d. No reimbursement will be made for extra services or entertainment purchased by a Director that are not related to District business.

e. Tips paid by the Directors for baggage handling in connection with lodging are not considered District expenses and shall not be reimbursed by the District.

SECTION 2-1.7.6. MEALS

Meal expenses associated with approved Director Activities shall be District expenses and shall be subject to the following requirements:

a. Meal expenses shall be reimbursed based the per diem rates referenced in IRS Publication 463 or any successor publication (the “Per Diem Rate”).

b. No receipts or other documents are required to support a meal expense reimbursement based on the Per Diem Rate.

c. The applicable Per Diem Rate shall be allocated as follows:

Breakfast:	20%
Lunch:	25%
Dinner:	55%

d. Breakfast expenses shall only be paid where travel begins before and is completed after 7:00 a.m.

e. Lunch expenses shall only be paid where travel begins before and is completed after 12:00 noon.

f. Dinner expenses shall only be paid where travel begins before and is completed after 6:00 p.m.

g. A meal expense shall not be paid where the meal is (i) included in the cost of registration or transportation, (ii) paid by the District, or (iii) reportable as a gift by the Director; provided, however, in cases where a Director certifies in writing that the Director’s medically required dietary restrictions prevented him or her from having a meal which was included in the cost of registration or transportation and that the Director was therefore required to purchase the meal separately, the meal expense shall be reimbursed based the Per Diem Rates.

h. In cases where a conference, seminar, workshop, meeting or other activity includes a fixed charge for a meal, and where the Director cannot exercise discretion in selecting a meal so as to remain at or below the allocated Per Diem Rate, the actual cost of the meal shall be reimbursed by the District, provided that the expense is supported by a detailed receipt or other appropriate documentation.

i. In cases where the Director cannot exercise discretion in selecting a meal so as to remain at or below the allocated Per Diem Rate as a result of any cause beyond the Director’s reasonable control and without the Director’s fault (including, without limitation, fire, strike, war, insurrection, terrorism, acts of God, civil or military authority, civil disturbance and government restriction or prohibition), the Board may, on request, approve reimbursement of the actual cost of the meal, provided that the expense is supported by a detailed receipt or other appropriate documentation.

j. For local authorized Director Activities such as attendance at meetings of the Goleta West Sanitary District, the Goleta Water District, the Santa Barbara Chapter of the California Special Districts Association, the Goleta Chamber of Commerce, etc., no meal expense

reimbursement will be allowed unless the meeting includes a meal, in which case payment for meals will be made as described above. Unusual circumstances in regard to local meetings and meal expenses shall be brought to the Board for approval.

k. Under no circumstances will the District pay for or reimburse any expenses for alcoholic beverages.

SECTION 2-1.7.7. INCIDENTAL EXPENSES

For Director Activities involving an overnight stay of one or more nights, Directors shall be paid \$10.00 for each day of travel to or from the site of the Director Activity to cover tips, baggage handling fees and other incidental expenses (the "Incidental Expenses"). For Director Activities not involving an overnight stay, Directors shall be paid \$10.00 to cover Incidental Expenses for the day of travel, provided that the shortest distance between the Director's home and the site of the Director Activity (using the freeway system whenever possible) equals or exceeds 200 miles, as calculated by Google maps.

SECTION 2-1.7.8. EXPENSES REIMBURSED BY OTHER ORGANIZATIONS

In cases where the District initially pays expenses associated with a Director Activity and the expenses are to be covered by another organization, the Director who incurred the expenses shall, within four (4) weeks after completing the Director Activity, submit to the District an Expense Reimbursement Report supported by detailed receipts or other appropriate documentation. If the District is unable to obtain reimbursement for such expenses due to a delay or failure to submit the Expense Reimbursement Report and supporting documentation, the Director incurring the expenses shall be responsible for the payment thereof, either by direct payment to the District, or by deduction from compensation or other expense reimbursements payable to the Director.

SECTION 2-1.7.9. METHOD OF PAYMENT FOR EXPENSES

Payment for expenses incurred in connection with approved Director Activities shall be made in accordance with the following procedure:

a. Use of District Credit Cards. District credit cards are not to be used, directly or indirectly, by Directors. Indirect use includes, but is not limited to, a Director making hotel room, meal or any other charges to the District's account where such items will be charged against the District's credit card. However, if a Director uses a District credit card indirectly under any circumstances by making charges to the District's credit card account, such charges shall be paid by the Director prior to or upon completion of the travel in question. Any such charges that are not paid by the Director when and as provided above shall constitute Improper Expenses as defined below. Notwithstanding the foregoing, District credit cards may be used by District Staff to pay expenses associated with approved Director Activities, such as registration fees, transportation expenses, lodging charges, and food and beverage items. In such instances the credit card charges must be verified and approved by the General Manager on a case by case basis.

b. Cash Reimbursement. The District shall reimburse Directors for expenses incurred in connection approved Director Activities, provided the expenses are itemized on an approved Expense Reimbursement Report and are fully documented by detailed receipts or other records; provided however, that receipts or other records are not required for meals which are reimbursed based on Per Diem Rates pursuant to Section 2-1.7.6 above. All receipts or other records

shall (i) clearly describe each registration fee, transportation expense, lodging charge, and other expenses for which reimbursement is requested, (ii) contain information regarding the date, nature and amount of the expense, and (iii) be attached to the Expense Reimbursement Report so that any personal expenses can be identified and charged to the Director. Reimbursement will not be made for any expenses, other than meals, that are not fully documented by detailed receipts or other appropriate records. A properly completed Expense Reimbursement Report together with supporting documentation shall be submitted to District Staff within four (4) weeks following the completion of the Director Activity. All reimbursable expenses associated with a Director Activity shall be included on the same Expense Reimbursement Report and shall be submitted at the same time as the Expense Reimbursement Report for such Director Activity is submitted. Reimbursement payments shall be made in accordance with the provisions relating to administration set forth below. Directors shall submit original receipts whenever available.

SECTION 2-1.7.10. ADMINISTRATION

a. Roll of Staff. Expense reimbursements shall be administered by the District's Staff in accordance with the provisions of this Article. Staff shall have no authority to prepay or reimburse any expenses except where the Director Activity and the payment of associated expenses have been expressly authorized by formal action of the District's Board. Notwithstanding the foregoing sentence, the District's General Manager shall have the authority to issue warrants to make expense reimbursement payments within five (5) business days following the submission of a complete Expense Reimbursement Report and the supporting receipts or other records, in which case such expenses shall be subject to Board ratification by including the expenses on the claims list presented to the Board as provided below.

b. Ineligible Expenses. To facilitate Board action relating to Director expenses, an item shall be placed on the agenda for all regular Board meetings pertaining to the approval of Director compensation and expenses and the payment of District claims. During such agenda item, Staff shall report to the Board as to the expense reimbursement requests received from Directors and processed by Staff since the last Board meeting. In the event Staff believes that a Director (i) has failed to adequately complete an Expense Reimbursement Report, (ii) seeks reimbursement for expenses that are not reimbursable under the terms of this Article, and/or (iii) has failed to include detailed receipts or other records as required hereunder, the expenses to which the deficiencies relate (the "Ineligible Expenses") shall not be included on the claims list presented to the Board for approval, and Staff shall not prepare expense reimbursement warrants for such Ineligible Expenses. Notwithstanding the foregoing sentence, the District's General Manager shall have the authority to waive immaterial deficiencies and minor irregularities (e.g., arithmetic and clerical errors) with respect to expense reimbursement requests, the completion of Expense Reimbursement Reports and/or the submission of detailed receipts or other records as required hereunder, in which case an expense reimbursement warrant shall be prepared and the expenses to which the irregularity(ies) relate shall be included on the claims list presented to the Board for approval as provided above.

c. Board Review of Ineligible Expenses. In the event a Board member contends that an expense has been incorrectly identified by Staff as an Ineligible Expense, the Board shall review the matter and may take one of the following actions:

(i) If the Board determines that the Expense Reimbursement Report has been properly completed, that the expense is reimbursable under the terms of this Article, and that adequate receipts and other records as required hereunder have been submitted, or if the Board

determines that, under the circumstances, any deficiencies are not material and should be waived, the Board may approve the payment of the expense. In that event, Staff shall prepare an expense reimbursement warrant for the expense and shall include the expense on the claims list presented to the Board for approval at its next regularly scheduled meeting.

(ii) If the Board determines that the Expense Reimbursement Report has not been properly completed, and/or that adequate receipts and other records as required hereunder have not been submitted, the Director submitting the expense reimbursement request may at the next Board meeting submit to the Board, with copies to District Staff, documentation addressing the deficiencies. If such documentation is submitted, then at the Board meeting following the meeting at which the documentation is submitted, the Board will again consider the Ineligible Expense in accordance with the procedures set forth above, taking into consideration the documentation submitted by the Director and any analysis provided by District Staff. If such documentation is not submitted as specified above, no further action will be taken on the matter.

(iii) If the Board determines that an Ineligible Expense is not reimbursable under the terms of this Article, the Board shall disapprove the payment of the Ineligible Expense, in which case no further action will be taken on the matter.

d. Improper Expenses. In the event the District pays an expense which has not been authorized by the District's Board or which otherwise violates the provisions of this Article, as determined by the District's Board (an "Improper Expense"), the Director responsible for incurring the Improper Expense shall promptly reimburse the District for the full amount of the Improper Expense. If such reimbursement is not made within ten (10) days after the Board determines that the expense represents an Improper Expense, District Staff shall, on behalf of the District, recover such Improper Expense from other expense reimbursements which may then be due to the Director in question, and/or from the Director's meeting compensation, whichever becomes due to the Director first. For purposes of this Article, and by way of example and not limitation, Improper Expenses shall include (a) personal expenses of Directors; (b) expenses of spouses, relatives, guests, friends and/or persons other than a Director; and (c) direct or indirect charges to the District's credit card

SECTION 2-1.7.11. LIMITATIONS

All expenses that do not fall within the policies of this Article or within the Per Diem Rates shall require approval by the Board in a public meeting before the expense is incurred. Expenses associated with spouses, relatives, guests, friends, and/or any person other than the Director, shall not be paid by the District, nor shall such expenses be passed through the District's accounting system.

[Adopted by Resolution No. 12-549 on December 3, 2012. Amended by Resolution No. 15-587 on February 2, 2015]

Article 8. Ethics Training

SECTION 2-1.8.1. PURPOSE

The purpose of this Article is to set forth the ethics training requirements of the District, which are adopted in accordance with Assembly Bill 1234 (Government Code Section 53234 et seq.)

02/06/17

SECTION 2-1.8.2. DESIGNATED OFFICIALS AND DEPARTMENT SUPERVISORS

The provisions of this Article pertaining to ethics training shall apply to all “Designated Officials” and “Department Supervisors” of the District. Designated Officials include all Directors of the District and the General Manger. Department Supervisors include the Operations Manager and the Administration Supervisor. The Designated Officials and Department Supervisors are hereby designated by the Board and shall receive the training specified under this Article.

SECTION 2-1.8.3. DEFINITION OF ETHICS LAWS

For purposes of this Article, the term “Ethics Laws” includes, but is not limited to, the following:

- (a) Laws relating to personal financial gain by public servants, including, but not limited to, laws prohibiting bribery and conflict-of-interest laws.
- (b) Laws relating to claiming prerequisites of office, including, but not limited to, gift and travel restrictions, prohibitions against the use of public resources for personal or political purposes, prohibitions against gifts of public funds, mass mailing restrictions, and prohibitions against acceptance of free or discounted transportation by transportation companies.
- (c) Government transparency laws, including, but not limited to, financial interest disclosure requirements and open government laws.
- (d) Laws relating to fair processes, including, but not limited to, common law bias prohibitions, due process requirements, incompatible offices, competitive bidding requirements for public contracts, and disqualification from participating in decisions affecting family members.

SECTION 2-1.8.4. TRAINING REQUIREMENT

Each Designated Official and Department Supervisor shall receive at least two (2) hours of training in general ethics principles and Ethics Laws relevant to his or her public service at least once every two years. Each Designated Official and Department Supervisor who commences service with the District on or after January 1, 2006, shall receive the training required by subdivision this Article no later than one (1) year from the first day of service with the District.

SECTION 2-1.8.5. DISTRICT OBLIGATIONS

The District shall provide information on training available to meet the requirements of this Article to its Designated Officials and Department Supervisors at least once annually. The District shall also maintain records indicating (i) the dates that Designated Officials and Department Supervisors satisfied the requirements of this Article, and (ii) the entity that provided the training. Said records shall be maintained for at least five (5) years after a Designated

Official or Department Supervisor receives the training and are public records subject to disclosure under the California Public Records Act.

[Adopted by Resolution No. 12-551 on December 3, 2012]

Chapter 2. District Staff

Article 1. General Manager

SECTION 2-2.1.1. RELATIONSHIP WITH BOARD

- (a) The General Manager shall recommend policy to the Board.
- (b) The General Manager shall implement policies approved by the Board.
- (c) Directors may discuss District business with the General Manager, but individual Directors shall not direct the actions of the General Manager. The General Manager shall supply information reasonably requested by individual Directors. Such information shall be supplied in writing when practical to do so.
- (d) The General Manager may discuss District business with Directors outside a public meeting, but the General Manager shall not communicate the views of one Director to other Directors except at a public meeting. The Board shall not consider or act on the General Manager's recommendations except at a public meeting.
- (e) The Board establishes the General Manager's annual performance plan and typically evaluates the performance of the General Manager on an annual basis, but can do so more frequently if the situation warrants. Traditionally, the Board also conducts an informal mid-year performance discussion with the General Manager.

SECTION 2-2.1.2. DUTIES AND AUTHORITY

- (a) The General Manager is appointed by the Board as a full time District employee to serve as the chief executive officer of the District. The General Manager serves at the pleasure of the Board, subject to the terms of his or her employment agreement, and reports directly to the Board. The General Manager shall have full charge and control of the affairs of the District consistent with the policies established by the Board. The role of the General Manager is defined in several ways: by law; by contract, through an adopted job classification, and by District practice based on principles of good governance.
- (b) The job description for the position of General Manager is approved by the Board and specifies the required minimum qualifications (experience and training), knowledge, skills, and abilities, as well as the duties of the position. The General Manager delegates many of his or her duties to other District employees, District legal counsel and outside consultants, but

in doing so, the General Manager remains accountable to the Board. The duties specified in the General Manager's job description include the following:

- (1) Be in charge of the administrative affairs of the District;
 - (2) Represent the Board's policies and programs with employees, customers, community organizations, governmental agencies, and the general public;
 - (3) Review budget requests and make recommendations to the Board for expenditure levels;
 - (4) Serve as District Engineer overseeing the preparation of engineering designs, reviewing submittals, conferring with developers, preparing engineering standards and specifications, and reviewing and modifying construction standards and specifications;
 - (5) Provide advice and consultation on the development of District programs and policies;
 - (6) Coordinate the preparation of the agenda for Board meetings;
 - (7) Conduct special studies and surveys to determine the effectiveness of District programs and services;
 - (8) Prepare grant applications;
 - (9) Prepare leases and agreements with other agencies.
 - (10) Plan facilities adequately to meet the needs of the District.
 - (11) Administer the construction of facilities.
 - (12) Supervise the operation and maintenance of facilities.
 - (13) Administer personnel matters, including employee relations, employment procedures, grievances, affirmative action, and negotiations with employment representatives, and implement personnel policies approved by the Board.
- (c) If an emergency arises and there is insufficient time to notify the Board, the General Manager may take appropriate and reasonable action otherwise within the Board's jurisdiction. The General Manager shall report such action to the Board as soon as convenient.
- (d) Pursuant to Government Code Section 27281, the General Manger is authorized to accept on behalf of the District deeds and grants relating to real property interests and to consent to the recordation thereof.

[Amended by Ordinance No. 81 on June 1, 2015]

SECTION 2-2.1.3. PURCHASES

Without the prior approval of the Governing Board, the District's General Manager shall have the authority to make purchases of (i) \$25,000 or less for items that are not specifically identified in the final budget approved by the Governing Board, and (ii) \$50,000 or less for items that are specifically identified in the final budget approved by the Governing Board. Said authorization applies to all expenditures by the General Manager on behalf of the District, including purchases of materials, supplies, furnishings, equipment and other personal property, expenditures for professional and other services required by the District, and lease transactions where the total expenditures payable during the term of the lease, not including interest and finance charges, do not exceed the limits set forth above in this section.

SECTION 2-2.1.4. PAYMENT OF EXPENSES

Pursuant to Health and Safety Code Section 6487, the Governing Board hereby authorizes the District's General Manager to sign warrants on behalf of the District for the payment of the following expenses without the prior approval by the Governing Board:

(a) Expenses for capital projects where the contract for such project has been approved by formal action of the Governing Board.

(b) Expenses for maintenance and/or repair projects where the contract for such project has been approved by formal action of the Governing Board.

(c) Expenses for professional and other services provided to the District where the contract for such services has been approved by formal action of the Governing Board.

(d) Expenses for the acquisition of materials, supplies, furnishings, equipment and other personal property (including lease transactions) where the contract for such property has been approved by formal action of the Governing Board.

(e) Payroll expenses for District employees.

(f) Utility expenses.

(g) Insurance premiums.

(h) Permit and regulatory fees relating to ongoing District operations.

(i) Travel expense reimbursement payments for members of the Governing Board, subject to the requirements of Resolution No. 10-511, as said Resolution may be amended, replaced or superseded in the future.

(j) Emergency expenditures where (i) the expenditure is required as a result of a great public calamity, such as an extraordinary fire, flood, storm, epidemic, or other disaster, or it is necessary to do emergency work to prepare for national or local defense, and (ii) it is not

feasible for the Governing Board to respond to the emergency in a timely manner by passing a resolution by a four-fifths vote of its members declaring that the public interest and necessity demand the immediate expenditure of District funds to safeguard life, health, or property. The Governing Board shall, as soon as reasonably feasible, review and, as appropriate, ratify the action of the General Manager through adoption of a resolution declaring that the public interest and necessity required the immediate expenditure of District funds to safeguard life, health, or property.

(k) Expenditures made by the General Manager pursuant to Section 2-2.1.3 above for purchases of materials, supplies, furnishings, equipment and other personal property, professional and other services, and lease transactions.

SECTION 2-2.1.5. SIGNING DOCUMENTS

Pursuant to Health and Safety Code Section 6487, the Governing Board hereby authorizes the District's General Manager to sign contracts, releases, receipts, and similar documents in the name of the District under the following circumstances:

(a) The document has been approved by formal action of the District's Governing Board;

(b) The document relates to expenditures made by the General Manager pursuant to Section 1 above for purchases of materials, supplies, furnishings, equipment and other personal property, professional and other services, or lease transactions; or

(c) The document relates to operational matters that do not (i) involve the expenditure of any money by the District, (ii) require the District to incur any financial obligations, or (iii) subject the District to any material liabilities.

SECTION 2-2.1.6. APPROVAL OF CHANGE ORDERS

In connection with public works projects undertaken by the District, the General Manager shall have the authority to approve change orders relating to additions, deletions or revisions in the work which result in an increase to the contract price, provided that the total increase in the contract price attributable to all change orders approved by the General Manager shall not exceed \$100,000, not including change orders which have been previously reported to and ratified by the Governing Board.

SECTION 2-2.1.7. RATIFICATION BY BOARD

All purchases and other expenditures made, all expenses paid and all change orders approved by the General Manager as provided in this Article shall be reported to and ratified by the Governing Board at a subsequent meeting of the Board.

[Adopted as Resolution No. 12-532 on January 16, 2012.]

Article 2. Employees

SECTION 2-2.2.1. RELATIONSHIP WITH MANAGEMENT

Employees shall perform work as directed by the General Manager or the General Manager's designee.

SECTION 2-2.2.2. RELATIONSHIP WITH BOARD

Employees should generally not discuss District business directly with individual Directors. Exceptions may be made where the Board (but not an individual Director) is investigating a matter involving the General Manager, or when the General Manager is unavailable and immediate action is needed. If a Director inquires of an employee about District business, the employee shall respond to the Director and shall promptly inform the General Manager.

SECTION 2-2.2.3. EMPLOYEE MANUAL

The District's Board has adopted a Human Resources Procedure and Policy Manual setting forth the personnel procedures, policies and practices of the District. A copy of said Manual has been provided to each employee of the District. An additional copy is on file with the Secretary of the District and is available for inspection upon request. The Manual is periodically updated to reflect changes in District personnel procedures, policies and practices.

SECTION 2-2.2.4. EMPLOYEE PAY SCHEDULE

The District's Board has by resolution formally adopted a pay schedule relating to the compensation payable to its employees (the "Pay Schedule"). The Pay Schedule is immediately accessible and available for public review from the District during normal business hours and shall be retained by the District and available for public inspection for not less than five years. Any revisions which are made to the Pay Schedule in the future shall be approved and adopted by the Governing Board in accordance with the requirements of applicable public meetings laws and shall comply in all other respects with Title 2, California Code of Regulations Section 570.5.

[Adopted by Resolution No. 12-535 on June 4, 2012]

Article 3. Consultants

SECTION 2-2.3.1. ENGAGEMENT

The General Manager may engage professional consultants to provide specialized service with the approval of the Board.

SECTION 2-2.3.2. ENGINEER

Consulting engineers may be appointed to assist in the planning and design of public works as required by law or as otherwise appropriate.

SECTION 2-2.3.3. AUDITOR

A part-time independent auditor shall be engaged to perform an annual audit of the District's financial statements.

SECTION 2-2.3.4. LEGAL COUNSEL

(a) The Role of Legal Counsel. An attorney shall be appointed by the Board to act as part-time General Counsel. The Board may also appoint Special Counsel as needed. For purposes of this Section 2-2.3.4, the term "legal counsel" shall refer to both the General Counsel and Special Counsel. The compensation of legal counsel shall be set by the Board. Legal counsel serves at the pleasure of the Board, is accountable directly to the Board, and provides legal advice and services as requested by the Board, including legal advice to the General Manager and other officers of the District. The role of the legal counsel is defined in several ways: by law, by contract, and by District practice based on principles of good governance. The primary obligation of legal counsel is to provide all the legal options available, including advantages and disadvantages of each, and to advise of legal risks. The public official receiving that advice has the right to make policy decisions, based on the legal options provided and legal risk entailed.

(b) General Counsel. The General Counsel serves as the primary legal advisor, is responsible for day-to-day legal questions, and provides ongoing legal advice and opinions regarding the long term interests of the District. The General Counsel is expected to provide high quality, trustworthy, and responsive legal counsel in a professional manner to assist in accomplishing the District's goals and objectives. When necessary, the General Counsel represents the District in litigation matters and before administrative agencies, and in some instances manages Special Counsel appointed for a particular matter. The General Counsel should seek to practice preventative law in an effort to help the District recognize and manage risks in a timely and effective manner. Preventative law can limit the expenditure of District resources to defend legal actions, reduce the frequency and severity of disputes, and help the District maintain a positive image in the community.

(c) Special Counsel. The District may, at the District's sole discretion and without approval by or consultation with the General Counsel, hire outside Special Counsel. However, the District may, but is not required to, seek the General Counsel's assistance in determining whether to utilize outside Special Counsel or in the selection process. In addition, the General Counsel will recommend appointment of Special Counsel when conflicts arise or if necessary to deal with matters requiring specialized knowledge. The retention of Special Counsel may be necessary based on any number of factors, including the need for highly specialized knowledge, the provision of a defense by an insurer, or should a conflict of interest arise with the General Counsel on a particular matter. Unless prevented by a conflict of interest, the General Counsel should facilitate and cooperate in the retention of Special Counsel services to ensure the District receives accurate and cost-efficient legal advice and services.

(d) The District as the Client. While the general practice of the District is for the Board to delegate day-to-day management authority to the General Manager, legal counsel to the

District represents the entity rather than any natural person (i.e., legal counsel is not the attorney for any individual Director, District employee, or officer). The legal counsel's client is the District itself as embodied in the "highest authorized officer, employee, body or constituent overseeing the particular engagement" (California Rules of Professional Conduct, Rule 3-600(A)). The highest authorized authority of the District is generally the Governing Board. The Board may delegate its authority to the General Manager by action of the Board duly taken. The point of contact for legal counsel is the General Manager unless the Board or the General Manager delegate to someone else the authority to act as the point of contact. During the course of representation, the legal counsel may become aware of information that indicates that the interests of a District official or employee may not be aligned with the interests of the District. Should such situations arise, legal counsel's duty of loyalty and confidentiality is owed to the District and not the individual. In such a situation, the individual's communications with the legal counsel are not confidential and cannot be withheld from others with authority over the matter at issue.

(e) Hiring and Termination. General Counsel and Special Counsel are hired by and may only be terminated by the Board, unless those actions have been delegated to the General Manager by action of the Board duly taken.

(f) Regular Performance Evaluations. The Board, with the assistance of the General Manager, establishes the General Counsel's annual performance plan and typically evaluates performance on an annual basis.

(g) Special Ethical Considerations for Public Lawyers. In California, lawyers are regulated by both the Legislature and the California Supreme Court, under Rules of Professional Conduct promulgated by the California State Bar Board of Governors and approved by the Court (see, generally, the State Bar Act and California Business & Professions Code, section 6000 et seq.). Public agency attorneys are also subject to the laws and rules contained in the Political Reform Act and Government Code section 1090. Statutes may also impose a duty on public agency attorneys that they owe directly to the public. Further, the courts have enunciated the principle that lawyers for public agencies have special ethical obligations to further justice – i.e., these lawyers are held to a higher standard than other attorneys. For example, under California Rules of Professional Conduct, Rule 3-600(B), an entity's lawyer who becomes aware of the conduct of an entity's agent which may be or is a violation of law that is "reasonably imputable to the organization" or that "is likely to result in substantial injury to the organization," may take the matter to the "highest internal authority within the organization." No confidential information may be disclosed beyond the organization, unless it is to prevent a criminal act that the attorney reasonably believes is likely to result in death of, or substantial bodily harm to, an individual, but only after the attorney has exhausted all options to convince the client not to commit the criminal act.

(h) Attorney Client Privilege, Work Product Doctrine and Confidentiality. Protecting both the attorney-client privilege and the attorney-work product doctrine and maintaining confidentiality of communications between the District and legal counsel are vital to ensuring the District's ability to confide freely in its attorneys.

(1) Attorney-Client Privilege. The District, acting through legal counsel, may claim the attorney-client privilege (see, generally, California Evidence Code, section 954). However, the privilege only protects communications and only extends to information given for the purpose of obtaining legal representation. Core information is not necessarily protected and the information will not be privileged simply because it has been told or provided to the legal counsel. The privilege may be waived if the confidential communications are disclosed to third parties. Whenever a Director communicates in writing with staff on a matter that involves a legal matter, appropriate legal counsel should be copied on that correspondence.

(2) Attorney-Work Product Doctrine. The attorney-work product doctrine protects the work of the attorney and includes the legal theories and strategies of legal counsel. Attorney work product may be found in interviews, statements, memoranda, correspondence, briefs, mental impressions, personal beliefs, and countless other forms. The attorney-work product doctrine is broader than the attorney-client privilege in that it protects materials prepared by the attorney, whether or not disclosed to the client, and materials prepared by third parties for the attorney (see *Laguna Beach County Water District v. Sup. Ct. (Woodhouse)* (2004) 124 Cal.App.4th 1453 and *California Code of Civil Procedure*, section 2018). Whenever a Director receives a work product document from legal counsel, that work product must not be transmitted to any third party. The Director shall also take great care in managing such work product, keeping it only as long as needed and destroying or returning copies to the District or legal counsel.

(3) Confidentiality of Communications. The duty of confidentiality is broader than the attorney-client evidentiary privilege and the attorney-client work product doctrine. Legal counsel's duty of confidentiality runs to the District itself, including the Governing Board as a whole, rather than to an individual Board member, District official, or employee (see, generally, California Business & Professions Code, section 6068). When an individual Board member receives advice from legal counsel, that advice is provided to the Director in his or her official capacity and the advice is subject to disclosure to the entire Board. Information and advice provided to the Governing Board or legal counsel during a closed session is generally confidential and may also be privileged. A Board member will be deemed to have waived the attorney-client privilege by discussing closed session matters with third parties, even if such waiver is not intended. Directors and others present at a closed session should take care to prevent unauthorized disclosure of confidential information. There is a particular risk of a breach of confidentiality when a Director maintains material distributed in a closed session in personal files.

[Amended by Ordinance No. 81 on June 1, 2015]

Chapter 3. Conflicts of Interest

Article 1. Conduct and Disclosures

SECTION 2-3.1.1. ETHICAL CONDUCT

Directors, officers and employees shall disclose potential conflicts of interest and shall not participate in decisions which could materially affect a financial interest.

SECTION 2-3.1.2. CONFLICTS OF INTEREST DISCLOSURE

Pursuant to 2 California Code of Regulations Section 18730, the model Conflict of Interest Code of the Fair Political Practices Commission (FPPC), as amended from time-to-time, has been adopted by the District.

SECTION 2-3.1.3. DISCLOSURE CATEGORIES

The conflict of interest disclosure categories established by the FPPC, as amended from time-to-time, have been adopted by the District.

SECTION 2-3.1.4. DESIGNATED EMPLOYEES

The District's Directors, General Manager, Assistant General Manager, Secretary and General Counsel are "designated employees" under the District's Conflict of Interest Code and shall disclose financial interests for all disclosure categories. Consultants, as defined by the Political Reform Act, shall disclose financial interest for disclosure categories affecting their interests as determined by the General Manager.

[Amended by Resolution No. 14-581 on September 15, 2014]

SECTION 2-3.1.5. FILING OF DISCLOSURE STATEMENTS

(a) Designated employees shall file disclosure statements on forms prescribed by the FPPC.

(b) The disclosure statements for all designated employees shall be filed with the Santa Barbara County Clerk-Recorder-Assessor & Registrar of Voters. Copies of the disclosure statements shall be provided to and retained by the District's Secretary.

SECTION 2-3.1.6. INCOMPATIBLE OFFICES

No officer shall hold another public office incompatible with District office. No full-time officer or employee shall be employed elsewhere without the consent of the General Manager. The General Manager shall not be employed elsewhere without the consent of the Board.

SECTION 2-3.1.7. NEPOTISM

No officer or employee of the District shall supervise another person related by blood or marriage.

Chapter 4. Defense and Indemnification

Article 1. Directors and Employees

SECTION 2-4.1.1. DEFINITIONS

The term “Director” shall mean any and all persons who were, now are or shall be lawfully elected or appointed members of the District’s Governing Board. The term “Employee” shall mean any and all persons who were, now are or shall be employees of the District, whether part time, full time, temporary or permanent, including, but not limited to, the District’s General Manager. The term “Employee” shall not include any person retained by the District as an independent contractor.

SECTION 2-4.1.2. SCOPE OF EMPLOYMENT

For purposes of this Chapter 4 and applicable Government Code and Labor Code provisions, an act or omission shall be deemed to have occurred within the scope of employment if, at the time of such act or omission, (i) the Director or Employee held a reasonable good faith belief that he or she was operating lawfully and in the best interests of the District, and (ii) such act or omission was without actual malice, fraud or corruption. A Director or Employee will be deemed to have held a reasonable good faith belief that he or she was operating lawfully and in the best interests of the District where the act or omission was pursuant to one or more of the following:

- (a) The advice of legal counsel;
- (b) The direction of the District’s Governing Board;
- (c) The direction of the Employee’s supervisor;
- (d) A good faith effort to comply with applicable local, state and/or federal legal or regulatory requirements, or to require compliance with same by a subordinate Employee;
- (e) A good faith effort to comply with the ordinances, rules and regulations of the District, including but not limited to the District’s employee handbook, or to require compliance with same by a subordinate Employee; or
- (f) A good faith effort to comply with reasonable terms of employment imposed by the District, or to require compliance with same by a subordinate Employee.

SECTION 2-4.1.3. DEFENSE BY DISTRICT

(a) **Civil, Administrative and Criminal Actions or Proceedings.** Upon request of a Director or Employee, the District shall provide for the defense of any civil, administrative or criminal action or proceeding brought against him or her, in his or her official or individual capacity or both, on account of an act or omission in the scope of his or her employment by the District, except where, and unless and until, the District reasonably determines in good faith based on all evidence in the record before it that:

- (1) The act or omission was not within the scope of employment; or
- (2) The Director or Employee acted or failed to act because of actual fraud, corruption, or actual malice; or
- (3) The defense of the action or proceeding by the District would create a specific conflict of interest between the District and the Director or Employee. For the purposes of this Section 4, “specific conflict of interest” means a conflict of interest or an adverse or pecuniary interest, as specified by statute or by a rule or regulation of the District; or
- (4) The action or proceeding was brought against the Employee by the District as specified in Government Code Section 995.4.

(b) **Scope of Defense.** The District’s duty hereunder to provide a defense shall lie whether the action or proceeding for which defense is required is brought against the Director or Employee in his or her official or individual capacity, and whether the Director or Employee is named in either a main action, cross-action, counter-claim or cross-complaint. Nothing contained in this Section 2-4.1.3 shall prevent the District from conducting the defense pursuant to a reservation of rights as set forth in Section 2-4.1.4, below. All expenses incurred in connection with such defense, whether pursuant to a reservation of rights or otherwise, and including reasonable attorneys’ fees, shall be paid by the District. The District may provide for a defense by its own attorney or by employing other counsel for this purpose or by purchasing insurance which requires that the insurer provide the defense. All of the expenses of providing a defense are proper charges against the District. Such expenses include attorneys’ fees, insurance premiums, and all other costs incurred in the defense of a claim or action brought against a Director or Employee. The District shall have no right to recover such defense expenses from the Director or Employee defended. If the District perceives a conflict of interest, it may elect to retain separate counsel to represent the Director or Employee.

SECTION 2-4.1.4. INDEMNIFICATION

If a Director or Employee requests the District to defend him or her against any claim or action against him or her for an injury arising out of an act or omission occurring within the scope of his or her employment, and the request is made in writing not less than 10 days before the day of trial, and the Director or Employee reasonably cooperates in good faith in the defense of the claim or action, the District shall pay any judgment based thereon or any compromise or settlement of the claim or action to which the District has agreed; provided however, where the District conducted the defense pursuant to an agreement with the Director or Employee reserving

the District's rights not to pay the judgment, compromise, or settlement until it is established that the injury arose out of an act or omission occurring within the scope of his or her employment, the District is required to pay the judgment, compromise, or settlement only if the District reasonably determines in good faith based on all evidence in the record before it that the injury arose out of an act or omission occurring in the scope of his or her employment.

SECTION 2-4.1.5. PUNITIVE DAMAGES

Nothing contained in Section 2-4.1.4 above requires the District to pay punitive or exemplary damages. However the District may, in its sole discretion, elect to pay punitive or exemplary damages awarded against a Director or Employee if the District finds that (i) all of the requirements for providing a defense under Section 2-4.1.3 above have been satisfied, and (ii) the payment of such punitive or exemplary damages would be in the best interests of the District.

SECTION 2-4.1.6. INSURANCE

The District may obtain liability insurance protecting each of its Directors and Employees against all or any part of his or her liability for injury resulting from an act or omission in the scope of his or her employment, including insurance against the expense of defending a claim against him or her, whether or not liability exists on such claim.

[Adopted as Resolution No. 07-451 on February 5, 2007]

TITLE 3 - FINANCE

Chapter 1. Budget and Reports

Article 1. Procedures

SECTION 3-1.1.1. BUDGET

(a) The General Manager shall present a proposed budget to the Board prior to June 15 of each year.

(b) The Board shall approve a budget by July 1 of each year.

(c) The General Manager shall recommend modifications of the budget to the Board if the approved budget is inadequate due to events occurring subsequent to the approval of the budget.

(d) The General Manager shall implement the approved or revised budget. Expenditures shall be made in accordance with the purchasing procedures set forth in this Code.

(e) In the event that a final budget has not been approved by the July 1 commencement date of any fiscal year, the continuation of the District's normal operations is authorized.

(f) During any time that an approved budget is not in place, the Board authorizes the continued payment of expenses by the General Manager and the ratification thereof by the Board in accordance with Resolution No. 12-532 adopted on January 16, 2012, as said Resolution may be amended, replaced or superseded in the future.

[Sections (e) and (f) were added by Resolution No. 14-578 on August 4, 2014]

SECTION 3-1.1.2. FINANCIAL REPORTS AND COLLECTION OF REVENUES

(a) The District shall by August 10 of each year request that the District's sewer service charges be collected on the County tax roll.

(b) The District shall request the Santa Barbara County Board of Supervisors and County Auditor to levy and collect ad valorem taxes, other taxes and assessments by August 10 of each year.

(c) The Secretary shall annually file a copy of the budget with the Santa Barbara County Auditor by August 30.

(d) An annual audit for the prior year shall be filed with the State Controller and the County Board of Supervisors by June 30.

(e) An annual financial statement shall be filed with the State Controller by September 28 of each year.

(f) Voter approved indebtedness shall be reported to the State Controller by September 28 of each year.

Chapter 2. District Funds

Article 1. Investment of Funds Not Needed Immediately

SECTION 3-2.1.1. STATEMENT OF INVESTMENT POLICY

Pursuant to California Government Code Section 53646, the Board has approved the following statement of investment policy:

(a) Scope

This investment policy shall apply to all funds of the District which are not required for the immediate needs of the District, with the exception of (i) deferred compensation plan investments, which are held in trust and not carried on the District's books; (ii) California Public Employees' Retirement System ("CalPERS") contributions, which are invested pursuant to the CalPERS program; and (iii) retiree health benefits, which are held in the California Employees Retirement Benefit Trust (CERBT).

(b) Delegation

All decisions regarding the investment of District funds pursuant to this policy shall be made by the District's Board. The Board has established a Finance Committee which is responsible for monitoring and reviewing the District's investments and making recommendations to the Board. Subject to the requirements for calling for committee meetings as set forth in Section 6 of Ordinance No. 78, as it may be amended from time to time, the Finance Committee shall meet as often as necessary to carry out its responsibilities, and shall make reports to the Board on at least a quarterly basis. Notwithstanding the foregoing, it is recognized that neither the Finance Committee nor the Board participate in or have responsibility for decisions regarding the specific investments made with respect to District funds deposited with the Local Agency Investment Fund (LAIF) under Government Code Section 16429.1 or other pooled investment funds and that all such decisions are made by the fund managers.

The District's General Manager shall serve as the Treasurer for the District. The Treasurer shall carry out the Board's investment decisions and shall make periodic reports to the Board as provided herein. Pursuant to Health and Safety Code Section 6801 and District Resolution No. 93-266, the Treasurer shall be responsible for the deposit and withdrawal of District funds. A surety bond shall be obtained on the Treasurer in the amount of \$100,000.

(c) Prudent Investor Standard

In making investment decisions pursuant to this policy, the District's Board is a trustee and therefore a fiduciary subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing the District's funds, the Board shall act with the care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the District, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the District. Within the limitations set forth in this section and considering individual investments as part of an overall strategy, the Board is authorized to acquire investments as authorized by law and by this policy.

(d) Objectives

As set forth in Government Code Section 53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing the District's funds, the primary objective shall be to safeguard the principal of the funds. The secondary objective shall be to meet the liquidity needs of the District. The third objective shall be to achieve a return on the funds.

(e) Diversification

The District shall maintain a portfolio of authorized investments with diversified maturities, issuers and security types to avoid the risks inherent in over-investing in any one sector. The District shall evaluate or cause to have evaluated each potential investment, seeking quality of issuer and underlying security or collateral. The District shall consider market volatility and shall diversify the portfolio to minimize risks with respect to the invested funds.

(f) Authorized Investments

All funds of the District shall be invested in compliance with Government Code Sections 53600 through 53686. The District shall make only those investments authorized under Government Code Sections 53601, 53601.8, 53635, 53635.8, 53684 and 16429.1, as said sections may be amended from time to time, subject to the limitations and requirements set forth therein. The District shall not make any of the prohibited investments specified under Government Code Section 53601.6, as said section may be amended from time to time.

(g) Quarterly Reports

It is the policy of the District that the Treasurer render quarterly reports to the District's Board within 30 days following the end of the quarter covered by the report. Except as provided below, the report shall include the type of investment, issuer, date of maturity, par and dollar amount invested in all securities, investments and moneys held by the District, and shall additionally include a description of any funds, investments, or programs that are under the management of contracted parties, including lending programs. With respect to all securities under management of any outside party that is not also a local agency or the State of California Local Agency Investment Fund, the report shall also include the current market value as of the date of the report, and shall include the sources of this same valuation.

The quarterly report shall state compliance of the portfolio with this statement of investment policy, or the manner in which the portfolio is not in compliance.

The quarterly report shall include a statement denoting the ability of the District to meet its expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall, or may, not be available.

In the quarterly report, a subsidiary ledger of investments may be used in accordance with accepted accounting practices.

The quarterly report shall include whatever additional information or data may be required by the District's Board.

The Board may elect to have the report specified above be made on a monthly basis instead of quarterly.

For District investments which have been placed in the Local Agency Investment Fund created by Government Code Section 16429.1, in Federal Deposit Insurance Corporation-insured accounts in a bank or savings and loan association, in a county investment pool, or any combination of these, the Treasurer may supply to the Board the most recent statement or statements received by the District from these institutions in lieu of the information required above.

(h) Annual Review

It is the policy of the District that the Treasurer annually render to the District's Board a statement of investment policy, which the Board shall consider at a public meeting. Any changes in the policy shall also be considered by the Board at a public meeting.

[Adopted as Resolution No. 16-606 on September 19, 2016.]

Article 2. Savings Deposit and Checking Accounts

SECTION 3-2.2.1. DEPOSITS

(a) Pursuant to Government Code Section 16429.1, the Board has authorized the deposit of District funds in the Local Agency Investment Fund.

[Adopted as Resolution No. 93-267 on June 21, 1993]

(b) The District shall establish one or more deposit accounts with State or national banks or savings associations.

(c) Pursuant to Health and Safety Code Section 6801, the Board has elected to disburse funds of the District as an alternative to having such funds disbursed by the Santa Barbara County Treasurer, and has appointed the District's Treasurer to be responsible for the deposit and withdrawal of the District's funds.

[Adopted as Resolution No. 93-266 on June 21, 1993]

SECTION 3-2.2.2. SAFETY DEPOSIT BOXES

The General Manager may obtain safety deposit boxes at State or national banks or savings associations for use by the District. Access shall be by those persons designated by the General Manager.

SECTION 3-2.2.3. PETTY CASH ACCOUNT

The General Manager shall create and the District shall maintain a fund, known as the petty cash account, in the amount of \$500. Disbursements shall be accompanied by paid receipts.

SECTION 3-2.2.4. ACCOUNTING PRACTICES

The District shall maintain books of account in accordance with generally accepted accounting practices as promulgated by the governmental accounting standards board showing the status of monies received and disbursed.

Article 3. Segregation of District Funds

SECTION 3-2.3.1. DESIGNATIONS

The District has established and maintains the following funds and accounts:

(a) Running Expense Fund

The District deposits into the Running Expense Fund (a) the revenues it receives from sewer service charges, (b) the payments it receives from other entities which share capacity rights in the District's treatment plant and ocean outfall, and (c) interest and miscellaneous income. The purpose of the Running Expense Fund is (a) to provide for the receipt of revenues and the disbursement of expenses, and (b) to maintain a balance sufficient to fund a six-month period of administration costs of the District and operations and maintenance costs relating to the District's collection system, influent pump station, industrial waste control program, wastewater treatment facilities, reclamation facilities and effluent disposal ocean outfall.

[Adopted as Resolution No. 99-360 on June 21, 1999]

(b) Plant Reserve Fund

Pursuant to Paragraph 18 of that certain Agreement for Expansion of the Goleta Sanitary District Sewage Disposal Treatment Plant Facilities dated November 28, 1960, as amended, the District deposits into the Plant Reserve Fund four percent (4%) of the payments received from other entities which share capacity rights in the District's treatment plant. The purpose of the Plant Reserve Fund is to fund extraordinary repairs, replacements, modifications or reconstruction of the District's treatment plant.

[Adopted as Resolution No. 99-361 on June 21, 1999]

(c) Capital Reserve Fund

The District deposits into the Capital Reserve Fund (a) connection fees collected pursuant to Ordinance No. 40, as amended from time to time, which Ordinance sets forth the charges to be imposed for the privilege of connecting structures to the District's sewer facilities (the "Connection Fees"), and (b) annexation fees collected for the privilege of annexing real property to the District (the "Annexation Fees"). The purpose of the Connection Fees is to

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finance the expansion of the sanitation and sewerage facilities of the District to accommodate the demand for additional capacity. The purpose of the Annexation Fees is to cover the annexed territory's equitable share of the cost of maintaining facilities previously acquired and/or constructed by the District.

[Adopted as Resolution No. 99-362 on June 21, 1999]

(d) Replacement Reserve Fund

The District deposits into the Replacement Reserve Fund the depreciation portion of the revenues it receives from sewer service charges, as well as revenues received from property taxes and other sources (the "Replacement Reserve Revenues"). The purpose of the Replacement Reserve Revenues is to finance the reconstruction and replacement of the sanitation and sewerage facilities of the District which may be required from time to time due to wear, tear and aging.

[Adopted as Resolution No. 99-363 on June 21, 1999]

(e) Outfall Reballasting Fund

The District deposits into the Outfall Reballasting Fund funds from (a) the District's Running Expense Fund, and (b) payments received from other entities which share capacity rights in the District's ocean outfall. The purpose of the Outfall Reballasting Fund is to pay costs associated with the reballasting of the District's ocean outfall which was completed in 1994.

[Adopted as Resolution No. 99-365 on June 21, 1999]

(f) Emergency Fund

The District has deposited into the Emergency Fund the sum of \$500,000 from the Replacement Reserve Fund (the "Emergency Revenues"). Expenditures from the Emergency Fund may be replaced in the future by transferring additional funds from the Replacement Reserve Fund. The purpose of the Emergency Revenues is to pay costs and expenses related to the repair and/or replacement of District facilities which may become necessary as a result of an emergency.

[Adopted as Resolution No. 07-453 on May 7, 2007]

(g) Plant Upgrading Fund

The District deposits into the Plant Upgrading Fund (i) certain amounts transferred from the District's Capital Reserve Fund and Replacement Reserve Fund, (ii) a portion of the District's sewer service charges and connection fees, (iii) other funds received by the District, including but not limited to loan proceeds, and (iv) funds provided by other agencies sharing capacity in the District's wastewater treatment plant to cover their share of upgrading the plant to provide full secondary treatment (the "Upgrading Project"). The purpose of the Plant

Upgrading Fund is to pay for the costs and expenses related to the Upgrading Project, including but not limited to planning, design, environmental review, permitting and construction.

[Adopted as Resolution No. 07-452 on May 7, 2007]

(h) Administrative Penalty Fund

The District deposits into the Administrative Penalty Fund all administrative penalties which are collected under the District's sewer use and pretreatment regulations adopted as Ordinance No. 77 on April 16, 2012 (the "SUO") or under any other ordinances of the District which amend, supersede or replace the SUO. The purpose of the Administrative Penalty Fund is to pay for the monitoring, treatment, and control of discharges into the District's sanitation or sewer system or for other mitigation measures.

[Adopted as Resolution No. 12-533 on May 7, 2012]

SECTION 3-2.3.2. REVIEW OF FUND BALANCES

The balances in the funds established by the District shall be reviewed on an annual basis at the time the District adopts its budget for the year. The adoption of the annual budget shall evidence the District's determination that the monies contained in the funds (a) do not exceed an amount which is necessary to fulfill the purposes for which the funds have been established; (b) are necessary to meet the financial requirements of the District; and (c) may enable the District to avoid adverse financial impacts in the future.

Article 4. Disbursements

SECTION 3-2.4.1. PAYMENT OF DISTRICT EXPENSES

(a) A check register showing the check number, payee, amount, the fund upon which it is drawn and the purpose of each check, shall be maintained by or under the direction of the General Manager. Invoices and other supporting documents shall be available with the checks at Board meetings for inspection by any Director.

(b) The persons holding the positions listed below are designated as authorized signers on behalf of the District on all District bank accounts:

- (i) Governing Board President
- (ii) Governing Board President Pro Tem
- (iii) General Manager
- (iv) Assistant General Manager

[Section (b) was adopted as Resolution No. 14-572 on July 7, 2014]

TITLE 4 - BIDDING REQUIREMENTS

Chapter 1. Acquisition and Sale of Materials, Supplies, Equipment and Other Personal Property

Article 1. Procedures

SECTION 4-1.1.1. PURCHASES AND LEASES

All purchases and contracts for the acquisition of materials, supplies, furnishings, equipment and other personal property required by the District shall be made in accordance with this Chapter. Lease transactions shall be subject to the requirements and procedures of this Chapter, provided that the total expenditures payable during the term of the lease, not including interest and finance charges, exceed the amount set forth herein for purchases and acquisition contracts.

SECTION 4-1.1.2. BID REQUIREMENTS

Except as provided in Section 4-1.1.3 below, if there is a reasonable possibility that the amount of an expenditure will exceed \$50,000, written bids shall be solicited from at least two (2) responsible prospective suppliers. Bids may be solicited in any commercially reasonable manner, including but not limited to making personal direct requests to particular suppliers, or publication of a request for bids in newspapers or trade journals. Bids may be reviewed with consideration given to lowest price, highest quality of product and most appropriate services to be provided, if any. The District shall not be required to award the contract to the lowest responsible bidder and may, in its discretion, reject all bids.

SECTION 4-1.1.3. EXCEPTIONS

The District may enter into purchase, acquisition or lease transactions without soliciting two (2) or more written bids from prospective suppliers if (i) there is no reasonable possibility that the amount of the expenditure will exceed \$50,000, (ii) there is only a single supplier of the materials, supplies, furnishings, equipment and other personal property sought to be acquired by the District, or (iii) soliciting competitive proposals would be unavailing or would not produce an advantage, and would thus be undesirable, impractical, or impossible.

SECTION 4-1.1.4. STATE DEPARTMENT OF GENERAL SERVICES

As an alternative to the procedures set forth in this Chapter, the District may instead utilize the State Department of General Services to acquire materials, supplies, furnishings, equipment and other personal property on the District's behalf, as authorized by Government Code Section 54205 and Public Contract Code Section 10324, or any successor statutes thereto; provided that the acquisitions can be made by the State Department of General Services upon the same terms, conditions and specifications at a cost lower than the District can obtain through its normal acquisition procedures.

SECTION 4-1.1.5. CONSOLIDATING, SCHEDULING AND SEPARATING ORDERS

The General Manager shall exercise diligence in consolidating and scheduling orders to the end that the District may benefit from quantity prices and the most favorable market. No requisition shall be broken into smaller units to evade any requirement of this Chapter, except that unrelated items required may be separated to provide different lists to vendors dealing in different commodity classes.

SECTION 4-1.1.6. EMERGENCY EXPENDITURES

If there is a great public calamity, such as an extraordinary fire, flood, storm, epidemic, or other disaster, or if it is necessary to do emergency work to prepare for national or local defense, the District's Board may pass a resolution by a four-fifths vote of its members declaring that the public interest and necessity demand the immediate expenditure of District funds to safeguard life, health, or property. Upon adoption of the resolution, the District may expend any sum required by the emergency without soliciting bids. In the event that it is not feasible for the Board to pass a resolution to respond to the emergency in a timely manner, the General Manager may expend any sum required by the emergency without soliciting bids. The Board shall, as soon as reasonably feasible, review and, as appropriate, ratify the action of the General Manager through adoption of a resolution declaring that the public interest and necessity required the immediate expenditure of District funds to safeguard life, health, or property.

SECTION 4-1.1.7. VOIDABLE TRANSACTIONS

Any transaction failing to comply with this Chapter in any respect is voidable in the discretion of the Board of the District.

SECTION 4-1.1.8. SURPLUS PROPERTY

In the event any material, supplies, furnishing, equipment or other personal property is no longer needed by the District, it shall be declared surplus. Any such surplus item or group of related surplus items may be sold by the General Manager with the prior approval of the Board.

[Adopted as Ordinance No. 66 adopted on December 4, 2006. Amended by Ordinance No. 75 on January 16, 2011.]

Chapter 2. Public Works

Article 1. Procedures

SECTION 4-2.1.1. BID REQUIREMENTS

All contracts for the construction of a work estimated to cost \$15,000 or more shall be let by competitive bidding pursuant to Public Contract Code Section 20803.

SECTION 4-2.1.2. INCREASE IN BID THRESHOLD

In the event Public Contract Code Section 20803 is amended to increase the \$15,000 threshold for competitive bidding, such higher threshold shall apply to District public works projects.

SECTION 4-2.1.3. INFORMAL BIDDING UNDER UPCCAA

The District has elected to become subject to the uniform public construction cost accounting procedures under the Uniform Public Construction Cost Accounting Act as set forth in Public Contract Code Section 22000, et seq. (the “Act”), and has adopted the following informal bidding procedures to govern the selection of contractors to perform public projects pursuant to Public Contract Code Section 22032(b):

(a) Informal Bid Procedures

Public projects, as defined by the Act and in accordance with the limits listed in Section 22032 of the Public Contract Code, may be let to contract by informal procedures as set forth in Section 22032, et seq., of the Public Contract Code.

(b) Contractors List

A list of contractors shall be developed and maintained in accordance with the provisions of Section 22034 of the Public Contract Code and criteria promulgated from time to time by the California Uniform Construction Cost Accounting Commission.

(c) Notice Inviting Informal Bids

Where a public project is to be performed which is subject to the provisions hereof, a notice inviting informal bids may be mailed to all contractors for the category of work to be bid, as shown on the list developed in accordance with Section (b), and shall be mailed to all construction trade journals as specified by the California Uniform Construction Cost Accounting Commission in accordance with Section 22036 of the Public Contract Code. Additional contractors and/or construction trade journals may be notified at the discretion of the department/agency soliciting bids, provided however:

(1) If there is no list of qualified contractors maintained by the District for the particular category of work to be performed, the notice inviting bids shall be sent only to the construction trade journals specified by the Commission.

(2) If the product or service is proprietary in nature such that it can be obtained only from a certain contractor or contractors, the notice inviting informal bids may be sent exclusively to such contractor or contractors.

(d) Award of Contracts

The District's General Manager is authorized to award informal contracts pursuant to foregoing informal bidding procedures.

[Adopted as Ordinance No. 83 on April 18, 2016]

SECTION 4-2.1.4. COMPLIANCE WITH CEQA

All District projects shall be carried out in compliance with the California Environmental Quality Act (CEQA) and with the District's guidelines implementing CEQA, as set forth in Title 7 of this Code.

TITLE 5 - SEWAGE REGULATIONS

Chapter 1. Use of Sewerage System

Article 1. General Provisions

SECTION 5-1.1.1. PURPOSE AND POLICY

This Chapter sets forth uniform requirements for Users of the Publicly Owned Treatment Works of the Goleta Sanitary District (the District) and enables the District to comply with all applicable State and Federal laws, including the Clean Water Act (33 United States Code section 1251 et seq.) and the General Pretreatment Regulations (Title 40 of the Code of Federal Regulations Part 403).

The objectives of this Chapter are:

- A. To prevent the introduction of pollutants into the Publicly Owned Treatment Works, POTW, that will interfere with its operation;
- B. To prevent the introduction of pollutants into the Publicly Owned Treatment Works that will pass through the Publicly Owned Treatment Works, inadequately treated, into receiving waters, or otherwise be incompatible with the Publicly Owned Treatment Works;
- C. To protect both (i) Publicly Owned Treatment Works personnel who may be affected by wastewater and sludge in the course of their employment and (ii) the general public;
- D. To promote reuse and recycling of industrial wastewater and sludge from the Publicly Owned Treatment Works; and
- E. To enable the District to comply with its National Pollutant Discharge Elimination System permit conditions, sludge use and disposal requirements, and any other Federal or State laws to which the Publicly Owned Treatment Works is subject.

This Chapter (i) shall apply to all Users of the Publicly Owned Treatment Works; (ii) authorizes the issuance of individual wastewater discharge permits; (iii) provides for monitoring, compliance, and enforcement activities; (iv) establishes administrative review procedures; and (v) requires User reporting.

SECTION 5-1.1.2. ADMINISTRATION

Except as otherwise provided herein, the Manager shall administer, implement, and enforce the provisions of this Chapter. Any powers granted to or duties imposed upon the Manager may be delegated by the Manager to the District's Environmental Compliance Program Officer or to other duly authorized District employees.

SECTION 5-1.1.3. ABBREVIATIONS

The following abbreviations, when used in this Chapter, District permits, reports and/or correspondence shall have the designated meanings:

BOD – Biochemical Oxygen Demand	NOV – Notice of Violation
BMP – Best Management Practice	NPDES – National Pollutant Discharge Elimination System
BMR – Baseline Monitoring Report	POTW – Publicly Owned Treatment Works
CFR – Code of Federal Regulations	RCRA – Resource Conservation and Recovery Act
CIU – Categorical Industrial User	SIU – Significant Industrial User
EPA – U.S. Environmental Protection Agency	SNC – Significant Non-compliance
ERP – Enforcement Response Plan	TDS – Total Dissolved Solids
FOG – Fats, Oil & Grease	TSS – Total Suspended Solids
FSE – Food Service Establishment	ug/L – micrograms per liter
GPD – gallons per day	U.S.C. – United States Code
IU – Industrial User	
mg/L – milligrams per liter	

SECTION 5-1.1.4. DEFINITIONS

Unless a provision explicitly states otherwise, the following terms and phrases, as used in this Chapter, District permits, reports and/or correspondence shall have the meanings hereinafter designated.

- A. **Act or the Act.** The Federal Water Pollution Control Act, also known as the Clean Water Act, as amended, 33 U.S.C. section 1251 et seq.
- B. **Approval Authority.** The California Regional Water Quality Control Board.
- C. **Authorized or Duly Authorized Representative of the User.**
- (1) If the User is a corporation:
- (a) The president, secretary, treasurer, or a vice-president of the corporation in charge of a principal business function, or any other person who performs similar policy or decision-making functions for the corporation; or
- (b) The manager of one or more manufacturing, production, or operating facilities, provided the manager is authorized to make management decisions that govern the operation of the regulated facility including having the explicit or implicit duty of making major capital investment recommendations, and initiate and direct other comprehensive measures to assure long-term environmental compliance with environmental laws and regulations; can ensure that the necessary systems are established or actions taken to gather complete and accurate information for individual wastewater discharge permit

requirements; and where authority to sign documents has been assigned or delegated to the manager in accordance with corporate procedures.

(2) If the User is a partnership or sole proprietorship: a general partner or proprietor, respectively.

(3) If the User is a Federal, State, or local governmental facility: a director or highest official appointed or designated to oversee the operation and performance of the activities of the government facility, or their designee.

(4) The individuals described in paragraphs 1 through 3, above, may designate a Duly Authorized Representative if the authorization is in writing, the authorization specifies the individual or position responsible for the overall operation of the facility from which the discharge originates or having overall responsibility for environmental matters for the company or facility, and the written authorization is submitted to the District.

D. **Biochemical Oxygen Demand or BOD.** The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedures for five (5) days at 20 degrees centigrade, usually expressed as a concentration (e.g., mg/l).

E. **Best Management Practices or BMPs.** Schedules of activities, prohibitions of practices, maintenance procedures, and other management practices to implement the prohibitions listed in Section 4.1 A and B of this Chapter [40 CFR 403.5(a)(1) and (b)]. BMPs include treatment requirements, operating procedures, and practices to control plant site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw materials storage. BMPs also include alternative means (i.e., management plans) of complying with, or in place of certain established categorical Pretreatment Standards and effluent limits.

F. **Categorical Pretreatment Standard or Categorical Standard.** Any regulation containing pollutant discharge limits promulgated by EPA in accordance with sections 307(b) and (c) of the Act (33 U.S.C. section 1317) that apply to a specific category of Users and that appear in 40 CFR Chapter I, Subchapter N, Parts 405-471.

G. **Categorical Industrial User.** An Industrial User subject to a categorical Pretreatment Standard or Categorical Standard.

H. **Chemical Oxygen Demand.** A measure of the oxygen required to oxidize all compounds, both organic and inorganic, in water.

I. **Control Authority.** The Goleta Sanitary District

J. **Daily Maximum.** The arithmetic average of all effluent samples for a pollutant collected during a calendar day.

K. **Daily Maximum Limit.** The maximum allowable discharge limit of a pollutant during a calendar day. Where Daily Maximum Limits are expressed in units of mass, the daily discharge

is the total mass discharged over the course of the day. Where Daily Maximum Limits are expressed in terms of a concentration, the daily discharge is the arithmetic average measurement of the pollutant concentration derived from all measurements taken that day.

L. **District.** The Goleta Sanitary District or the Governing Board of the Goleta Sanitary District.

M. **Enforcement Response Plan.** A plan including detailed procedures indicating how the District will investigate and respond to instances of industrial user noncompliance.

N. **Environmental Protection Agency or EPA.** The U.S. Environmental Protection Agency or, where appropriate, the Regional Water Management Division Director, the Regional Administrator, or other duly authorized official of said agency.

O. **Equivalent Residential Unit.** An annual WWTP capacity allocation for one single family residence equal to 74,095 gallons used to calculate sewer use fees based on the industrial user category.

P. **Existing Source.** Any source of discharge that is not a “New Source.”

Q. **Grab Sample.** A sample that is taken from a wastestream without regard to the flow in the wastestream and over a period of time not to exceed fifteen (15) minutes.

R. **Gravity Separation Interceptor.** A tank or basin in which Wastewater is held for a period of time during which the heavier solids settle to the bottom and the lighter materials float to the water surface. Gravity Separation Interceptor shall also mean a settling tank or sedimentation basin that is designed to treat the Pollutant(s) of concern.

S. **Grease Interceptor.** A plumbing device designed to separate and retain most fats, oils, grease and solids, excluding sanitary wastes, before entering the public sewer collection system.

T. **Hazardous Waste.** A waste that meets any of the criteria for identification of a Hazardous Waste adopted by any Federal or State agency, whichever criteria is most stringent.

U. **Indirect Discharge or Discharge.** The introduction of pollutants into the POTW from any nondomestic source.

V. **Infectious Waste.** Wastes which contain pathogenic organisms that can invade the tissues of the body and cause disease.

W. **Instantaneous Limit.** The maximum concentration of a pollutant allowed to be discharged at any time, determined from the analysis of any discrete or composited sample collected, independent of the industrial flow rate and the duration of the sampling event.

X. **Interference.** A discharge that, alone or in conjunction with a discharge or discharges from other sources, inhibits or disrupts the POTW, its treatment processes or operations or its sludge

processes, use or disposal and therefore is a cause of a violation of the District's NPDES permit or of the prevention of sewage sludge use or disposal in compliance with any of the following statutory/regulatory provisions or permits issued thereunder, or any more stringent State or local regulations: section 405 of the Act; the Solid Waste Disposal Act, including Title II commonly referred to as the Resource Conservation and Recovery Act (RCRA); any State regulations contained in any State sludge management plan prepared pursuant to Subtitle D of the Solid Waste Disposal Act; the Clean Air Act; the Toxic Substances Control Act; and the Marine Protection, Research, and Sanctuaries Act.

Y. **Local Limits.** Specific discharge limits developed and enforced by the District upon industrial or commercial facilities to implement the general and specific discharge prohibitions listed in 40 CFR 403.5(a)(1) and (b), as set forth in Section 5-1.4.4 of this Chapter.

Z. **Manager.** The person designated by the District to supervise the operation of the POTW, and who is charged with certain duties and responsibilities by this Chapter. The term also means a Duly Authorized Representative of the Manager.

AA. **Lower Explosive Limit.** The point where the concentration of a gas in air is sufficient to result in an explosion if an ignition source is present.

BB. **Medical Waste.** Isolation wastes, infectious agents, human blood and blood products, pathological wastes, sharps, body parts, contaminated bedding, surgical wastes, potentially contaminated laboratory wastes, and dialysis wastes.

CC. **Monthly Average.** The sum of all "daily discharges" measured during a calendar month divided by the number of "daily discharges" measured during that month.

DD. **Monthly Average Limit.** The highest allowable average of "daily discharges" over a calendar month, calculated as the sum of all "daily discharges" measured during a calendar month divided by the number of "daily discharges" measured during that month.

EE. **New Source.**

(1) Any building, structure, facility, or installation from which there is (or may be) a discharge of pollutants, the construction of which commenced after the publication of proposed Pretreatment Standards under section 307(c) of the Act that will be applicable to such source if such Standards are thereafter promulgated in accordance with that section, provided that:

- (a) The building, structure, facility, or installation is constructed at a site at which no other source is located; or
- (b) The building, structure, facility, or installation totally replaces the process or production equipment that causes the discharge of pollutants at an Existing Source; or
- (c) The production or wastewater generating processes of the building, structure, facility, or installation are substantially independent of an Existing Source at the same site. In

determining whether these are substantially independent, factors such as the extent to which the new facility is integrated with the existing plant, and the extent to which the new facility is engaged in the same general type of activity as the Existing Source, should be considered.

(2) Construction on a site at which an Existing Source is located results in a modification rather than a New Source if the construction does not create a new building, structure, facility, or installation meeting the criteria of Section (1)(b) or (c) above but otherwise alters, replaces, or adds to existing process or production equipment.

(3) Construction of a New Source as defined under this paragraph has commenced if the owner or operator has:

(a) Begun, or caused to begin, as part of a continuous onsite construction program

- (i) any placement, assembly, or installation of facilities or equipment; or
- (ii) significant site preparation work including clearing, excavation, or removal of existing buildings, structures, or facilities which is necessary for the placement, assembly, or installation of new source facilities or equipment; or

(b) Entered into a binding contractual obligation for the purchase of facilities or equipment which is intended to be used in its operation within a reasonable time. Options to purchase or contracts which can be terminated or modified without substantial loss, and contracts for feasibility, engineering, and design studies do not constitute a contractual obligation under this paragraph.

FF. **NPDES Permit.** A National Pollutant Discharge Elimination System Permit, which is the regulatory document issued by the State of California as authorized by the EPA.

GG. **Noncontact Cooling Water.** Water used for cooling that does not come into direct contact with any raw material, intermediate product, waste product, or finished product.

HH. **Pass Through.** A discharge which exits the POTW into waters of the United States in quantities or concentrations which, alone or in conjunction with a discharge or discharges from other sources, is a cause of a violation of any requirement of the District's NPDES permit, including an increase in the magnitude or duration of a violation.

II. **Person.** Any individual, partnership, copartnership, firm, company, corporation, association, joint stock company, trust, estate, governmental entity, or any other legal entity; or their legal representatives, agents, or assigns. This definition includes all Federal, State, and local governmental entities.

JJ. **pH.** A measure of the acidity or alkalinity of a solution, expressed in standard units.

KK. **Pollutant.** Dredged spoil, solid waste, incinerator residue, filter backwash, sewage, garbage, sewage sludge, munitions, Medical Wastes, chemical wastes, biological materials,

radioactive materials, heat, wrecked or discarded equipment, rock, sand, cellar dirt, municipal, agricultural and industrial wastes, and certain characteristics of wastewater (e.g., pH, temperature, TDS, TSS, turbidity, color, BOD, chemical oxygen demand toxicity, chlorides or odor).

LL. **Pretreatment.** The reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutant properties in wastewater prior to, or in lieu of, introducing such pollutants into the POTW. This reduction or alteration can be obtained by physical, chemical, or biological processes, except bacterial enzymes; by process changes; or by other means, except by diluting the concentration of the pollutants unless allowed by an applicable Pretreatment Standard.

MM. **Pretreatment Requirements.** Any substantive or procedural requirement related to pretreatment imposed on a User, other than a Pretreatment Standard.

NN. **Pretreatment Standards or Standards.** Pretreatment Standards shall mean prohibited discharge standards, categorical Pretreatment Standards, Local Limits and any regulation containing pollutant discharge limits promulgated by the EPA in accordance with Section 307(b) and (c) et seq. of the Act which applies to industrial users. These include “categorical standards” which establish specific concentration limits for certain pollutants and total prohibitions of other pollutants as specified in 40 CFR 403 et seq., as well as Local Limits adopted by the Goleta Sanitary District including, but not limited to, those discharge limitations contained in this Chapter.

OO. **Prohibited Discharge Standards or Prohibited Discharges.** Absolute prohibitions against the discharge of certain substances; these prohibitions appear in Section 5-1.4.1 of this Chapter.

PP. **Publicly Owned Treatment Works or POTW.** A treatment works, as defined by section 212 of the Act (33 U.S.C. section 1292), which is owned by the District. This definition includes any devices or systems used in the collection, storage, treatment, recycling, and reclamation of sewage or industrial wastes of a liquid nature and any conveyances, which convey wastewater to a treatment plant.

QQ. **RCRA.** Resource Conservation and Recovery Act which is defined in 42 U.S.C. 6901 et seq.

RR. **Sampling Manhole.** A structure provided at the user’s expense for the District or user to measure and record wastewater constituent mass, concentrations, collect a representative sample, or provide access to plug or terminate the discharge.

SS. **Secondary Containment.** A second barrier or an outer wall of a double enclosure, which is designed to contain any leak or spill from a storage container.

TT. **Septic Tank Waste.** Any sewage from holding tanks such as vessels, chemical toilets, campers, trailers, and septic tanks.

UU. **Sewage.** Human excrement and gray water (household showers, dishwashing operations, etc.).

VV. **Significant Industrial User (SIU).** Except as provided in paragraphs (3) and (4) of this Section VV, a Significant Industrial User is:

(1) An Industrial User subject to Categorical Pretreatment Standards; or

(2) An Industrial User that:

(a) Discharges an average of twenty-five thousand (25,000) gallons per day or more of process wastewater to the POTW (excluding sanitary, noncontact cooling and boiler blowdown wastewater);

(b) Contributes a process wastestream which makes up five (5) percent or more of the average dry weather hydraulic or organic capacity of the POTW treatment plant; or

(c) Is designated as such by the District on the basis that it has a reasonable potential for adversely affecting the POTW's operation or for violating any Pretreatment Standard or Requirement.

(3) The District may determine that an Industrial User subject to categorical Pretreatment Standards is a Non-Significant Categorical Industrial User rather than a Significant Industrial User on a finding that the Industrial User never discharges more than 100 gallons per day of total categorical wastewater (excluding sanitary, non-contact cooling and boiler blowdown wastewater, unless specifically included in the Pretreatment Standard) and the following conditions are met:

(a) The Industrial User, prior to District's finding, has consistently complied with all applicable categorical Pretreatment Standards and Requirements;

(b) The Industrial User annually submits the certification statement required in Section 5-1.8.14 A of this Chapter [see 40 CFR 403.12(q)], together with any additional information necessary to support the certification statement; and

(c) The Industrial User never discharges any untreated concentrated wastewater.

(4) Upon a finding that a User meeting the criteria in Subsection (2) of this Section VV has no reasonable potential for adversely affecting the POTW's operation or for violating any Pretreatment Standard or Requirement, the District may at any time, on its own initiative or in response to a petition received from an Industrial User, and in accordance with procedures in 40 CFR 403.8(f)(6), determine that such User should not be considered a Significant Industrial User.

WW. **Slug Load or Slug Discharge.** Any discharge at a flow rate or concentration, which could cause a violation of the prohibited discharge standards in Section 5-1.4.1 of this Chapter. A Slug Discharge is any Discharge of a non-routine, episodic nature, including but not limited to an accidental spill or a non-customary batch Discharge, which has a reasonable potential to cause Interference or Pass Through, or in any other way violate the POTW's regulations, Local Limits or Permit conditions.

XX. **Slug Discharge Control Plan.** A plan designed to prevent the uncontrolled discharge of raw pollutants into the POTW.

YY. **Storm Water.** Any flow occurring during or following any form of natural precipitation, and resulting from such precipitation, including snowmelt.

ZZ. **Total Suspended Solids or Suspended Solids.** The total suspended matter that floats on the surface of, or is suspended in, water, wastewater, or other liquid, and that is removable by laboratory filtering.

aaa. **Toxic Pollutant.** Pollutants or combination of Pollutants, including disease-causing agents, which after discharge and upon exposure, ingestion, inhalation, or assimilation into any organism either directly from the environment or indirectly by ingestion through the food chain, will, on the basis of information available to the Administrator of the EPA, cause death, disease, behavioral abnormalities, cancer, genetic mutations, physiological malfunctions, or malfunctions in reproduction or physical deformations in such organisms or their offspring. Such Pollutants that have been identified as toxic are listed in 40 CFR 122, Appendix D.

bbb. **Twenty-five percent (25%) Rule.** Requirement for grease interceptors to be maintained such that the combined FOG and solids accumulation does not exceed 25% of the design hydraulic depth of the grease interceptor. This is to ensure that the minimum hydraulic retention time and required available hydraulic volume is maintained to effectively intercept and retain FOG so it is not discharged to the public sewer collection system.

ccc. **User or Industrial User.** A source of indirect discharge.

ddd. **Wastewater.** Liquid and water-carried industrial wastes and sewage from residential dwellings, commercial buildings, industrial and manufacturing facilities, and institutions, whether treated or untreated, which are contributed to the POTW.

eee. **Wastewater Treatment Plant or Treatment Plant.** That portion of the POTW which is designed to provide treatment of municipal sewage and industrial waste.

Article 2. Public Sewers Required

SECTION 5-1.2.1. INTRODUCTION

This Article 2 is applicable only to areas within the boundaries of the District.

SECTION 5-1.2.2. SANITATION

No person shall place, deposit, or discharge or permit to be placed, deposited, or discharged in an unsanitary manner upon public or private property within the District, any human or animal excrement, garbage, or other objectionable waste.

SECTION 5-1.2.3. WASTEWATER

No person shall discharge or permit to be discharged any sewage to any natural outlet within the District.

SECTION 5-1.2.4. BUILDINGS

The owners of all houses, buildings, or properties used for human occupancy, employment, recreation, or other purposes and located within two hundred (200) feet of a public street, alley, or right-of-way where a public sewer exists or is installed in the future shall within ninety (90) days after date of written notice to do so, at such owner's expense, install suitable toilets and sanitary facilities in said houses, buildings, or properties situated within the District and connect such facilities to a public sewer, except where said houses, buildings, or properties are separated from the public sewer by U.S. Highway 101, a railway right-of-way, watercourse, lagoon, or other natural barrier.

SECTION 5-1.2.5. COMPLIANCE WITH NOTICE

It shall be unlawful for any person to maintain within the District any privy, cesspool, septic tank, or other facility for disposal of sewage ninety (90) days after the date of written notice provided for in Section 5-1.2.4 of this Chapter.

SECTION 5-1.2.6. PRIVATE SYSTEM

It shall be unlawful for any person to construct within the District any privy, cesspool, septic tank, or other facility for disposal of sewage within two hundred (200) feet of a public street, alley, or right-of-way where a public sewer exists at the time of such construction, except where said houses, buildings, or properties are separated from the public sewer by U.S. Highway 101, a railway right-of-way, watercourse, lagoon, or other natural barrier.

SECTION 5-1.2.7. EXEMPTION

Where public sewers are not available within two hundred (200) feet of a house, building, or property situated within the District, the owner may install facilities for disposal of sewage temporarily until public sewers are extended to within two hundred (200) feet of said house, building, or property; provided that any such facilities shall meet the standards of and be approved by the Health Departments of the County of Santa Barbara and the State of California.

SECTION 5-1.2.8. PRIVATE SYSTEM FAILURES

In the event any owner of any house, building, property used for human occupancy, employment, recreation, or other purpose situated within the District, receives notice from the District or the Health Department of the County of Santa Barbara that any privy, cesspool, septic tank, or other facility for disposal of sewage is not operating to the satisfaction of the District or said Health Department, then, and in that event such owner shall, if public sewers are not available within two hundred (200) feet of said house, building, or property immediately repair said privy, cesspool, septic tank, or other facility for disposal of sewage to the satisfaction of the District and the Health Department of the County of Santa Barbara. If not so repaired, any use of said facilities shall be unlawful.

SECTION 5-1.2.9. WAIVER OF 200-FOOT REQUIREMENT

The Governing Board of the District may at its sole discretion, by minute order of said Board, approve an exemption given to any facility meeting the conditions of Section 5-1.2.7 of this Chapter even after a public sewer is installed within the 200-foot zone.

Article 3. Building Sewers and Connections

SECTION 5-1.3.1. INTRODUCTION

This Article 3 is applicable only to areas within the boundaries of the District.

SECTION 5-1.3.2. CONNECTION PERMISSION

No unauthorized person shall uncover, make any connections with or openings into, use, alter, or disturb any public sewer or appurtenance thereof without first obtaining a written permit from the Manager.

SECTION 5-1.3.3. CONNECTION TO MAIN

All connections to the public sewer shall be made at the WYE branch where possible, and by workmen experienced and competent in making such connections. In the event it is not possible to make a connection at a WYE branch, then the connection shall be made in the manner prescribed by the Manager. The property owner is responsible for maintaining the building sewer from the building up to and including the WYE connection.

SECTION 5-1.3.4. COSTS

All costs and expenses incident to the installation, connection, and maintenance thereof, of the building sewer shall be borne by the owner. The owner shall indemnify the District from any loss or damage that may directly or indirectly arise from the installation or maintenance of the building sewer.

SECTION 5-1.3.5. SEPARATE LATERALS

A separate and independent building sewer shall be provided for every building; except where one building stands at the rear of another on the same lot and is under the same ownership, the building sewer from the front building may be extended to the rear building and the whole considered as one building sewer, as in the case of a guest cottage or apartment.

SECTION 5-1.3.6. USE OF EXISTING LATERAL BY NEW BUILDING

Old building sewers may be used in connection with new buildings only when they are found on examination and test by the Manager to meet all requirements of this Section 5-1.3.

SECTION 5-1.3.7. SPECIFICATIONS

The building sewer shall be cast iron soil pipe, ASTM Specification (A74-42) or equal; vitrified clay sewer pipe, ASTM Specification (C1344T) or equal; or other suitable material permitted in the current edition of the District's Standard Specifications for Design and Construction of Sanitary Sewers. Joints shall be tight and waterproof. Any part of the building sewer that is located within ten (10) feet of a water service pipe shall be constructed of cast iron soil pipe with coupling joints. All sewers shall be constructed in accordance to and in compliance with the current edition of the District's Specifications for Design and Construction of Sanitary Sewers.

SECTION 5-1.3.8. COMPLIANCE WITH STANDARDS

In every building hereafter erected within the limits of the District, all plumbing fixtures shall conform to the provisions of the ordinances and codes of the City of Goleta, County of Santa Barbara, State of California, applying thereto.

SECTION 5-1.3.9. CLASSES OF SERVICE

There shall be four (4) classes of building sewer connection permits: (1) residential, (2) commercial establishments, (3) establishments producing industrial wastes, and (4) institutional facilities. In all cases, the owner or his agent shall make application on a special form furnished by the District. The permit application shall be supplemented by plans, specifications, and other information considered pertinent in the judgment of the Manager. A permit and inspection fee for each connection to the sewer lines of the District shall be paid to the District at the time the application is filed.

Article 4. General Sewer Use Requirements

SECTION 5-1.4.1. PROHIBITED DISCHARGE STANDARDS

A. **General Prohibitions.** No User shall introduce or cause to be introduced into the POTW any pollutant or wastewater which causes Pass Through or Interference. These general

prohibitions apply to all Users of the POTW whether or not they are subject to categorical Pretreatment Standards or any other National, State, or local Pretreatment Standards or Requirements.

B. **Specific Prohibitions.** No User shall introduce or cause to be introduced into the POTW the following pollutants, substances, or wastewater:

(1) **Explosive Mixtures.** Liquids, solids or gases which by reason of their nature or quantity are, or may be, sufficient either alone or by interaction with other substances to cause fire or explosion or be injurious in any other way to the sewerage facilities or to the operation of the system, in accordance with 40 CFR 403.5(b)(1); and Pollutants which create a fire or explosive hazard in the POTW, including, but not limited to, wastestreams with a closed-cup flashpoint of less than 140 degrees F (60 degrees C) using the test methods specified in 40 CFR 261.21. Prohibited materials include, but are not limited to: gasoline, kerosene, naphtha, benzene, toluene, xylene, ethers, alcohols, ketones, aldehydes, peroxides, chlorates, perchlorates, bromates, carbides, hydrides, sulfides or any other substances which the District, the State or EPA has notified the user is a fire hazard or a hazard to the system;

(2) **Corrosive Wastes.** Wastewater having a pH less than 6.0 or more than 9.5, or otherwise causing corrosive structural damage to the POTW or equipment. Prohibited materials include, but are not limited to, acids, caustics, sulfides, concentrated chloride and fluoride compounds, and substances which will react with water to form acidic products.

(3) **Solid or Viscous Wastes.** Solid or viscous substances which will or may cause obstruction to the flow in a sewer, or otherwise interfere with the proper operation of the wastewater treatment system, but in no case solids greater than one-half (1/2) inch in any dimension. Prohibited materials include, but are not limited to, grease, uncomminuted garbage, animal guts or tissues, paunch manure, bones, hair, hides or fleshings, entrails, whole blood, feathers, ashes, cinders, sand, spent lime, stone or marble dust, polishing compounds, resin beads, metal, glass, straw, shavings, grass clippings, rags, spent grains, spent hops, waste paper, wood, plastic, tar, asphalt residues, residues from refining or processing of fuel or lubricating oil, and similar substances;

(4) **Excessive Discharge Rate.**

a. **Hydraulic:** A rate of flow which results from the averaging of the flow rates over a period of 15 consecutive minutes and which is greater than five (5) times the twenty-four (24) hour total volume expressed in million gallons per day (MGD) shall be considered excessive.

b. **Loadings:** Those concentrations of pollutants such as toxics, BOD's, suspended solids, grease and oil, and other constituents, which in a grab sample are greater by a factor of five (5) than the average 24-hour concentration allowed in the Industrial Wastewater Discharge Permit or that concentration permitted in the effluent of the treatment plant to the ocean. Any greater concentration will be considered as excessive.

c. **Interference:** Under no conditions shall any pollutant, including oxygen-demanding pollutants (BOD, etc.), be released in a discharge at a flow rate and/or pollutant concentration which, either singly or by interaction with other pollutants, will cause Interference with the POTW.

d. **Unpolluted waters:** Any unpolluted waters including, but not limited to storm water, surface water, ground water, artesian well water, roof runoff, subsurface drainage, swimming pool drainage, condensate, deionized water, noncontact cooling water, and unpolluted wastewater which will increase the hydraulic load on the POTW, unless specifically authorized by the Manager.

(5) **Heat.** Wastewater having a temperature greater than 104 degrees F (40 degrees C), or which will inhibit biological activity in the treatment plant resulting in Interference, but in no case heat in wastewater quantities which causes the temperature at the introduction into the treatment plant to exceed 104 degrees F (40 degrees C);

(6) **Fats, Oils and Grease.**

a. Oil and grease concentrations or amounts from industrial facilities violating federal pretreatment standards, or local standards, whichever is more stringent.

b. Wastewater from industrial facilities containing floatable fats, wax, grease or oils.

c. Wax, grease, non-biodegradable cutting oil, or oil concentration of mineral or petroleum origin (non-living sources) of more than 100 mg/L whether emulsified or not, or containing substances which may solidify or become viscous at temperatures between 32 and 150 degrees F (0 and 65 C) at the point of discharge into the system or in amounts that will cause Interference or Pass Through.

d. Total fat, wax, grease, or oil concentration of animal or vegetable origin (living sources) of more than 100 mg/L, whether emulsified or not, or containing substances which may solidify or become viscous at temperatures between 32 and 150 degrees F (0 and 65 C) at the point of discharge into the system or in amounts that will cause interference or pass through.

e. No additives may be introduced into a wastewater system for the purpose of emulsifying FOG or biologically/chemically treating FOG for remediation or as a supplement to interceptor maintenance, unless specific written authorization from the District is obtained. To ensure that the minimum hydraulic retention time and required available hydraulic volume is maintained to effectively intercept and retain FOG so it is not discharged to the District's wastewater collection system, pretreatment interceptors shall be maintained such that the combined FOG and solids accumulation does not exceed 25% of the design hydraulic depth of the interceptor;

- (7) **Toxic Substances.** Any toxic substances in amounts exceeding standards promulgated by the Administrator of the United States Environmental Protection Agency pursuant to Section 307(a) of the Act, and chemical elements or compounds, phenols or other taste or odor-producing substances, or any other substances which are not susceptible to treatment or which may interfere with the biological processes or efficiency of the treatment system or which may cause abnormal increase in the operation costs of the treatment system. Any pollutants which result in the presence of toxic gases, vapors, or fumes within the POTW in a quantity that may cause acute worker health and safety problems;
- (8) **Nuisance.** Any waste which will cause, threaten to cause, or is capable of causing either alone or by interaction with other substances a detrimental environmental impact or a nuisance in the waters of the state or a condition unacceptable to any public agency having regulatory jurisdiction over the District;
- (9) **Trucked or Hauled Waste.** Any trucked or hauled pollutants are prohibited, except at discharge points designated by the District;
- (10) **Noxious Material.** Noxious or malodorous liquids, gases, solids, or other wastewater which, either singly or by interaction with other wastes, are sufficient to create a public nuisance or a hazard to life, or to prevent entry into the sewers for maintenance or repair;
- (11) **Discolored Materials.** Wastewater which imparts color which cannot be removed by the treatment process, such as, but not limited to, dye wastes and vegetable tanning solutions, which consequently causes the plant effluent to fail to meet State or EPA standards for turbidity or light transmittance, causes aesthetically undesirable discoloration of the ocean surface and/or causes, or threatens to cause a violation of the District's NPDES permit;
- (12) **Improperly Shredded Garbage.** Garbage that has not been ground or comminuted to such a degree that all particles will be carried freely in suspension under flow conditions normally prevailing the public sewers, with no particle greater than one-half (1/2) inch in any dimension;
- (13) **Radioactive Wastes.** Radioactive wastes or isotopes of such half-life or concentration that they do not comply with regulations or orders issued by the appropriate authority having control over their use and which will or may cause damage or hazards to the sewerage facilities or personnel operating the system. Radioactive wastes are not to exceed limits specified in Sections 30285 and 30287 of the California Administrative Code;
- (14) **Reclamation or Reuse.** Any waste which will cause, threaten to cause, or is capable of causing either alone or by interaction with other substances the District's effluent or any other product of the treatment process, residues, sludges, or scum to be unsuitable for reclamation and reuse or to interfere with the reclamation process;

- (15) **Suspended Solids.** Sludges, screenings, or other residues from the pretreatment of industrial wastes;
- (16) **Medical/Infectious Wastes,** except as specifically authorized by the Manager in an individual wastewater discharge permit;
- (17) **Pass-through.** Wastewater causing, alone or in conjunction with other sources, the treatment plant's effluent to fail toxicity test;
- (18) **Interference.** Detergents, surface-active agents, or other substances which that might cause excessive foaming in the POTW;
- (19) **Perchloroethylene.** Perchloroethylene and its derivatives and like compounds (collectively, "PCE"), including, but not limited to, chemicals and/or solvents used in the dry cleaning process, by automobile and mechanical repair facilities and other industries, where such chemicals and/or solvents contain PCE. Any discharge containing PCE shall be subject to the same concentration limitations that apply to drinking water within the jurisdiction where the User is located;
- (20) **Volatile Organic Compounds.** Volatile organic compounds found in petroleum derivatives such as gasoline and diesel fuel, including, but not limited to, benzene, toluene, ethylbenzene and xylenes (collectively "VOCs"). Any discharge containing VOCs shall be subject to the same concentration limitations that apply to drinking water within the jurisdiction where the User is located;
- (21) **Storage of Prohibited Waste.** Pollutants, substances, or wastewater prohibited by this Section 5-1.4.1 shall not be processed or stored in such a manner that they could be discharged to the POTW.

SECTION 5-1.4.2. NATIONAL CATEGORICAL PRETREATMENT STANDARDS

Users must comply with the categorical Pretreatment Standards found at 40 CFR Chapter I, Subchapter N, Parts 405–471. When wastewater subject to a categorical Pretreatment Standard is mixed with wastewater not regulated by the same Standard, the Manager shall impose the combined wastestream formula to calculate an alternate or adjusted categorical limit in accordance with 40 CFR 403.6(e).

SECTION 5-1.4.3. STATE PRETREATMENT STANDARDS

The EPA has delegated the responsibility to oversee Federal pretreatment programs to the California State Water Resources Control Board (SWRCB) and Regional Water Quality Control Boards (RWQCB). The SWRCB and RWQCB are responsible for the review and approval of the District's pretreatment program. Users must comply with California pretreatment requirements as set forth in the District's NPDES Permit.

SECTION 5-1.4.4. LOCAL LIMITS

A. The District is authorized to establish Local Limits pursuant to 40 CFR 403.5(c). The following Pollutant limits are established to protect against Pass Through and Interference. No person shall discharge wastewater containing in excess of the following Maximum Limits; provided, however, that where more restrictive limitations are imposed by Permit or Federal Pretreatment Standards, the more restrictive standards shall apply:

<u>Constituent</u>	<u>Concentration, mg/L</u>
<u>Conventional Pollutants:</u>	
Ammonia (N)	662
Biochemical Oxygen Demand	1,880
Total Suspended Solids	2,031
Oil & Grease	100
<u>Priority Pollutant Metals:</u>	
Arsenic	0.11
Cadmium	0.13
Chromium	5.3
Copper	2.4
Lead	1.5
Mercury	0.071
Nickel	2.3
Selenium	0.31
Silver	1.0
Zinc	3.2
<u>Other Trace Elements:</u>	
Molybdenum	To be determined
<u>Other Toxics:</u>	
Cyanide	1.1
pH	6-9.5 units

B. The above Local limits apply at the point where the wastewater is discharged to the POTW, also known as the end-of-pipe. All concentrations for metallic substances are for total metal unless indicated otherwise. The District may impose mass limitations in addition to concentration-based limitations.

C. The Manager may develop Best Management Practices (BMP's) by ordinance or in individual wastewater discharge permits to implement Local Limits and the requirements of Section 5-1.4.1 of this Chapter.

SECTION 5-1.4.5. DISTRICT'S RIGHT OF REVISION

The District reserves the right to establish, by ordinance or in individual wastewater discharge permits, more stringent Standards or Requirements on discharges to the POTW consistent with the purpose of this Chapter.

SECTION 5-1.4.6. DILUTION

No User shall ever increase the use of process water, or in any way attempt to dilute a discharge, as a partial or complete substitute for adequate treatment to achieve compliance with a discharge limitation unless expressly authorized by an applicable Pretreatment Standard or Requirement. The Manager may impose mass limitations on Users who are using dilution to meet applicable Pretreatment Standards or Requirements, or in other cases when the imposition of mass limitations is appropriate.

SECTION 5-1.4.7. BYPASS - DEFINITIONS

A. For the purposes of this Chapter:

1. Bypass means the intentional diversion of wastestreams from any portion of a User's treatment facility.
2. Severe property damage means substantial physical damage to property, damage to the treatment facilities which causes them to become inoperable, or substantial and permanent loss of natural resources which can reasonably be expected to occur in the absence of a bypass. Severe property damage does not mean economic loss caused by delays in production.

SECTION 5-1.4.8. BYPASS PROHIBITED

A. Bypass is prohibited. The Manager may take enforcement action against a User for a bypass unless:

1. Bypass was unavoidable to prevent loss of life, personal injury, or severe property damage; and
2. There were no feasible alternatives to the bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate back-up equipment should have been installed in the exercise of reasonable engineering judgment to prevent a bypass which occurred during normal periods of equipment downtime or preventative maintenance; and
3. The User submitted notices as required under Section 5-1.4.9 of this Chapter.

B. A User may allow a bypass to occur only if it does not cause violations of Pretreatment Standards, Industrial User Permit, or the District's NPDES Permit and is for essential maintenance to assure efficient operation. The Manager may approve a planned bypass after considering its potential adverse effects.

SECTION 5-1.4.9. BYPASS NOTIFICATIONS

A. If a User plans for a bypass, the User must submit prior notice to the Manager at least ten (10) days before the date of the bypass.

B. A User shall submit a verbal notice of an unanticipated bypass that exceeds applicable Pretreatment Standards or Permit limits to the Manager within twenty-four (24) hours from the time it becomes aware of the bypass. A written submission shall also be provided within five (5) days of the time the User becomes aware of the bypass. The written submission shall contain (i) a description of the bypass and its cause, (ii) the duration of the bypass, including exact dates and times, and, (iii) the steps taken or planned to reduce, eliminate, and prevent reoccurrence of the bypass. The Manager may waive the written report on a case by case basis if the oral report has been received with twenty-four (24) hours.

Article 5. Pretreatment of Wastewater

SECTION 5-1.5.1. PRETREATMENT FACILITIES

Users shall provide wastewater treatment as necessary to comply with this Chapter and shall achieve compliance with all categorical Pretreatment Standards, Local Limits, and the prohibitions set out in Section 5-1.4.1 of this Chapter within the time limitations specified by EPA, the State, or the Manager, whichever is more stringent. Any facilities necessary for compliance shall be provided, operated, and maintained at the User's expense. Detailed plans describing such facilities and operating procedures shall be submitted to the Manager for review, and shall be acceptable to the Manager before such facilities are constructed. The review of such plans and operating procedures shall in no way relieve the User from the responsibility of modifying such facilities as necessary to produce a discharge acceptable to the District under the provisions of this Chapter.

SECTION 5-1.5.2. ADDITIONAL PRETREATMENT MEASURES

A. Whenever deemed necessary, the Manager may require Users to restrict their discharge during peak flow periods, designate that certain wastewater be discharged only into specific sewers, relocate and/or consolidate points of discharge, separate sewage wastestreams from industrial wastestreams, and such other conditions as may be necessary to protect the POTW and determine the User's compliance with the requirements of this Chapter.

B. The Manager may require any person discharging into the POTW to install and maintain, on their property and at their expense, a suitable storage and flow-control facility to ensure

equalization of flow. An individual wastewater discharge permit may be issued solely for flow equalization.

C. Grease, oil, and sand interceptors shall be provided when, in the opinion of the Manager, they are necessary for the proper handling of wastewater containing excessive amounts of grease and oil, or sand; except that such interceptors shall not be required for residential users. All interception units shall be of a type and capacity approved by the Manager, shall comply with the District ordinances, and shall be so located to be easily accessible for cleaning and inspection. Such interceptors shall be inspected, cleaned, and repaired in accordance with District requirements by the User at their expense.

D. Users with the potential to discharge flammable substances may be required to install and maintain an approved combustible gas detection meter.

E. The Manager may require any persons discharging into the POTW to install and maintain, on their property and at their expense a flow meter capable of totalizing a minimum of ten million (10,000,000) gallons to authenticate the amount of effluent discharge for District billing purposes.

SECTION 5-1.5.3. ACCIDENTAL DISCHARGE/SLUG DISCHARGE CONTROL PLANS

The Manager shall evaluate whether each SIU needs an accidental discharge/slug discharge control plan or other action to control Slug Discharges. The Manager may require any User to develop, submit for approval, and implement such a plan or take such other action that may be necessary to control Slug Discharges. Alternatively, the Manager may develop such a plan for any User. An accidental discharge/slug discharge control plan shall address, at a minimum, the following:

A. Description of discharge practices, including nonroutine batch discharges;

B. Description of stored chemicals;

C. Procedures for immediately notifying the Manager of any accidental or Slug Discharge, as required by Section 5-1.8.6 of this Chapter; and

D. Procedures to prevent adverse impact from any accidental or Slug Discharge. Such procedures include, but are not limited to, inspection and maintenance of storage areas, handling and transfer of materials, loading and unloading operations, control of plant site runoff, worker training, building of containment structures or equipment, measures for containing toxic organic pollutants, including solvents, and/or measures and equipment for emergency response.

SECTION 5-1.5.4. TRUCKED OR HAULED WASTEWATER

Any trucked or hauled pollutants are prohibited, except at discharge points designated by the District.

SECTION 5-1.5.5. POLLUTION PREVENTION, WASTE MINIMIZATION, RECYCLING, AND TREATMENT

All Users must implement a program of waste minimization to reduce the generation of Hazardous Wastes in accordance with Federal, State, and local policies. This program, at a minimum, shall include adequate housekeeping measures and product substitution to less hazardous raw materials as much as economically feasible and recycling of all wastestreams as technically feasible.

Waste minimization must be demonstrated wherever feasible, in the following order of priority, as determined by EPA policy derived from the Pollution Prevention Act of 1990:

- A. Source Reduction: Substitution to less hazardous materials, spill prevention and control measures, proper storage and handling of chemicals and raw materials, or any methods that accomplish source reduction.
- B. Recycling, Recovery, and /or Reuse: Practice recovery, recycling, and reuse for such waste streams as solvents, oils ethylene glycol, silver and concentrated bath or spent solutions or other process wastestreams.
- C. Treatment: Treatment techniques designed to render Hazardous Wastes harmless or suitable for proper disposal.
- D. Disposal: Destruction of Hazardous Wastes must take precedence over landfilling, but in any case, all disposal must be in compliance with Federal, State, and local Hazardous Waste disposal laws.

Article 6. Individual Wastewater Discharge Permits

SECTION 5-1.6.1. WASTEWATER ANALYSIS

When requested by the Manager, a User must submit information on the nature and characteristics of its wastewater within ten (10) days of the request. The Manager is authorized to prepare a form for this purpose and may periodically require Users to update this information.

SECTION 5-1.6.2. INDIVIDUAL WASTEWATER DISCHARGE PERMIT REQUIREMENT

A. No Significant Industrial User shall discharge wastewater into the POTW without first obtaining an individual wastewater discharge permit from the Manager, except that a Significant Industrial User that has filed a timely application pursuant to Section 5-1.6.3 of this Chapter may continue to discharge for the time period specified therein.

B. The Manager may require other Users to obtain individual wastewater discharge permits as necessary to carry out the purposes of this Chapter.

C. Any violation of the terms and conditions of an individual wastewater discharge permit shall be deemed a violation of this Chapter and subjects the wastewater discharge permittee to the sanctions set out in Sections 5-1.12 through 5-1.14 of this Chapter. Obtaining an individual wastewater discharge permit does not relieve a permittee of its obligation to comply with all Federal and State Pretreatment Standards or Requirements or with any other requirements of Federal, State, and local law.

SECTION 5-1.6.3. INDIVIDUAL WASTEWATER DISCHARGE PERMITTING: EXISTING CONNECTIONS

Any User required to obtain an individual wastewater discharge permit who was discharging wastewater into the POTW prior to the effective date of this Chapter and who wishes to continue such discharges in the future, shall, within ten (10) days after said date, apply to the Manager for an individual wastewater discharge permit in accordance with Section 5-1.6.5 of this Chapter, and shall not cause or allow discharges to the POTW to continue after thirty (30) days of the effective date of this Chapter except in accordance with an individual wastewater discharge permit issued by the Manager.

SECTION 5-1.6.4. INDIVIDUAL WASTEWATER DISCHARGE PERMITTING: NEW CONNECTIONS

Any User required to obtain an individual wastewater discharge permit who proposes to begin or recommence discharging into the POTW must obtain such permit prior to the beginning or recommencing of such discharge. An application for this individual wastewater discharge permit, in accordance with Section 5-1.6.5 of this Chapter, must be filed at least ten (10) days prior to the date upon which any discharge will begin or recommence.

SECTION 5-1.6.5. INDIVIDUAL WASTEWATER DISCHARGE PERMIT APPLICATION CONTENTS

A. All Users required to obtain an individual wastewater discharge permit must submit a permit application. The Manager may require Users to submit all or some of the following information as part of a permit application:

1. Identifying Information.
 - a. The name and address of the facility, including the name of the operator and owner.
 - b. Contact information, description of activities, facilities, and plant production processes on the premises;
2. Environmental Permits. A list of any environmental control permits held by or for the facility.

3. Description of Operations.

- a. A brief description of the nature, average rate of production (including each product produced by type, amount, processes, and rate of production), and standard industrial classifications of the operation(s) carried out by such User. This description should include a schematic process diagram, which indicates points of discharge to the POTW from the regulated processes;
 - b. Types of wastes generated, and a list of all raw materials and chemicals used or stored at the facility which are, or could accidentally or intentionally be, discharged to the POTW;
 - c. Number and type of employees, hours of operation, and proposed or actual hours of operation;
 - d. Type and amount of raw materials processed (average and maximum per day);
 - e. Site plans, floor plans, mechanical and plumbing plans, and details to show all sewers, floor drains, and appurtenances by size, location, and elevation, and all points of discharge;
4. Time and duration of discharges;
5. The location for monitoring all wastes covered by the permit;
6. Flow Measurement. Information showing the measured average daily and maximum daily flow, in gallons per day, to the POTW from regulated process streams and other streams, as necessary, to allow use of the combined wastestream formula set out in Section 4.2(40 CFR 403.6(e)).
7. Measurement of Pollutants.
- a. The categorical Pretreatment Standards applicable to each regulated process and any new categorically regulated processes for Existing Sources.
 - b. The results of sampling and analysis identifying the nature and concentration, and/or mass, where required by the Standard or by the Manager, of regulated pollutants in the discharge from each regulated process.
 - c. Instantaneous, Daily Maximum, and long-term average concentrations, or mass, where required, shall be reported.
 - d. The sample shall be representative of daily operations and shall be analyzed in accordance with procedures set out in Section 5-1.8.10 of this Chapter. Where the Standard requires compliance with a BMP or pollution prevention alternative, the

User shall submit documentation as required by the Manager or the applicable Standards to determine compliance with the Standard.

e. Sampling must be performed in accordance with procedures set out in Section 5-1.8.11 of this Chapter.

8. Any other information as may be deemed necessary by the Manager to evaluate the permit application.

B. Incomplete or inaccurate applications will not be processed and will be returned to the User for revision.

SECTION 5-1.6.6. APPLICATION SIGNATORIES AND CERTIFICATIONS

A. All wastewater discharge permit applications, User reports and certification statements must be signed by an Authorized Representative of the User and contain the certification statement in Section 5-1-8.14 A of this Chapter.

B. If the designation of an Authorized Representative is no longer accurate because a different individual or position has responsibility for the overall operation of the facility or overall responsibility for environmental matters for the company, a new written authorization satisfying the requirements of Section 5-1.1.4 C of this Chapter must be submitted to the Manager prior to or together with any reports to be signed by an Authorized Representative.

SECTION 5-1.6.7. INDIVIDUAL WASTEWATER DISCHARGE PERMIT DECISIONS

The Manager will evaluate the data furnished by the User and may require additional information. Within twenty (20) days of receipt of a complete permit application, the Manager will determine whether to issue an individual wastewater discharge permit. The Manager may deny any application for an individual wastewater discharge permit.

SECTION 5-1.6.8. INDUSTRIAL WASTEWATER DISCHARGE PERMIT CLASSIFICATION

Industrial Wastewater Discharge Permits shall be classified as follows:

Class I: No Hazard – This class includes industrial users who do not handle, store, or dispose of toxic wastes on the premises; and who do not discharge toxic wastes into the sewer. These users include those with discharges that contain non-toxic pollutants which may cause interference with the operation of the POTW.

Class II: Low Hazard – This group of industrial users handles or stores toxic wastes on their premises, but does not discharge these wastes to the sewer. Such users have all toxic wastes hauled off site, but have floor drains or other plumbing fixtures through which toxic waste can be conveyed to the sewer during normal washdown operation or spillage. Zero-Discharge Certification Form can be used in lieu of monitoring.

Class III: Hazardous – This classification is for industrial users with intermittent discharges to the sewer which contain toxic pollutants.

Class IIIR: Groundwater Remediation – This classification is for industrial users pumping contaminated groundwater through treatment then discharging to the sewer.

Class IV: Serious Hazard – This classification is for Significant Industrial Users, those industries that are regulated under National Categorical Pretreatment Standards, or users that have continuous discharge to the sewer which contain toxic pollutants.

Article 7. Individual Wastewater Discharge Permit Issuance

SECTION 5-1.7.1. INDIVIDUAL WASTEWATER DISCHARGE PERMIT DURATION

An individual wastewater discharge permit shall be issued for a specified time period, not to exceed five (5) years from the effective date of the permit. An individual wastewater discharge permit may be issued for a period less than five (5) years, at the discretion of the Manager. Each individual wastewater discharge permit will indicate a specific date upon which it will expire.

SECTION 5-1.7.2. INDIVIDUAL WASTEWATER DISCHARGE PERMIT CONTENTS

An individual wastewater discharge permit shall include such conditions as are deemed reasonably necessary by the Manager to prevent Pass Through or Interference, protect the quality of the water body receiving the treatment plant's effluent, protect worker health and safety, facilitate sludge management and disposal, protect the wastewater reclamation facility and protect against damage to the POTW.

A. Individual wastewater discharge permits must contain:

- (1) A statement that indicates the wastewater discharge permits issuance date, expiration date and effective date;
- (2) A statement that the wastewater discharge permit is nontransferable without prior notification to the District in accordance with Section 5-1.7.4 of this Chapter, and provisions for furnishing the new owner or operator with a copy of the existing wastewater discharge permit;
- (3) Effluent limits, including Best Management Practices, based on applicable Pretreatment Standards;
- (4) Self monitoring, sampling, reporting, notification, and record-keeping requirements. These requirements shall include an identification of pollutants (or best management

practice) to be monitored, sampling location, sampling frequency, and sample type based on Federal, State, and local law.

(5) A statement of applicable civil and criminal penalties for violation of Pretreatment Standards and Requirements, and any applicable compliance schedule. Such schedule may not extend the time for compliance beyond that required by applicable Federal, State, or local law.

(6) Requirements to control Slug Discharge, if determined by the Manager to be necessary.

B. Individual wastewater discharge permits may contain, but need not be limited to, the following conditions:

(1) Limits on the average and/or maximum rate of discharge, time of discharge, and/or requirements for flow regulation and equalization;

(2) Requirements for the installation of pretreatment technology, pollution control, or construction of appropriate containment devices, designed to reduce, eliminate, or prevent the introduction of pollutants into the treatment works;

(3) Requirements for the development and implementation of spill control plans or other special conditions including management practices necessary to adequately prevent accidental, unanticipated, or nonroutine discharges;

(4) Development and implementation of waste minimization plans to reduce the amount of pollutants discharged to the POTW;

(5) The unit charge or schedule of User charges and fees for the management of the wastewater discharged to the POTW;

(6) Requirements for installation and maintenance of inspection and sampling facilities and equipment, including flow measurement devices;

(7) A statement that compliance with the individual wastewater discharge permit does not relieve the permittee of responsibility for compliance with all applicable Federal and State Pretreatment Standards, including those which become effective during the term of the individual wastewater discharge permit; and

(8) Other conditions as deemed appropriate by the Manager to ensure compliance with this Chapter, and State and Federal laws, rules, and regulations.

SECTION 5-1.7.3. PERMIT MODIFICATION

A. The Manager may modify an individual wastewater discharge permit for good cause, including, but not limited to, the following reasons:

- (1) To incorporate any new or revised Federal, State, or local Pretreatment Standards or Requirements;
- (2) To address significant alterations or additions to the User's operation, processes, or wastewater volume or character since the time of the individual wastewater discharge permit issuance;
- (3) A change in the POTW that requires either a temporary or permanent reduction or elimination of the authorized discharge;
- (4) Information indicating that the permitted discharge poses a threat to the District's POTW, District personnel, the POTW's beneficial sludge and/or reclaimed water use, or the receiving waters;
- (5) Violation of any terms or conditions of the individual wastewater discharge permit;
- (6) Misrepresentations or failure to fully disclose all relevant facts in the wastewater discharge permit application or in any required reporting;
- (7) Revision of or a grant of variance from categorical Pretreatment Standards pursuant to 40 CFR 403.13;
- (8) To correct typographical or other errors in the individual wastewater discharge permit; or
- (9) To reflect a transfer of the facility ownership or operation to a new owner or operator where requested in accordance with Section 5-1.7.4 of this Chapter.

SECTION 5-1.7.4. INDIVIDUAL WASTEWATER DISCHARGE PERMIT TRANSFER

Individual wastewater discharge permits may be transferred to a new owner or operator only if the permittee gives at least twenty (20) days advance notice to the Manager and the Manager approves the individual wastewater discharge permit transfer. The notice to the Manager must include a written certification by the new owner or operator which:

- A. States that the new owner and/or operator has no immediate intent to change the facility's operations and processes;
- B. Identifies the specific date on which the transfer is to occur; and
- C. Acknowledges full responsibility for complying with the existing individual wastewater discharge permit.

Failure to provide advance notice of a transfer renders the individual wastewater discharge permit void as of the date of facility transfer.

SECTION 5-1.7.5. INDIVIDUAL WASTEWATER DISCHARGE PERMIT REVOCATION

The Manager may revoke an individual wastewater discharge permit for good cause, including, but not limited to, the following reasons:

- A. Failure to notify the Manager of significant changes to the wastewater prior to the changed discharge;
- B. Failure to provide prior notification to the Manager of changed conditions pursuant to Section 5-1.8.5 of this Chapter;
- C. Misrepresentation or failure to fully disclose all relevant facts in the wastewater discharge permit application;
- D. Falsifying self-monitoring reports and certification statements;
- E. Tampering with monitoring equipment;
- F. Refusing to allow the Manager timely access to the facility premises and records;
- G. Failure to meet effluent limitations;
- H. Failure to pay fines;
- I. Failure to pay sewer charges;
- J. Failure to meet compliance schedules;
- K. Failure to complete a wastewater survey or the wastewater discharge permit application;
- L. Failure to provide advance notice of the transfer of business ownership of a permitted facility; or
- M. Violation of any Pretreatment Standard or Requirement, or any terms of the wastewater discharge permit or this Chapter.

Individual wastewater discharge permits shall be voidable upon cessation of operations or transfer of business ownership. All individual wastewater discharge permits issued to a User are void upon the issuance of a new individual wastewater discharge permit to that User.

SECTION 5-1.7.6. INDIVIDUAL WASTEWATER DISCHARGE PERMIT REISSUANCE

A User with an expiring individual wastewater discharge permit shall apply for individual wastewater discharge permit reissuance by submitting a complete permit application, in accordance with Section 5-1.6.5 of this Chapter, a minimum of thirty (30) days prior to the expiration of the User’s existing individual wastewater discharge permit.

SECTION 5-1.7.7. REGULATION OF WASTE RECEIVED FROM OTHER JURISDICTIONS

A. If another municipality, a governmental agency or a User located outside the District’s jurisdiction (an “Outside Contributor”) contributes wastewater to the District’s POTW, the District shall enter into an agreement with the Outside Contributor.

B. An agreement, as required by paragraph A, above, shall contain the following conditions:

- (1) A requirement for the Outside Contributor to adopt sewer use requirements which (i) are at least as stringent as this Chapter, (ii) contain Local Limits, which are at least as stringent as those set out in Section 5-1.4.4 of this Chapter, and (iii) includes requirements for Baseline Monitoring Reports (BMRs). The sewer use requirements shall specify that such requirements and limits must be revised as necessary to reflect changes made to the District’s ordinance or Local Limits;
- (2) A provision specifying which pretreatment implementation activities, including individual wastewater discharge permit issuance, inspection and sampling, and enforcement, will be conducted by the Outside Contributor; which of these activities will be conducted by the Manager; and which of these activities will be conducted jointly by the Outside Contributor and the Manager;
- (3) A requirement for the Outside Contributor to provide the Manager with access to all information that the Outside Contributor obtains as part of its pretreatment activities;
- (4) A provision specifying that, where the Outside Contributor has primary responsibility for permitting, compliance monitoring, or enforcement, the District has the right to take action to enforce the terms of the Outside Contributor’s sewer use requirements or to impose and enforce Pretreatment Standards and Requirements directly against dischargers in the event the Outside Contributor is unable or unwilling to take such action.

Article 8. Reporting Requirements

SECTION 5-1.8.1. BASELINE MONITORING REPORTS

A. Within either one hundred eighty (180) days after the effective date of a categorical Pretreatment Standard, or the final administrative decision on a category determination under 40 CFR 403.6(a)(4), whichever is later, existing Categorical Industrial Users currently discharging

to or scheduled to discharge to the POTW shall submit to the Manager a report which contains the information listed in paragraph B, below. At least ninety (90) days prior to commencement of their discharge, New Sources, and sources that become Categorical Industrial Users subsequent to the promulgation of an applicable categorical Standard, shall submit to the Manager a report which contains the information listed in paragraph B, below. A New Source shall report the method of pretreatment it intends to use to meet applicable categorical Standards. A New Source also shall give estimates of its anticipated flow and quantity of pollutants to be discharged.

B. Users described above shall submit the information set forth below.

(1) All information required in Section 5-1.6.5A (1) a, Section 5-1.6.5A (2), Section 5-1.6.5A (3) a, and Section 5-1.6.5A (6) of this Chapter.

(2) Measurement of pollutants.

- a. The User shall provide the information required in Section 5-1.6.5A (7) a through d of this Chapter.
- b. The User shall take a minimum of one representative sample to compile that data necessary to comply with the requirements of this paragraph.
- c. Samples should be taken immediately downstream from pretreatment facilities if such exist or immediately downstream from the regulated process if no pretreatment exists. If other wastewaters are mixed with the regulated wastewater prior to pretreatment the User should measure the flows and concentrations necessary to allow use of the combined wastestream formula in 40 CFR 403.6(e) to evaluate compliance with the Pretreatment Standards. Where an alternate concentration or mass limit has been calculated in accordance with 40 CFR 403.6(e) this adjusted limit along with supporting data shall be submitted to the Control Authority;
- d. Sampling and analysis shall be performed in accordance with Section 5-1.8.10 of this Chapter;
- e. The Manager may allow the submission of a baseline report which utilizes only historical data so long as the data provides information sufficient to determine the need for industrial pretreatment measures;
- f. The baseline report shall indicate the time, date and place of sampling and methods of analysis, and shall certify that such sampling and analysis is representative of normal work cycles and expected pollutant Discharges to the POTW.

(3) Compliance Certification. A statement, reviewed by the User's Authorized Representative as defined in Section 5-1.1.4 C of this Chapter and certified by a qualified professional, indicating whether Pretreatment Standards are being met on a consistent

basis, and, if not, whether additional operation and maintenance (O&M) and/or additional pretreatment is required to meet the Pretreatment Standards and Requirements.

(4) Compliance Schedule. If additional pretreatment and/or O&M will be required to meet the Pretreatment Standards, the shortest schedule by which the User will provide such additional pretreatment and/or O&M must be provided. The completion date in this schedule shall not be later than the compliance date established for the applicable Pretreatment Standard. A compliance schedule pursuant to this Section must meet the requirements set out in Section 5-1.8.2 of this Chapter.

(5) Signature and Report Certification. All baseline monitoring reports must be certified in accordance with Section 5-1.8.14 A of this Chapter and signed by an Authorized Representative as defined in Section 5-1.1.4 C of this Chapter.

SECTION 5-1.8.2. COMPLIANCE SCHEDULE PROGRESS REPORTS

The following conditions shall apply to the compliance schedule required by Section 5-1.8.1(B)(4) of this Chapter:

A. The schedule shall contain progress increments in the form of dates for the commencement and completion of major events leading to the construction and operation of additional pretreatment required for the User to meet the applicable Pretreatment Standards (such events include, but are not limited to, hiring an engineer, completing preliminary and final plans, executing contracts for major components, commencing and completing construction, and beginning and conducting routine operation);

B. No increment referred to above shall exceed nine (9) months;

C. The User shall submit a progress report to the Manager no later than fourteen (14) days following each date in the schedule and the final date of compliance including, as a minimum, whether or not it complied with the increment of progress, the reason for any delay, and, if appropriate, the steps being taken by the User to return to the established schedule; and

D. In no event shall more than nine (9) months elapse between such progress reports to the Manager.

SECTION 5-1.8.3. REPORTS ON COMPLIANCE WITH CATEGORICAL PRETREATMENT STANDARD DEADLINE

Within ninety (90) days following the date for final compliance with applicable categorical Pretreatment Standards, or in the case of a New Source following commencement of the introduction of wastewater into the POTW, any User subject to such Pretreatment Standards and Requirements shall submit to the Manager a report containing the information described in Section 5-1.6.5A(6) and (7) and 5-1.8.1B(2) of this Chapter. All compliance reports must be signed and certified in accordance with Section 5-1.8.14 A of this Chapter. All sampling will be done in conformance with Section 5-1.8.11 of this Chapter.

SECTION 5-1.8.4. PERIODIC COMPLIANCE REPORTS

A. All Significant Industrial Users must, at a frequency determined by the District, submit no less than twice per year (June and December) reports indicating the nature, concentration of pollutants in the discharge which are limited by Pretreatment Standards and the measured or estimated average and maximum daily flows for the reporting period. In cases where the Pretreatment Standard requires compliance with a Best Management Practice (BMP) or pollution prevention alternative, the User must submit documentation required by the District or the Pretreatment Standard necessary to determine the compliance status of the User.

B. All periodic compliance reports must be signed and certified in accordance with Section 5-1.8.14 A of this Chapter.

C. All wastewater samples must be representative of the User's discharge. Wastewater monitoring and flow measurement facilities shall be properly operated, kept clean, and maintained in good working order at all times. The failure of a User to keep its monitoring facility in good working order shall not be grounds for the User to claim that sample results are unrepresentative of its discharge.

D. If a User subject to the reporting requirement in this Section monitors any regulated pollutant at the appropriate sampling location more frequently than required by the Manager, using the procedures prescribed in Section 5-1.8.11 of this Chapter, the results of this monitoring shall be included in the report.

SECTION 5-1.8.5. REPORTS OF CHANGED CONDITIONS

Each User must notify the District of any significant changes to the User's operations or system which might alter the nature, quality, or volume of its wastewater at least ten (10) days before the change.

A. The District may require the User to submit such information as may be deemed necessary to evaluate the changed condition, including the submission of a wastewater discharge permit application under Section 5-1.6.5 of this Chapter.

B. The District may issue an individual wastewater discharge permit under Section 5-1.7.6 of this Chapter or modify an existing wastewater discharge permit under Section 5-1.7.3 of this Chapter in response to changed conditions or anticipated changed conditions.

SECTION 5-1.8.6. REPORTS OF POTENTIAL PROBLEMS

A. In the case of any discharge, including, but not limited to, accidental discharges, discharges of a nonroutine, episodic nature, a noncustomary batch discharge, a Slug Discharge or Slug Load, that might cause potential problems for the POTW, the User shall immediately telephone and notify the Manager of the incident. This notification shall include the location of the

discharge, type of waste, concentration and volume, if known, and corrective actions taken by the User.

B. Within five (5) days following such discharge, the User shall, unless waived by the District, submit a detailed written report describing the cause(s) of the discharge and the measures to be taken by the User to prevent similar future occurrences. Such notification shall not relieve the User of any expense, loss, damage, or other liability which might be incurred as a result of damage to the POTW, natural resources, or any other damage to person or property; nor shall such notification relieve the User of any fines, penalties, or other liability which may be imposed pursuant to this Chapter.

C. A notice shall be permanently posted on the User's bulletin board or other prominent place advising employees who to call in the event of a discharge described in paragraph A, above. Employers shall ensure that all employees, who could cause such a discharge to occur, are advised of the emergency notification procedure.

D. Significant Industrial Users are required to notify the Manager immediately of any changes at its facility affecting the potential for a Slug Discharge.

SECTION 5-1.8.7. REPORTS FROM UNPERMITTED USERS

All Users not required to obtain an individual wastewater discharge permit shall provide appropriate reports to the Manager as the Manager may require.

SECTION 5-1.8.8. NOTICE OF VIOLATION/REPEAT SAMPLING AND REPORTING

If sampling performed by a User indicates a violation, the User must notify the Manager within twenty-four (24) hours of becoming aware of the violation. The User shall also repeat the sampling and analysis and submit the results of the repeat analysis to the Manager within thirty (30) days after becoming aware of the violation. Resampling by the Industrial User is not required if the District performs sampling at the User's facility at least once a month, or if the District performs sampling at the User between the time when the initial sampling was conducted and the time when the User or the District receives the results of this sampling, or if the District has performed the sampling and analysis in lieu of the Industrial User.

SECTION 5-1.8.9. DISCHARGE OF HAZARDOUS WASTE

Discharge of hazardous wastes, except as specified in this Chapter, is prohibited.

SECTION 5-1.8.10. ANALYTICAL REQUIREMENTS

All pollutant analyses, including sampling techniques, to be submitted as part of a wastewater discharge permit application or report shall be performed in accordance with the techniques prescribed in 40 CFR Part 136 and amendments thereto, unless otherwise specified in an applicable categorical Pretreatment Standard. If 40 CFR Part 136 does not contain sampling or analytical techniques for the pollutant in question, or where the EPA determines that the Part

136 sampling and analytical techniques are inappropriate for the pollutant in question, sampling and analyses shall be performed by using validated analytical methods or any other applicable sampling and analytical procedures, including procedures suggested by the Manager or other parties approved by EPA.

SECTION 5-1.8.11. SAMPLE COLLECTION

Samples collected to satisfy reporting requirements must be based on data obtained through appropriate sampling and analysis performed during the period covered by the report, based on data that is representative of conditions occurring during the reporting period. A Chain-of-Custody form is required to be submitted with all monitoring data.

A. Except as indicated in Section B and C below, the User must collect wastewater samples using 24-hour flow-proportional composite sampling techniques, unless time-proportional composite sampling or grab sampling is authorized by the Manager. Where time-proportional composite sampling or grab sampling is authorized by the District, the samples must be representative of the discharge. Using protocols (including appropriate preservation) specified in 40 CFR Part 136 and appropriate EPA guidance, multiple grab samples collected during a 24-hour period may be composited prior to the analysis as follows: for cyanide, total phenols, and sulfides the samples may be composited in the laboratory or in the field; for volatile organics and oil and grease, the samples may be composited in the laboratory. Composite samples for other parameters unaffected by the compositing procedures as documented in approved EPA methodologies may be authorized by the District, as appropriate. In addition, grab samples may be required to show compliance with Instantaneous Limits.

B. Samples for oil and grease, temperature, pH, cyanide, total phenols, sulfides, and volatile organic compounds must be obtained using grab collection techniques.

C. For sampling required in support of baseline monitoring and 90-day compliance reports required in Sections 5-1.8.1 and 5-1.8.3 of this Chapter [40 CFR 403.12(b) and (d)], a minimum of four (4) grab samples must be used for pH, cyanide, total phenols, oil and grease, sulfide and volatile organic compounds for facilities for which historical sampling data do not exist; for facilities for which historical sampling data are available, the Manager may authorize a lower minimum. For the reports required by paragraphs Section 5-1.8.4 of this Chapter (40 CFR 403.12(e) and 403.12(h)), the Industrial User is required to collect the number of grab samples necessary to assess and assure compliance by with applicable Pretreatment Standards and Requirements.

SECTION 5-1.8.12. DATE OF RECEIPT OF REPORTS

Written reports will be deemed to have been submitted on the date postmarked. For reports, which are not mailed, postage prepaid, into a mail facility serviced by the United States Postal Service, the date of receipt of the report shall govern.

SECTION 5-1.8.13. RECORDKEEPING

Users subject to the reporting requirements of this Chapter shall retain, and make available for inspection and copying, all records of information obtained pursuant to any monitoring activities required by this Chapter, any additional records of information obtained pursuant to monitoring activities undertaken by the User independent of such requirements, and documentation associated with Best Management Practices established under Section 5-1.4.4 C of this Chapter. Records shall include the date, exact place, method, and time of sampling, and the name of the person(s) taking the samples; the dates analyses were performed; who performed the analyses; the analytical techniques or methods used; and the results of such analyses. These records shall remain available for a period of at least three (3) years. This period shall be automatically extended for the duration of any litigation concerning the User or the District, or where the User has been specifically notified of a longer retention period by the Manager.

SECTION 5-1.8.14. CERTIFICATION STATEMENTS

A. Certification of Permit Applications, User Reports and Initial Monitoring Waiver

The following certification statement is required to be signed and submitted by Users submitting permit applications in accordance with Section 5-1.6.6 of this Chapter; Users submitting baseline monitoring reports under Section 5-1.8.1 B (5) of this Chapter; Users submitting reports on compliance with the categorical Pretreatment Standard deadlines under Section 5-1.8.3; Users submitting periodic compliance reports required by Section 5-1.8.4 A–D of this Chapter, The following certification statement must be signed by an Authorized Representative as defined in Section 5-1.1.4 C of this Chapter:

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Article 9. Compliance Monitoring

SECTION 5-1.9.1. RIGHT OF ENTRY: INSPECTION AND SAMPLING

The District shall have the right to enter the premises of any User to determine whether the User is complying with all requirements of this Chapter and any individual wastewater discharge permit or order issued hereunder. Users shall allow the District ready access to all parts of the premises for the purposes of inspection, sampling, records examination and copying, and the performance of any additional duties.

- A. Where a User has security measures in force which require proper identification and clearance before entry into its premises, the User shall make necessary arrangements with its security guards so that, upon presentation of suitable identification, the District shall be permitted to enter without delay for the purposes of performing specific responsibilities.
- B. The District shall have the right to set up on the User's property, or require installation of, such devices as are necessary to conduct sampling and/or metering of the User's operations.
- C. The District may require the User to install monitoring equipment as necessary. The facility's sampling and monitoring equipment shall be maintained at all times in a safe and proper operating condition by the User at its own expense. All devices used to measure wastewater flow and quality shall be calibrated according to manufacturer's specifications to ensure their accuracy.
- D. Any temporary or permanent obstruction to safe and easy access to the facility to be inspected and/or sampled shall be promptly removed by the User at the written or verbal request of the District and shall not be replaced. The costs of clearing such access shall be borne by the User.
- E. Unreasonable delays in allowing the District access to the User's premises shall be a violation of this Chapter.
- F. The monitoring facility shall (i) provide ample room in or near the monitoring facility to allow accurate sampling and preparation of samples and analysis, (ii) comply with all District requirements, (iii) comply with all applicable local construction standards and specifications, and (iv) be constructed and maintained in such manner so as to enable the District to perform independent monitoring activities.

SECTION 5-1.9.2. INSPECTION WARRANTS

If the District has been refused access to a building, structure, or property, or any part thereof, and is able to demonstrate probable cause to believe that there may be a violation of this Chapter, or that there is a need to inspect and/or sample as part of a routine inspection and sampling program of the District designed to verify compliance with this Chapter or any permit or order issued hereunder, or to protect the overall public health, safety and welfare of the community, they may seek issuance of an inspection warrant from the Santa Barbara Superior Court pursuant to California Code of Civil Procedure Section 1822.50 et seq.

Article 10. Confidential Information

Information and data on a User obtained from reports, surveys, wastewater discharge permit applications, individual wastewater discharge permits, and monitoring programs, and from the District's inspection and sampling activities, shall be available to the public without restriction, unless the User specifically requests, and is able to demonstrate to the satisfaction of the District, that (i) the release of such information would divulge information, processes, or methods of production entitled to protection as trade secrets under applicable State law, and (ii) such

information is exempt from disclosure under the California Public Records Act (California Government Code Section 6250 et seq.). Any such request must be asserted at the time of submission of the information or data. When requested and demonstrated by the User furnishing a report that such information should be held confidential, the portions of a report which might disclose trade secrets or secret processes shall not be made available for inspection by the public, but shall be made available immediately upon request to governmental agencies for uses related to the NPDES program or pretreatment program, and in enforcement proceedings involving the person furnishing the report. Wastewater constituents and characteristics and other effluent data, as defined at 40 CFR 2.302, shall not be recognized as confidential information and shall be available to the public without restriction.

Article 11. Publication of Users in Significant Noncompliance

The District shall publish annually, in a newspaper of general circulation that provides meaningful public notice within the jurisdictions served by the POTW, a list of the Users which, at any time during the previous twelve (12) months, were in Significant Noncompliance with applicable Pretreatment Standards and Requirements. The term Significant Noncompliance shall be applicable to all Significant Industrial Users (or any other Industrial User that violates paragraphs (C), (D) or (H) of this Article 11) and shall mean:

- A. Chronic violations of wastewater discharge limits, defined here as those in which sixty-six percent (66%) or more of all the measurements taken for the same pollutant parameter taken during a six- (6-) month period exceed (by any magnitude) a numeric Pretreatment Standard or Requirement, including Instantaneous Limits as defined in Article 1 of this Chapter;
- B. Technical Review Criteria (TRC) violations, defined here as those in which thirty-three percent (33%) or more of wastewater measurements taken for each pollutant parameter during a six- (6-) month period equals or exceeds the product of the numeric Pretreatment Standard or Requirement including Instantaneous Limits, as defined by Section 5-1.1 of this Chapter multiplied by the applicable criteria (1.4 for BOD, TSS, fats, oils and grease, and 1.2 for all other pollutants except pH);
- C. Any other violation of a Pretreatment Standard or Requirement as defined by Section 5-1.1 of this Chapter (Daily Maximum, long-term average, Instantaneous Limit, or narrative standard) that the District determines has caused, alone or in combination with other discharges, Interference or Pass Through, including endangering the health of POTW personnel or the general public;
- D. Any discharge of a pollutant that has caused imminent endangerment to the public or to the environment, or has resulted in the District's exercise of its emergency authority to halt or prevent such a discharge;
- E. Failure to meet, within ninety (90) days of the scheduled date, a compliance schedule milestone contained in an individual wastewater discharge permit or enforcement order for starting construction, completing construction, or attaining final compliance;

F. Failure to provide within forty-five (45) days after the due date, any required reports, including baseline monitoring reports, reports on compliance with categorical Pretreatment Standard deadlines, periodic self-monitoring reports, and reports on compliance with compliance schedules;

G. Failure to accurately report noncompliance; or

H. Any other violation(s), which may include a violation of Best Management Practices, which the District determines will adversely affect the operation or implementation of the local pretreatment program.

Article 12. Administrative Enforcement Remedies

SECTION 5-1.12.1. NOTIFICATION OF VIOLATION

When the Manager finds that a User has violated, or continues to violate, any provision of this Chapter, an individual wastewater discharge permit, or order issued hereunder, or any other Pretreatment Standard or Requirement, the Manager may serve upon that User a written Notice of Violation. Within thirty (30) days of the receipt of such Notice of Violation, the User shall submit to the Manager an explanation of the violation and a plan for the satisfactory correction and prevention thereof, to include specific required actions. Submission of such a plan in no way relieves the User of liability for any violations occurring before or after receipt of the Notice of Violation. Nothing in this Article 12 shall limit the authority of the Manager to take any action, including emergency actions or any other enforcement action, without first issuing a Notice of Violation.

SECTION 5-1.12.2. CONSENT ORDERS

The District may enter into Consent Orders, assurances of compliance, or other similar documents establishing an agreement with any User responsible for noncompliance. Such documents shall include specific action to be taken by the User to correct the noncompliance within a time period specified by the document. Such documents shall have the same force and effect as the administrative orders issued pursuant to Sections 5-1.12.4 and 5-1.12.5 of this Chapter and shall be judicially enforceable.

SECTION 5-1.12.3. SHOW CAUSE HEARING

The Manager may order a User which has violated, or continues to violate, any provision of this Chapter, an individual wastewater discharge permit, or order issued hereunder, or any other Pretreatment Standard or Requirement, to appear before the Manager and show cause why the proposed enforcement action should not be taken. Notice shall be served on the User specifying the time and place for the meeting, the proposed enforcement action, the reasons for such action, and a request that the User show cause why the proposed enforcement action should not be taken. The notice of the meeting shall be served personally or by registered or certified mail (return receipt requested) at least thirty (30) days prior to the hearing. Such notice

may be served on any Authorized Representative of the User as defined in Section 5-1.1.4 C and required by Section 5-1.6.6 A of this Chapter. A show cause hearing shall not be a bar against, or prerequisite for, taking any other action against the User.

SECTION 5-1.12.4. COMPLIANCE ORDERS

When the Manager finds that a User has violated, or continues to violate, any provision of this Chapter, an individual wastewater discharge permit, or order issued hereunder, or any other Pretreatment Standard or Requirement, the Manager may issue an order to the User responsible for the discharge directing that the User come into compliance within a specified time. If the User does not come into compliance within the time provided, sewer service may be discontinued unless adequate treatment facilities, devices, or other related appurtenances are installed and properly operated. Compliance orders also may contain other requirements to address the noncompliance, including additional self-monitoring and management practices designed to minimize the amount of pollutants discharged to the sewer. A compliance order may not extend the deadline for compliance established for a Pretreatment Standard or Requirement, nor does a compliance order relieve the User of liability for any violation, including any continuing violation. Issuance of a compliance order shall not be a bar against, or a prerequisite for, taking any other action against the User.

SECTION 5-1.12.5. CEASE AND DESIST ORDERS

When the Manager finds that a User has violated, or continues to violate, any provision of this Chapter, an individual wastewater discharge permit, or order issued hereunder, or any other Pretreatment Standard or Requirement, or that the User's past violations are likely to recur, the Manager may issue an order to the User directing it to cease and desist all such violations and directing the User to:

- A. Immediately comply with all requirements; and
- B. Take such appropriate remedial or preventive action as may be needed to properly address a continuing or threatened violation, including halting operations and/or terminating the discharge. Issuance of a cease and desist order shall not be a bar against, or a prerequisite for, taking any other action against the User.

SECTION 5-1.12.6. ADMINISTRATIVE PENALTIES

- A. If the District seeks to impose an administrative penalty, the District shall issue an administrative complaint to any person who violates any requirement adopted or ordered by the District pursuant to this Chapter. The administrative complaint shall allege the act or failure to act that constitutes the violation of the District's requirements, the provisions of law authorizing civil liability to be imposed, and the proposed penalty.
- B. The administrative complaint shall be served by personal delivery or certified mail (return receipt requested) on the person subject to the District's discharge requirements, and shall inform the person served that a hearing shall be conducted within sixty (60) days after the person has

been served. The hearing shall be before a hearing officer designated by the Governing Board of the District. The person who has been issued an administrative complaint may waive the right to a hearing, in which case the District shall not conduct a hearing. A person dissatisfied with the decision of the hearing officer may appeal to the Governing Board of the District within thirty (30) days of notice of the hearing officer's decision.

C. If after the hearing, or appeal, if any, it is found that the person has violated reporting or discharge requirements, the hearing officer or Governing Board may assess a civil penalty against that person. In determining the amount of the civil penalty, the hearing officer or Governing Board may take into consideration all relevant circumstances, including, but not limited to, the extent of harm caused by the violation, the economic benefit derived through any noncompliance, the nature and persistence of the violation, the length of time over which the violation occurs and corrective action, if any, attempted or taken by the discharger.

D. Administrative penalties may be imposed by the District as follows:

(1) In an amount which shall not exceed two thousand dollars (\$2,000) for each day for failing or refusing to furnish technical or monitoring reports.

(2) In an amount which shall not exceed three thousand dollars (\$3,000) for each day for failing or refusing to timely comply with any compliance schedule established by the local agency.

(3) In an amount which shall not exceed five thousand dollars (\$5,000) per violation for each day for discharges in violation of any waste discharge limitation, permit condition, or requirement issued, reissued, or adopted by the local agency.

(4) In an amount which does not exceed ten dollars (\$10) per gallon for discharges in violation of any suspension, cease and desist order or other orders, or prohibition issued, reissued, or adopted by a local agency.

(5) The amount of any civil penalties imposed under this section which have remained delinquent for a period of sixty (60) days shall constitute a lien against the real property of the discharger from which the discharge originated resulting in the imposition of the civil penalty. The lien provided herein shall have no force and effect until recorded with the Santa Barbara County Recorder and, when recorded, shall have the force and effect and priority of a judgment lien and continue for ten (10) years from the time of recording unless sooner released, and shall be renewable in accordance with the provisions of Sections 683.110 to 683.220, inclusive, of the California Code of Civil Procedure.

E. All moneys collected under this Article 12 shall be deposited in a special account of the District and shall be made available for the monitoring, treatment, and control of discharges into the local agency's sanitation or sewer system or for other mitigation measures.

F. Unless appealed, orders setting administrative civil penalties shall become effective and final upon issuance thereof, and payment shall be made within thirty (30) days. Copies of these orders

shall be served by personal service or by registered mail upon the party served with the administrative complaint and upon other persons who appeared at the hearing and requested a copy.

G. The District may, at its option, elect to petition the Superior Court to confirm any order establishing civil penalties and enter judgment in conformity therewith in accordance with the provisions of Sections 1285 to 1287.6, inclusive, of the California Code of Civil Procedure.

H. No penalties shall be recoverable under this Article 12 for any violation for which civil liability is recovered under Government Code Section 54740.

I. Any party aggrieved by a final order issued by the Governing Board of the District under this Section 5-1.12.6 after granting review of the order of a hearing officer, may obtain review of the order of the Governing Board in the Superior Court by filing in the court a petition for writ of mandate within thirty (30) days following the service of a copy of a decision and order issued by the Governing Board. Any party aggrieved by a final order of a hearing officer issued under this Section 5-1.12.6, for which the Governing Board denies review, may obtain review, of the order of the hearing officer in the Superior Court by filing in the court a petition for writ of mandate within thirty (30) days following service of a copy of a decision and order denying review by the Governing Board.

J. If no aggrieved party petitions for writ of mandate within the time provided by this Section 5-1.12.6, an order of the Governing Board or a hearing officer shall not be subject to review by any court or agency, except that the Governing Board may grant review on its own motion of an order after the expiration of the time limits set by this Section 5-1.12.6.

K. The evidence before the court shall consist of the record before the Governing Board, including the hearing officer's record, and any other relevant evidence which, in the judgment of the court, should be considered to effectuate and implement policies of this division. In every such case, the court shall exercise its independent judgment on the evidence.

L. Except as otherwise provided in this Section, subdivisions (e) and (f) of Section 1094.5 of the California Code of Civil Procedure shall govern proceedings pursuant to this Section 5-1.12.6.

SECTION 5-1.12.7. EMERGENCY SUSPENSIONS

The Manager may immediately suspend a User's discharge, after informal notice to the User, whenever such suspension is necessary to stop an actual or threatened discharge, which reasonably appears to present, or cause an imminent or substantial endangerment to the health or welfare of persons. The Manager may also immediately suspend a User's discharge, after notice, that threatens to interfere with the operation of the POTW, or which presents, or may present, an endangerment to the environment.

A. Any User notified of a suspension of its discharge shall immediately stop or eliminate its contribution. In the event of a User's failure to immediately comply voluntarily with the suspension order, the Manager may take such steps as deemed necessary, including immediate

severance of the sewer connection, to prevent or minimize damage to the POTW, its receiving stream, or endangerment to any individuals. The Manager may allow the User to recommence its discharge when the User has demonstrated to the satisfaction of the Manager that the period of endangerment has passed, unless the termination proceedings in Section 5-1.12.8 of this Chapter are initiated against the User.

B. A User that is responsible, in whole or in part, for any discharge presenting imminent endangerment shall submit a detailed written statement, describing the causes of the harmful contribution and the measures taken to prevent any future occurrence, to the Manager prior to the date of any show cause or termination hearing under Sections 5-1.12.3 or 5-1.12.8 of this Chapter.

Nothing in this Section 5-1.12.7 shall be interpreted as requiring a hearing prior to any Emergency Suspension.

SECTION 5-1.12.8. TERMINATION OF DISCHARGE

In addition to the provisions in Section 5-1.7.5 of this Chapter, any User who violates the following conditions is subject to discharge termination:

- A. Violation of individual wastewater discharge permit conditions;
- B. Failure to accurately report the wastewater constituents and characteristics of its discharge;
- C. Failure to report significant changes in operations or wastewater volume, constituents, and characteristics prior to discharge;
- D. Refusal of reasonable access to the User's premises for the purpose of inspection, monitoring, or sampling; or
- E. Violation of the Pretreatment Standards in Article 4 of this Chapter.

Such User will be notified of the proposed termination of its discharge and be offered an opportunity to show cause under Section 5-1.12.3 of this Chapter why the proposed action should not be taken. Exercise of this option by the Manager shall not be a bar to, or a prerequisite for, taking any other action against the User.

Article 13. Judicial Enforcement Remedies

SECTION 5-1.13.1. INJUNCTIVE RELIEF

When the Manager finds that a User has violated, or continues to violate, any provision of this Chapter, an individual wastewater discharge permit, or order issued hereunder, or any other Pretreatment Standard or Requirement, the Manager may petition the Superior Court through the District's attorney for the issuance of a temporary or permanent injunction, as

appropriate, which restrains or compels the specific performance of the individual wastewater discharge permit, order, or other requirement imposed by this Chapter on activities of the User. The Manager may also seek such other action as is appropriate for legal and/or equitable relief, including a requirement for the User to conduct environmental remediation. A petition for injunctive relief shall not be a bar against, or a prerequisite for, taking any other action against a User.

SECTION 5-1.13.2. CIVIL PENALTIES

A. Pursuant to California Government Code Sections 54739 and 54740 and the Clean Water Act, a User who has violated, or continues to violate, any provision of this Chapter, an individual wastewater discharge permit, or order issued hereunder, or any other Pretreatment Standard or Requirement may be civilly liable in a sum of not to exceed twenty-five thousand dollars (\$25,000) a day for each violation.

B. The District may petition the Superior Court to impose, assess, and recover the sums provided for in Section 5-1.13.2 A of this Chapter. In determining the amount, the court shall take into consideration all relevant circumstances, including, but not limited to, the extent of harm caused by the violation, the economic benefit derived through any noncompliance, the nature and persistence of the violation, the length of time over which the violation occurs, and corrective action, if any, attempted or taken by the discharger.

C. Notwithstanding any other provision of law, all civil penalties imposed by the court for a violation of this Section 5-1.13.2 shall be distributed to the District.

D. Remedies under this Section 5-1.13.2 are in addition to and do not supersede or limit any and all other remedies, civil or criminal, but no liability shall be recoverable under this Section 5-1.13.2 for any violation for which administrative penalties are recovered under California Government Code Section 54740.5.

SECTION 5-1.13.3. CRIMINAL PROSECUTION

A. A User who willfully or negligently discharges pollutants, except in compliance with waste discharge requirements, or who willfully or negligently violates any order, prohibition, waste discharge requirement, effluent standard, water quality related effluent standard, federal standard or performance, pretreatment or toxicity standard or requirement, or who refuses to comply with the requirements adopted to control the disposal of pollutants into wells, or who fails to comply with the conditions of their permit, compliance schedule or any standard, condition or requirement set forth in this Chapter, shall be punished by a fine of not more than One Thousand Dollars (\$1,000) for each day such violation occurs, or by imprisonment for not more than thirty (30) days, or both.

B. A User who knowingly makes any false statement, representation, record, report, plan or other document filed with a Regional Water Quality Control Board or the State Water Resources Control Board, or who falsifies, tampers with or knowingly renders inaccurate any monitoring device or method required by the laws of the State of California, shall be punished by a fine of

not more than Ten Thousand Dollars (\$10,000), or by imprisonment for not more than six (6) months, or both.

C. If the District believes a criminal offense has been committed hereunder, it may refer the matter to the District Attorney for prosecution.

SECTION 5-1.13.4. REMEDIES NONEXCLUSIVE

The remedies provided for in this Chapter are not exclusive. The Manager may take any, all, or any combination of these actions against a noncompliant User. Enforcement of pretreatment violations will generally be in accordance with the District's Enforcement Response Plan. However, the Manager may take other action against any User when the circumstances warrant. Further, the Manager is empowered to take more than one enforcement action against any noncompliant User.

Article 14. Supplemental Enforcement Action

SECTION 5-1.14.1. PAYMENT OF OUTSTANDING FEES AND PENALTIES

The Manager may decline to issue or reissue an individual wastewater discharge permit to any User who has failed to pay any outstanding fees, fines or penalties incurred as a result of any provision of this Chapter, a previous individual wastewater discharge permit, or order issued hereunder.

SECTION 5-1.14.2. PUBLIC NUISANCES

A violation of any provision of this Chapter, an individual wastewater discharge permit, or order issued hereunder, or any other Pretreatment Standard or Requirement is hereby declared a public nuisance and shall be corrected or abated as directed by the Manager. Any person(s) creating a public nuisance shall be subject to the provisions of California law governing such nuisances.

Article 15. Affirmative Defenses To Discharge Violations

A User shall have such affirmative defenses to an enforcement action brought against it for noncompliance with this Chapter as may be provided by State and Federal law.

Article 16. Miscellaneous Provisions

SECTION 5-1.16.1. PRETREATMENT CHARGES AND FEES

The District may adopt reasonable fees for reimbursement of costs of setting up and operating the District's Pretreatment Program, which may include:

- A. Fees for wastewater discharge permit applications including the cost of processing such applications;
- B. Fees for monitoring, inspection, and surveillance procedures including the cost of collection and analyzing a User's discharge, and reviewing monitoring reports and certification statements submitted by Users;
- C. Fees for reviewing and responding to accidental discharge procedures and construction;
- D. Fees for filing appeals;
- E. Fees to recover administrative and legal costs associated with the enforcement activity taken by the Manager to address User noncompliance; and
- F. Other fees as the District may deem necessary to carry out the requirements contained herein. These fees relate solely to the matters covered by this Chapter and are separate from all other fees, fines, and penalties chargeable by the District.

SECTION 5-1.16.2. SEVERABILITY

If any section, subsection, sentence, clause, or phrase of this Chapter is for any reason held to be unconstitutional, ineffective or in any manner in conflict with the laws of the United States, or of the State of California, such decision shall not affect the validity of the remaining portions of this Chapter. The Governing Board of the District hereby declares that it would have passed this Chapter and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more section, subsection, sentence, clause or phrase be declared unconstitutional, ineffective, or in any manner in conflict with the laws of the United States or the State of California.

[Adopted as Ordinance No. 77 on April 16, 2012]

Chapter 2. Standard Specifications for the Design and Construction of Sanitary Sewers

Article 1. Adoption of Procedural Manual and Standard Specifications

SECTION 5-2.1.1. PROVISIONS, SPECIFICATIONS AND PENALTIES

The Governing Board of the Goleta Sanitary District adopted Standard Specifications for Design and Construction of Sanitary Sewers, which is on file and available for examination during the District's normal business hours at One William Moffett Place, Goleta, California. Copies of the Standard Specifications for Design and Construction of Sanitary Sewers shall be available for purchase upon payment of a sum sufficient to cover the District's reasonable cost of duplication.

SECTION 5-2.1.2. VIOLATIONS AND PENALTIES

Any violation of the provisions of this Chapter in part or in total shall establish the right of the District to enforce any of the penalties established by the Health and Safety Code of California, Division 6, Part 1, Chapter 4, as follows:

(a) Prosecution of such violation or violations as a misdemeanor punishable by imprisonment in the County jail not to exceed 30 days or by a fine of not to exceed One Thousand Dollars (\$1,000.00), or both. (Section 6523)

(b) Termination of service to property in which a violation or violations are found to exist. (Section 6523.2)

(c) The District may correct any violation of this Chapter. The cost of such correction may be added to any sewer service charge payable by the person violating this Chapter or the owner or tenant of the property upon which the violation occurred, and the District shall have such remedies for the collection of such costs as it has for the collection of sewer service charges. The District may also petition the superior court for the issuance of a preliminary or permanent injunction, or both, as may be appropriate, restraining any person from the continued violation of this Chapter. (Section 6523.3)

[Adopted as Ordinance No. 22 on May 18, 1970. Amended by Ordinance No. 26 on June 6, 1977, Ordinance No. 35 on July 2, 1984 and Ordinance No. 70 on July 21, 2008]

TITLE 6 - RATES, FEES AND CHARGES

Chapter 1. District Charges

Article 1. General

SECTION 6-1.1.1. PURPOSE OF FEES

(a) The Board shall establish fees sufficient to cover the cost of operating and maintaining service. The fees shall not exceed the reasonable cost of the service.

(b) The Board shall establish charges sufficient to recover the cost of constructing necessary capital improvements.

SECTION 6-1.1.2. ANNUAL REVIEW

At least annually, the Board shall review the rates, fees and charges for service. Adoption of the annual budget, with rate assumptions included therein, may constitute such review.

Article 2. Fees for Plan Checks, Reviews, Permits, Inspections and Deposits

SECTION 6-1.2.1. SCHEDULE OF FEES

The District's fees for plan checks, reviews, permits, inspections and deposits (collectively, the "Fees") shall be as set forth in Exhibit "A" below.

SECTION 6-1.2.2. COST OF LIVING ADJUSTMENTS

The Fees shall be adjusted on July 1 of each year to reflect any increases in the cost of living since the date of the last adjustment, as determined pursuant to the Consumer Price Index published by the United States Department of Labor, Bureau of Labor Statistics, for the Los Angeles-Riverside-Orange County area (All Urban Consumers, All Items, 1982-1984 = 100). Said adjustments shall be calculated using the same methodology used by the District in calculating the annual cost of living adjustments for the compensation paid to District employees, and shall be in the same percentage amount that is approved by the District's Governing Board for such compensation adjustments. When calculating such increases, the Fees shall be rounded to the nearest whole dollar amount.

SECTION 6-1.2.3. USE OF FEES

Revenues derived from the collection of the Fees shall be placed in the District's Running Expense Fund pursuant to District Resolution No. 99-360. Said revenues shall be for the purpose of covering the District's administrative and labor costs associated with the services provided by the District.

EXHIBIT "A"
FEES EFFECTIVE JANUARY 1, 2010

COLLECTION SYSTEM	
PERMIT TYPE	FEES
Plan check and review fees (commercial/industrial and large development projects only)	Minimum fee: \$100.00 (Per hour rate: \$100.00)
Permit fees	\$150.00
Inspection fees	\$150.00
Inspection fees for industrial establishments	\$200.00
Mainline inspections	\$400/100 ft
Cleanouts/inspection only - no permit fees	N/A
Deposit	\$500.00 (Maximum)

INDUSTRIAL WASTE CONTROL		
PERMIT TYPE	FEES	
	Initial Fee*	Renewal Fee*
Class I, 0	\$200.00	\$100.00
Class II, 12	\$400.00	\$200.00
Class III, 24	\$800.00	\$400.00
Class IV, SIU, 1	\$1,200.00	\$600.00
Class IV CIU, 11	\$1,600.00	\$800.00
Restaurants	\$300.00	\$150.00
"Zero-discharge"	\$100.00	\$50.00

* The District reserves the right to charge industrial users the initial fee instead of the renewal fee if the District determines that the renewed permit contains significant changes.

The fees set forth in Exhibit "A" above are subject to adjustment on July 1 of each year to reflect any increases in the cost of living since the date of the last adjustment.

[Adopted as Ordinance No. 73 on December 7, 2009.]

Article 3. Connection Charges

SECTION 6-1.3.1. DEFINITIONS

Unless the context herein specifically indicates otherwise, the meaning of terms used in this Article shall be as follows:

“District” shall mean the Goleta Sanitary District of the County of Santa Barbara, State of California.

“Equivalent Residential Unit” (“ERU”) shall mean the equivalent of a single-family residence within the District assuming typical loads and a flow rate of 203 gallons per day.

“Person” shall mean any individual, firm, company, partnership, association, organization, group, society, the United States of America, the State of California, a political subdivision, governmental agency or other public or municipal corporation.

SECTION 6-1.3.2. PURPOSE

The purpose of this Article is to establish appropriate provisions for the construction and expansion of the sanitary sewer system of the District by providing for a uniform standard connection fee to be collected throughout the District for the privilege of connecting to said sanitary sewer system.

SECTION 6-1.3.3. CONNECTION FEES

Except as otherwise specifically provided by written contract with the District, a person desiring to connect to the District’s sewer system shall pay to the District for such connection, in addition to all other applicable fees and charges, a Connection Fee determined by multiplying the applicable “Capacity Unit of Benefit Factor” set forth in Table 6-1.4 below by Two Thousand Fifty-eight Dollars (\$2,058.00). Said Connection Fee shall be in addition to any amount paid or to be paid for the costs of a specific sewer line or lines previously constructed or to be constructed for the purpose of connecting the property in question to the District’s sewer system. No credit shall be taken against said Connection Fee for any amount paid or to be paid as a permit or inspection fee. The Connection Fee as computed hereunder shall be paid prior to the issuance by the District of a permit for such connection.

TABLE 6-1.4

<u>TYPE OF CONNECTION BEING MADE</u>	<u>CAPACITY UNIT OF BENEFIT FACTOR</u>
Single-family residence	1.00
Multiple-family residence, condominium or apartment, per dwelling unit	0.70

Mobile home park, per unit	0.70
Commercial, industrial and institutional uses, per ERU, with a minimum per connection of 1.00*	1.00

* Commercial and industrial facilities shall pay not less than their proportionate share of the cost of capacity in the District’s trunk, interceptor and outfall sewers and treatment facilities, considering the amount of flow generated by the facility and the strength, composition and cost to treat the sewage generated by the facilities based on available information. The District’s decision in this regard shall be final and conclusive on all persons.

SECTION 6-1.3.4. USE OF CONNECTION FEES

Revenues derived from the collection of Connection Fees shall be placed in the District’s Capital Reserve Fund pursuant to District Resolution No. 99-363. The Connection Fee revenues shall be for the purpose of financing the expansion of the sanitation and sewerage facilities of the District to accommodate the demand for additional capacity.

SECTION 6-1.3.5. READILY CONVERTIBLE UNITS

For the purpose of Table 6-1.4, above, the number of dwelling units shall be determined by the District and the District’s decision in this regard shall be final and conclusive on all parties. If the District determines that expanded, remodeled or newly constructed premises or auxiliary structures are readily convertible into one or more separate dwelling units, as defined below (“Readily Convertible Units”), the owner of the property shall pay to the District a Connection Fee as set forth above for each such Readily Convertible Unit. In lieu of paying said Connection Fee, the owner may execute a document setting forth the owner’s acknowledgment that the Readily Convertible Unit may not be converted into or used as a separate dwelling unit without the prior approval of the District and the payment to the District of the then applicable Connection Fees, permit fees and inspection fees. Said acknowledgement shall be in a form approved by the District, shall be binding on the owner’s successors in interest and shall be recorded with the Santa Barbara County Recorder’s Office. The acknowledgment shall be signed by all owners of record. The District’s decision with regard to the number of Readily Convertible Units on the property shall be final and conclusive on all parties.

For the purposes of this Article, the term “dwelling unit” shall mean a building or portion thereof occupied in whole or in part as a home or residence, by one or more families and their guests and servants, with sanitary and kitchen facilities provided within the unit.

[Adopted as Ordinance No. 20 on March 7, 1966. Amended by Ordinance No. 34 on July 2, 1984, Ordinance No. 40 on February 5, 1990, Ordinance No. 47 on July 15, 1991 and Ordinance No. 58 on September 23, 2002]

Article 4. Sewer Service Charges

GENERAL PROVISIONS

SECTION 6-1.4.1. AUTHORITY

This Article is adopted pursuant to Health and Safety Code Sections 5471 and 6520.2 and in accordance with the Sanitary District Act of 1923 (Health and Safety Code Section 6400 et seq.).

SECTION 6-1.4.2. PURPOSE OF SERVICE CHARGES

The service charges prescribed herein (the “Service Charges”) shall be for the purpose of covering the costs associated with the operation, maintenance, repair and replacement of the District’s Wastewater System. The Service Charges are separate from and in addition to the District’s annexation fees, connections fees, permit fees, inspections fees and other fees and charges.

SECTION 6-1.4.3. APPLICABILITY

This Article shall apply to the owner of any real property having improvements which are connected to the District’s Wastewater System and to any person who otherwise discharges sewage which ultimately passes through the Wastewater System. In the event Service Charges are billed to the tenant of any real property having improvements which are connected to the District’s Wastewater System, the owner of such real property shall remain responsible for the payment of all Service Charges applicable to such real property and improvements.

DEFINITIONS

SECTION 6-1.4.4. DEFINITIONS

The following definitions shall apply to this Article:

(a) Bank. A bank, savings and loan company, trust company, credit union or similar financial institution.

(b) Commercial Establishment. A building or portion thereof designed, used or intended to be used for commercial purposes, including grocery stores, retail stores and service establishments, but not including uses identified under other User Classifications set forth in Exhibit “A” hereto.

(c) Dwelling. A room or group of rooms with interior access between all habitable rooms, including permanent provisions for living, sleeping, eating, cooking, bathing and sanitary facilities, constituting a separate and independent housekeeping unit, designed, used

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or intended to be used and occupied by a family on a non-transient basis and having not more than one kitchen, including mobile homes, but not including motels.

(d) Dwelling Unit. Each separate single family residence or mobile home and each dwelling within a multiple family residence.

(e) Equivalent Office Unit. An equivalent office unit (“EOU”) shall be deemed to exist for each 500 square feet of building space which is used for office and related purposes (the “Office Area”), subject to Section 6-1.3.6 hereof. The number of EOUs shall be calculated by dividing the Office Area by 500. To calculate the applicable Service Charge, the quotient so obtained shall be multiplied by the Annual Service Charge for the Office User Classification as set forth in Exhibit “A” attached hereto.

(f) Family. One or more persons occupying premises and living as a single non-profit housekeeping unit, including domestic servants employed by the family, but not including fraternal, religious, social or business organizations or groups occupying a boarding house, motel, club or similar dwelling for group use.

(g) Grocery Store. A retail business where the majority of the floor area open to the public is occupied by food products packaged for offsite preparation and consumption.

(h) Guest Room. Each sleeping room or living unit within a motel which can be rented separately.

(i) Laundromat. A building or portion thereof designed, equipped, used or intended for use as a self-service laundry, where there is no pickup or delivery service and no steam or hand laundry of any type.

(j) Market. A retail business where the majority of the floor area open to the public is occupied by food products packaged for offsite preparation and consumption and which includes (i) food preparation facilities for onsite or offsite consumption, and (ii) garbage disposal facilities resulting in the discharge of food wastes into the Wastewater System.

(k) Medical Office. A facility other than a hospital where medical, dental, mental health, surgical, physical therapy, chiropractic and/or other personal health care services are provided on an outpatient basis, including accessory medical laboratories and limited fabrication activities as in the case of a dentist office or an optometrist, but not including counseling services by other than medical doctors or psychiatrists.

(l) Mobile Home. A non-motorized structure, transportable in one or more sections, with or without a permanent foundation, which is designed and equipped to contain one or more dwelling units, including travel trailers.

(m) Motel. A building or group of buildings operated as a transient lodging establishment containing sleeping rooms which are designed, used or intended to be used and occupied as a more or less temporary abiding place by persons who, for compensation, are

lodged with or without meals, including hotels and bed and breakfast establishments, but not including hospitals, orphanages or buildings where persons are housed under restraint.

(n) Multiple Family Residence. A building or portion of a building, designed, used or intended to be used and occupied exclusively by two or more families, and containing two or more dwellings, including duplexes, triplexes, apartments, condominiums and townhouses, but not including motels.

(o) Office Building. A building or portion of a building designed, used or intended to be used and occupied by one or more person for conducting business, clerical, and/or professional activities, whether or not for profit, including but not limited to the provision of goods or services, sales, operations, production, administration, management, consultation with clients, customers, patients and associates and/or activities that are incidental or accessory thereto, but not including uses identified under other User Classifications set forth in Exhibit “A” attached hereto.

(p) Person. Any individual, corporation, partnership, limited liability company, association, organization, firm, governmental agency, trust, estate, or any other legal entity.

(q) Restaurant. A retail food service business selling ready-to-eat food and/or beverages for onsite or offsite (take out) consumption, including cafes and coffee shops. Restaurants include establishments where customers are served at their tables for onsite consumption and establishments with a walk-up ordering counter, drive in or drive through service for either onsite or offsite consumption. Restaurants may include indoor and/or outdoor eating areas, and/or accessory bars or cocktail lounges.

(r) School. A public or private educational institution, including pre-schools, day care facilities, nursery schools, elementary, junior high, middle and high schools, academies, junior colleges, colleges and universities.

(s) Single Family Residence. A building designed, used or intended to be used and occupied exclusively by one family and containing one dwelling.

(t) Theater. An indoor or outdoor facility for spectator group entertainment, including movie theaters, drive-in theaters and facilities for performing arts, live theater and concerts.

DETERMINATION OF SERVICE CHARGES

SECTION 6-1.4.5. IMPOSITION OF SERVICE CHARGES

The Service Charges set forth in Exhibit “A” are incorporated herein by reference and are hereby levied and imposed upon the owners of all real property having improvements which

are connected to the District's Wastewater System and upon all persons who otherwise discharge sewage which ultimately passes through the Wastewater System.

SECTION 6-1.4.6. UNCLASSIFIED USES

In the event that the particular use associated with a connection or other discharge to the District's Wastewater System is not included under any of the User Classifications set forth in Exhibit "A" (an "Unclassified Use"), the Service Charge shall be calculated by multiplying (i) the number equivalent residential units ("ERUs"), as defined below, represented by the Unclassified Use, by (ii) the Annual Service Charge for a single family residence as set forth in Exhibit "A".

- (a) Definition of ERU. For purposes of this Section 6-1.5.6, "ERU" shall mean the equivalent capacity entitlement of a single family residence within the District based on hydraulic flow and wastewater strength (biochemical oxygen demand, suspended solids, and any special characteristics which may require additional or special treatment).
- (b) Determination of Flow and Strength. When determining the hydraulic flow and the strength of wastewater from an Unclassified Use, the District may use domestic water meter data, flow metering, sampling, square footage, occupancy, comparisons with similar uses and/or such other methods as the District shall deem appropriate.
- (c) Adjustments to Service Charges. The Service Charge for an Unclassified Use may be adjusted by the District if the average daily hydraulic flow and/or strength of the wastewater from the Unclassified Use exceed by more than twenty percent (20%) during any two (2) consecutive calendar year periods the hydraulic flow and/or strength used in calculating the then current Service Charge applicable to the Unclassified Use.

SECTION 6-1.4.7. SUBMISSION OF INFORMATION

Where information is required to enable the District to determine the applicable Service Charges (e.g., the use or size of a building or the volume of water consumption), such information shall be furnished by the owner of the premises which are connected to the District's Wastewater System or by the person who otherwise discharges sewage which ultimately passes through the Wastewater System. The District shall be allowed access to the premises to verify the information furnished to it and to otherwise conduct inspections and perform sampling. In the event such information is not furnished and/or such access is not provided as required above, the District may determine the applicable Service Charges based on such information as the District finds reasonably available and such determination shall be conclusive and final.

SECTION 6-1.4.8. AVERAGE DAILY ATTENDANCE

Where Service Charges are computed on the basis of average daily attendance, the property owner shall be responsible for preparing and maintaining accurate and complete

attendance records and shall furnish copies of such records to the District upon request. The Service Charges payable in each such case shall be based on the preceding fiscal year's attendance.

SECTION 6-1.4.9. VOLUME CHARGES

For User Classifications set forth in Exhibit "A" which are subject to a flat fee for the first 74,095 gallons of water used (the "Minimum Fee"), plus a volume charge for water use in excess of 74,095 gallons (the "Volume Charge"), the Volume Charge shall be calculated by dividing (i) the actual number of gallons used in excess of 74,095 gallons, by (ii) 74,095 gallons. The quotient so obtained shall be multiplied by the applicable Minimum Fee to arrive at the Volume Charge. The Volume Charge payable in each such case shall be based on the preceding fiscal year's water consumption.

SECTION 6-1.4.10. OFFICE AREA

The owner of a building which is used for office purposes may request that those portions of the building which are dedicated to non-office purposes not be included as Office Area for purposes of calculating the number of EOUs under Section 6-1.5.4(e) hereof. All such requests shall be supported by information submitted by the owner and shall be subject to verification by the District in accordance with Section 6-1.5.7 hereof. If an owner disagrees with the District's determination with respect to the Office Area of a building, the owner may apply to the Board for relief pursuant to Section 6-1.5.24 hereof.

BILLING AND COLLECTION

SECTION 6-1.4.11. COLLECTION ON COUNTY TAX ROLL

The District may, by proceedings pursuant to Health and Safety Code Section 5470 et seq., elect to have the Service Charges provided for herein, including delinquent Service Charges, collected on the Santa Barbara County tax roll (the "County Tax Roll") in the same manner, by the same persons, and at the same time as, together with and not separately from, its general taxes, in which event the Services Charges shall be delinquent at the same time and shall be subject to the same delinquency penalties as the general taxes. All laws applicable to the levy, collection and enforcement of general taxes are applicable to the Service Charges which the District has elected to have collected on the County Tax Roll, except as set forth in Health and Safety Code Sections 5473.8 and 6520.10, or as otherwise provided by applicable law. Any Service Charges which the District has elected to have collected on the County Tax Roll shall constitute a lien against the lot or parcel against which such Service Charges have been imposed as of noon on the first Monday in March immediately preceding the date of levy.

SECTION 6-1.4.12. DIRECT BILLING

As an alternative to collecting Service Charges on the County Tax Roll as provided in Section 6-1.5.11, the District may collect Service Charges by direct billing or any other manner authorized by applicable law, in which event such Service Charges shall be delinquent on the

date indicated in the bills rendered therefor (the “Delinquency Date”). After the Delinquency Date, a basic penalty of ten percent (10%) of the amount of the unpaid Service Charges shall be due, together with an additional penalty of one and one-half percent (1½%) per month for nonpayment of the Service Charges and basic penalty, which penalty amounts shall be payable with the delinquent Service Charges upon which they are imposed.

SECTION 6-1.4.13. NEW SERVICE

Where an application for connection to the District’s Wastewater System is made after July 1 of any year, or too late to have the applicable Service Charges placed on the County Tax Roll for the year in question, then the applicable annual Service Charges shall be paid to the District in advance prior to making such connection.

SECTION 6-1.4.14. TAX EXEMPT PROPERTY

Where real property having improvements which are connected to the District’s Wastewater System is not subject to property taxes, then the applicable annual Service Charges shall be paid to the District in advance, not later than December 10.

SECTION 6-1.4.15. LIEN FOR UNPAID CHARGES

As provided in Health and Safety Code Sections 5473.11, Service Charges which are not collected on the County Tax Roll and which remain delinquent for a period of 60 days after the Delinquency Date shall constitute a lien against the lot or parcel of land for which the Service Charges were imposed, provided that the District has notified the assessee of the property shown on the latest equalized assessment roll that (i) Service Charges remain delinquent and unpaid for 60 days, and (ii) a lien will be imposed as provided by Health and Safety Code Sections 5473.11. Said lien shall have no force or effect until a certificate specifying the amount of the unpaid Service Charges is recorded with the Santa Barbara County recorder. When so recorded the lien shall have the force, effect and priority of a judgment lien and continue for three (3) years from the time of recording unless sooner released or otherwise discharged.

SECTION 6-1.4.16. COLLECTION BY SUIT

As an alternative to any other procedures provided for herein, the District may collect any delinquent Service Charges and penalties thereon by suit, in which event judgment therefor shall include the cost of suit and reasonable attorneys’ fees arising from such action.

ENFORCEMENT AND REMEDIES

SECTION 6-1.4.17. RIGHT OF ENTRY

In order to effect its powers, the District may enter upon private property for the purpose of inspecting, maintaining, repairing, sampling and testing of sanitary and waste disposal facilities and otherwise undertaking such activities as may be necessary in implementing and enforcing this Article and other rules and regulations of the District. Each District

representatives shall carry identification and credentials evidencing his or her position as an authorized representative of the District and shall present such identification and credentials upon request prior to entering upon private property as provided herein.

SECTION 6-1.4.18. TERMINATION OF SERVICE

In the event that any Service Charges, penalties and/or interest thereon remain unpaid, or if a violation of this Article or of any other ordinance, rule or regulation of the District is found to exist, the District may, pursuant to Health and Safety Code Section 6523.2, enter in and upon any real property which is the subject of the delinquency or violation and terminate service. Prior to terminating service, the District's Board shall notify, in writing, the owner and tenant, if any, of such property that service is intended to be so terminated and conduct a hearing thereon as herein provided. Such notice shall be mailed to the owner at the address shown on the records of the Santa Barbara County Assessor or as known to the District's Secretary, and a copy shall be delivered to the tenant or posted conspicuously on the property. The notice shall state the date of proposed termination of service and the reasons therefor and the date that the District's Board will hold a hearing upon such intended termination. Such hearing shall not be held less than 10 days subsequent to the giving of notice as herein required.

SECTION 6-1.4.19. RECONNECTION

Prior to reconnection by the District of any terminated service, the person requesting reconnection shall pay the District the cost incurred by the District in terminating service and shall post a deposit with the District equal to the estimated cost of reconnecting to the Wastewater System. If the actual cost of reconnection is greater than the deposit, the person requesting reconnection shall promptly pay the difference to the District. If the actual cost of reconnection is less than the deposit, the District shall promptly refund the difference to the person requesting reconnection.

SECTION 6-1.4.20. NUISANCE

During any period of disconnection, habitation of property previously using the District's Wastewater System shall constitute a public nuisance. In the case of such habitation, the Board may cause proceedings to be brought for abatement of the nuisance. In such event, and as a condition of reconnection, there shall be paid to the District reasonable attorney's fees and cost of suit arising in said proceedings.

SECTION 6-1.4.21. CORRECTION OF VIOLATIONS

Pursuant to Health and Safety Code Section 6523.3, in order to enforce the provisions of this Article or of any ordinance, rule or regulation of the District, the District may correct any violation of any this Article or such ordinance, rule or regulation. The cost of such correction may be added to any Service Charge payable by the person responsible for the violation or the owner or tenant of the property upon which the violation occurred, and the District shall have such remedies for the collection of such costs as it has for the collection of Service Charges. The District may also petition the Superior Court for the issuance of a preliminary or permanent injunction, or both,

as may be appropriate, restraining any person from the continued violation of this Article or any ordinance, rule or regulation of the District.

SECTION 6-1.4.22. LIABILITY FOR VIOLATIONS

Any person violating this Article or any ordinance, rule or regulation of the District shall be liable for all damages resulting from said violation, or which arise from actions taken in the correction thereof. As provided in Health and Safety Code Section 6523, a violation of any ordinance, rule or regulation of the District is a misdemeanor punishable by imprisonment in the county jail not to exceed 30 days, or by a fine not to exceed One Thousand Dollars (\$1,000), or by both.

SECTION 6-1.4.23. NONEXCLUSIVE REMEDIES

The remedies, penalties and enforcement rights set forth in this Article are in addition to and not in limitation of any other remedies, penalties and enforcement rights provided by law.

RELIEF

SECTION 6-1.4.24. APPLICATION FOR RELIEF

Any person who, by reason of special circumstances, believes that the application of this Article, as to that person, is unjust, inequitable or creates an undue hardship, may make written application to the Board for relief, accompanied by a filing fee in the amount of One Hundred Dollars (\$100). Said application shall set forth all special facts and circumstances and the specific relief requested. The Board shall consider the request for relief within ninety (90) days after the application is filed. If the Board determines that the application of this Article, as to the applicant, is unjust, inequitable or creates an undue hardship, the Board may take action to grant relief. Said relief may be as requested by the applicant or may be in a form determined by the Board to be fair and equitable. The Board may require an applicant to perform monitoring, sampling, analysis or other activities, at the applicant's sole expense, to support or justify any requested relief.

SECTION 6-1.4.25. RELIEF ON BOARD MOTION

On its own motion and without receiving an application, if due to special facts and circumstances the application of this Article would be unjust, inequitable or would create an undue hardship, the Board may modify or suspend certain provisions hereof for the period during which the facts and special circumstances exist.

**EXHIBIT “A”
Service Charges**

USER CLASSIFICATION	ANNUAL SERVICE CHARGE
Single family residences	\$453.63 per dwelling unit
Multiple family residences (duplexes, triplexes, apartments, condominiums, townhouses, etc.)	\$367.53 per dwelling unit
Mobile homes and house trailers	\$367.53 per dwelling unit
Motels	\$261.18 per guest room
Commercial establishments (grocery stores, retail stores, service establishments, etc.)	\$367.53 per establishment
Markets	\$826.37* for up to 74,095 gallons of water used, plus Volume Charge
Theaters	\$367.53 per establishment
Banks	\$412.31 per establishment
Offices	\$77.57 per equivalent office unit (EOU)
Medical offices	\$453.63* for up to 74,095 gallons of water used, plus Volume Charge
Bars, cocktail lounges and taverns	\$72.63 per seat
Restaurants	\$857.02* for up to 74,095 gallons of water used, plus Volume Charge
Beauty salons and barber shops	\$367.53 per salon or shop
Laundromats and dry cleaners	\$400.58* for up to 74,095 gallons of water used, plus Volume Charge
Automobile service stations	\$465.15 per establishment
Automobile service stations with dump facilities	\$1,521.17 per establishment
Machine shops and auto repair shops	\$412.31 per shop
Car washes	\$358.83* for up to 74,095 gallons of water used, plus Volume Charge
Factories, industrial plants, water bottling facilities and water treatment plants	\$385.34* for up to 74,095 gallons of water used, plus Volume Charge
Photographic processing plants	\$824.63 per facility
Mortuaries	\$2,280.78 per establishment
Hospitals	\$432.75* for up to 74,095 gallons of water used, plus Volume Charge
Animal shelters, kennels, veterinary clinics and veterinary hospitals	\$453.63* for up to 74,095 gallons of water used, plus Volume Charge
Churches	\$453.63* for up to 74,095 gallons of water used, plus Volume Charge

Schools	\$23.05 per average daily attendance per year
Boys & Girls clubs	\$11.52 per average daily attendance per year
Auditoriums, dance halls and recreation buildings	\$385.34* for up to 74,095 gallons of water used, plus Volume Charge
Private clubs used with recreational facilities	\$453.63* for up to 74,095 gallons of water used, plus Volume Charge

* The charge stated is a minimum and shall apply for annual water consumption of up to 74,095 gallons. Volume Charges for annual water consumption in excess of 74,095 gallons shall be calculated in accordance with Section 6-1.5.9 above.

[Adopted as Ordinance No. 79 on July 9, 2012.]

Article 5. Annexation Fees

SECTION 6-1.5.1. PROCESSING FEE

A fee of \$200.00 (the “Processing Fee”) shall be paid to the District at the time of filing the application for annexation to cover the District’s costs in processing the application.

SECTION 6-1.5.2. ANNEXATION FEE

In addition to the Processing Fee payable pursuant to Section 6-1.6.1, above, upon approval of the annexation by the Local Agency Formation Commission, an annexation fee (the “Annexation Fee”) shall be paid to the District as follows:

(a) For properties of one acre or less: One Thousand Nine Hundred Five Dollars (\$1,905.00).

(b) For properties over one acre: One Thousand Nine Hundred Five Dollars (\$1,905.00) multiplied by the total acreage of the property being annexed.

SECTION 6-1.5.3. OTHER CHARGES

The Processing Fee and the Annexation Fee payable pursuant to Sections 6-1.6.1 and 6-1.6.2, above, shall be in addition to all other fees and charges of the District, including but not limited to sewer connection fees, sewer service charges, inspection fees, permit fees and costs associated with any extension of main sewer lines which may be required to serve the annexed property.

SECTION 6-1.5.4. USE OF ANNEXATION FEES

Revenues derived from the collection of Annexation Fees shall be placed in the District’s Capital Reserve Fund pursuant to District Resolution No. 99-363. The Annexation Fee revenues shall be for the purpose of financing the expansion of the sanitation and sewerage facilities of the District to accommodate the demand for additional capacity.

[Adopted as Ordinance No. 59 on September 23, 2002]

Article 6. Information Request Fee

SECTION 6-1.6.1. APPLICABILITY

This Article applies to requests received by the District from members of the public to provide information and/or to undertake research relating to the District’s services, operations,

ordinances, regulations, resolutions, policies, procedures, fees, charges and other matters (collectively, "Information Requests").

SECTION 6-1.6.2. COVERED INFORMATION REQUESTS

Except as provided in Section 6-1.7.3, all Information Requests, as defined above, shall be subject to the Information Request Fee set forth in Section 6-1.7.4 and the deposit requirements set forth in Section 6-1.7.5.

SECTION 6-1.6.3. EXCLUDED INFORMATION REQUESTS.

The following Information Requests are excluded from the provisions of this Article:

- (a) Requests made in connection with a pending application for annexation, new or expanded service, a permit or an inspection, which requests shall be subject to the fees and charges applicable to the application in question under other District ordinances.
- (b) Routine requests relating to readily available information requiring less than three (3) hours of District staff time and not requiring outside staffing or resources to research, analyze, assemble and/or deliver information in response to the Information Request.
- (c) Requests for copies of documents that are be governed by the California Public Records Act (Government Code Section 6250 et seq.); provided, however, that such requests shall be subject to the requirement for the payment of the direct cost of duplication as provided in Government Code Section 6253(b) and the direct cost of producing a copy of a record in an electronic format as provided in Government Code Section 6253.9(a)(2).

SECTION 6-1.6.4. INFORMATION REQUEST FEE

For Information Requests covered by Section 6-1.7.2 and not excluded under Section 6-1.7.3, the person making the Information Request shall pay a fee (the "Information Request Fee") based on (i) the hourly rate of compensation payable by the District for each District employee who works on the Information Request, plus (ii) the cost of health benefits, retirement benefits and employer payroll taxes payable by the District on behalf of each District employee who works on the Information Request, calculated on an hourly basis, and (iii) the actual cost of any outside staffing or resources required to research, analyze, assemble and/or deliver information in response to the Information Request. The Information Request Fee shall be in addition to the direct cost of duplication as provided in Government Code Section 6253(b) and the direct cost of producing a copy of a record in an electronic format as provided in Government Code Section 6253.9(a)(2).

SECTION 6-1.6.5. DEPOSITS

Prior to responding to an Information Request for which an Information Request Fee is payable under this Article, the District shall provide the person making the Information Request with an estimate of the amount of the Information Request Fee. The District shall require that such

estimated amount be deposited with the District prior to responding to the Information Request and shall apply the deposit to the Information Request Fee. In event the Information Request Fee exceeds the estimate and the deposit is depleted before the District has completed the work necessary to respond to the Information Request, the District shall require that an additional deposit be made in an amount equal to the estimated additional Information Request Fee.

SECTION 6-1.6.6. ACCOUNTING STATEMENTS

The District shall prepare an accounting statement for each Information Request Fee imposed pursuant to this Article. The accounting statement shall set forth in reasonable detail the manner in which the Information Request Fee was calculated and shall include (i) the title, hourly rate and cost of health benefits, retirement benefits and employer payroll taxes payable by the District for each District employee who worked on the Information Request, and (ii) the actual cost of any outside staffing or resources required to research, analyze, assemble and/or deliver information in response to the Information Request. The District shall provide an accounting statement to the person making an Information Request (a) at the time the District requests an additional deposit pursuant to Section 6-1.7.5, and (b) upon completion of the District's response to the Information Request. If the accounting statement which is presented upon completion of the District's response to an Information Request reflects a balance due after applying the deposit(s) collected under Section 6-1.7.5, such balance shall be payable by the person making the Information Request upon presentation of the accounting statement. If such accounting statement reflects that a portion of the deposit(s) collected under Section 6-1.7.5 remains unused, such unused portion shall be refunded by the District to the person making the Information Request upon presentation of the accounting statement.

SECTION 6-1.6.7. USE OF INFORMATION REQUEST FEES.

All Information Request Fees collected under this Article shall be placed in the District's Running Expense Fund pursuant to District Resolution No. 99-360. Said revenues shall be used for the purpose of covering the District's administrative and labor costs associated with the services provided by the District.

[Adopted as Ordinance No. 76 on March 5, 2012]

TITLE 7 - ENVIRONMENTAL REVIEW OF DISTRICT PROJECTS

Chapter 1. CEQA Guidelines

Article 1. General

SECTION 7-1.1.1. CONSIDERATION OF ENVIRONMENTAL CONSEQUENCES

District projects shall be undertaken with due regard for the environmental consequences as required by this Chapter.

SECTION 7-1.1.2. PURPOSE

Section 15022 of the Guidelines to the California Environmental Quality Act (CEQA) requires each public agency to adopt objectives, criteria and specific procedures for administering its responsibilities under CEQA and further requires the revision of implementing procedures to conform to amendments to the State CEQA Guidelines. The provisions of this Chapter constitute the District's local guidelines implementing CEQA.

Pursuant to Title 14, California Administrative Code Section 15022(d), the Goleta Sanitary District has adopted the State CEQA Guidelines (14 Cal. Admin. Code Sections 15000 et seq.) by incorporation by reference.

The District has adopted the objectives, criteria and specific procedures set forth below to tailor the general provisions of the State CEQA Guidelines hereinabove adopted to the specific operations of the District. If any of the terms or provisions of the District's objectives, criteria and specific procedures are inconsistent with the State CEQA Guidelines, the State CEQA Guidelines shall prevail.

Article 2. Objectives, Criteria and Procedures for Administering CEQA

SECTION 7-1.2.1. OBJECTIVES AND CRITERIA

It is the policy of the Goleta Sanitary District to:

(a) Comply with the California Environmental Quality Act (CEQA) and the Guidelines thereunder as they are from time to time amended, and to develop procedures that are consistent with said Guidelines.

(b) Ensure that among the guiding criteria in District decisions will be the consideration of the long-term protection, rehabilitation and enhancement of the environment in order to provide the people of the District with clean air and water, enjoyment of aesthetic, natural, scenic and historic environmental qualities and freedom from excessive noise and odors.

(c) Create and maintain conditions under which man and nature can exist in productive harmony to fulfill the social and economic requirements of present and future operations.

(d) Consider the qualitative, economic and technical factors, the long-term and short-term benefits and costs, and any feasible alternatives when taking action affecting the environment.

(e) Find that where any of the following conditions exist as a result of a project, the project will be determined to have a significant effect on the environment:

(1) A proposed project has the potential to degrade the quality of the environment, to curtail the range of the environment, or to achieve short-term goals to the disadvantage of long-term environmental goals;

(2) The possible effects of a project area individually limited but cumulatively considerable;

(3) The environmental effects of a project will cause substantial adverse effects on human beings, either directly or indirectly.

(f) Evaluate a project before the District is committed to a definite course of action to determine whether it may have a substantial adverse impact on the environment, to examine and institute methods of reducing adverse impacts, and to consider the alternatives to the project, thereby enabling environmental considerations to influence the project as early in the planning process as possible.

(g) Provide for wide public involvement, both formal and informal, consistent with existing District practices, in order to properly receive and evaluate public comments, both adverse and favorable, on the environmental issues regarding the proposed project.

(h) Cooperate to the fullest extent feasible in aiding the Lead Agency to comply with the requirements of law.

(i) Require the applicant for any entitlement, to provide such information as may be deemed necessary by the District to determine the environmental impact of the proposed entitlement.

(j) Require the applicant for such entitlement to pay such fee as may be hereafter established by the District to cover the cost incurred by the District in the preparation and filing of Environmental Impact Reports and Negative Declarations.

(k) Provide for an appeal procedure ending with the Governing Board by which the applicant or citizen directly affected by the activity may appeal an administrative decision or determination on the environmental effect of any proposed activity.

(l) Not limit, by these policies, the District's authority to refrain from approving a project or issuing an entitlement on other than environmental grounds.

Article 3. Procedures

SECTION 7-1.3.1. PURPOSE

The purpose of these procedures is to assign responsibility for (1) assessing the environmental impact of an activity proposed to be carried out or approved by the District; (2) preparing and approving related documents; and (3) approving the continuation of the activity or project. These procedures define the details necessary for District implementation of the California Environmental Quality Act Guidelines, which are adopted as the basic environmental documentation procedures for the District. The State CEQA Guidelines, as amended, are requirements for all environmental documentation by public agencies in California. These procedures supplement the State CEQA Guidelines to the extent necessary for efficient District compliance with its obligations under CEQA.

SECTION 7-1.3.2. DEFINITIONS

Environmental Committee: The Environmental Committee shall be headed by the District's General Manager. The Committee may also include one or more staff personnel selected from time to time by the Governing Board or by the General Manager under authority from the Governing Board.

Secretary: The Secretary of the Goleta Sanitary District.

Governing Board: The Governing Board of the Goleta Sanitary District.

SECTION 7-1.3.3. PRELIMINARY REVIEW

(a) The Environmental Committee conducts a preliminary review of the proposed activity. As part of this preliminary review, the Committee determines whether the proposed activity is a project and whether the District is the lead agency. The Committee also determines whether the proposed activity is included in one of the exemption categories and whether it has the potential for causing a significant effect on the environment. After conducting a preliminary review, the Committee sets forth its conclusions in a Preliminary Environmental Review form in the form attached hereto as Appendix "A" and delivers said Preliminary Environmental Review form to the Governing Board.

(b) The Governing Board approves the Preliminary Environmental Review form. The Board may also authorize the preparation and filing of a Notice of Exemption.

(c) The Environmental Committee prepares the Notice of Exemption form if authorized by the Board.

(d) The Secretary files the Notice of Exemption after approval of the project if the filing of the Notice is authorized by the Board.

SECTION 7-1.3.4. INITIAL STUDY

(a) The Environmental Committee conducts an initial study if warranted based on the results of the preliminary review to determine if the projects may have a significant effect on the environment. The Committee uses the Environmental Information Form and Environmental Checklist Form contained in the State CEQA Guidelines in conducting the initial study and consults informally with responsible agencies. After completing the initial study, the Committee recommends the preparation of either a Negative Declaration or an Environmental Impact Report by completing an Environmental Impact Assessment in the form attached hereto as Appendix "B."

(b) The Governing Board reviews the Environmental Impact Assessment and authorizes the preparation of either a Negative Declaration or an Environmental Impact Report.

SECTION 7-1.3.5. NEGATIVE DECLARATION

(a) The Governing Board determines on the basis of the Environmental Impact Assessment and any comments received whether the project will have a significant effect upon the environment. If the project will not have a significant effect upon the environment, the Board authorizes the preparation of a proposed Negative Declaration by the Environmental Committee.

(b) The Environmental Committee, upon receiving authorization from the Board, prepares or arranges for the preparation of a Negative Declaration and provides documentation for the findings in the Negative Declaration that the project will have no significant effect on the environment. The proposed Negative Declaration may be in the form attached hereto as Appendix "C." The Committee also prepares a Notice of Intent to Adopt Negative Declaration in the form attached hereto as Appendix "D."

(c) The Secretary gives public notice that the District proposes to adopt a Negative Declaration at least 7 days prior to its adoption. Where a Negative Declaration is sent to the State Clearinghouse, the public review period shall be at least 30 days, unless that State Clearinghouse approves a shorter period.

(d) The Governing Board adopts the Negative Declaration and either approves or disapproves the project.

(e) The Environmental Committee prepares a Notice of Determination in the form contained in the State CEQA Guidelines after the project has been approved by the Board.

(f) The Secretary files the Notice of Determination after project approval.

SECTION 7-1.3.6. ENVIRONMENTAL IMPACT REPORT

(a) The Governing Board considers the Environmental Impact Assessment and any comments received and authorizes the preparation of an Environmental Impact Report (EIR)

where there is substantial evidence that the project may have a significant effect upon the environment.

(b) The Environmental Committee prepares a Notice of Preparation in the form contained in the State CEQA Guidelines immediately after the preparation of an EIR is authorized by the Board. The Environmental Committee also prepares any other appropriate environmental documents.

(c) The Secretary sends the Notice of Preparation to the appropriate agencies immediately after the Notice is prepared by the Environmental Committee.

(d) The Environmental Committee sends requests for proposals to prepare the EIR, evaluates the proposals received and makes recommendations to the Governing Board.

(e) The Governing Board approves the consultant to prepare the EIR.

(f) The Environmental Committee assists with the preparation of the EIR and reviews the draft EIR prepared by the consultant. During the preparation of the draft EIR, the Committee may consult with responsible agencies and interested parties. As soon as the draft EIR is completed, the Committee prepares a Notice of Completion using the form contained in the State CEQA Guidelines or using the cover form required by the State Clearinghouse.

(g) The Secretary files the Notice of Completion, gives public notice of the availability of the draft EIR, furnishes copies to public libraries in the area and distributes copies to the appropriate agencies.

(h) The Environmental Committee consults with other agencies and interested parties and conducts public hearings, if warranted. The Committee also evaluates and responds to all comments received during the noticed comment period and verifies that such comments are addressed in the final EIR. The Committee then recommends the final EIR to the Governing Board.

(i) The Governing Board reviews the final EIR and considers the recommendations of the Environmental Committee. The Board then makes findings and certifies the EIR. The Board evaluates the environmental effects, if any, set forth in the EIR and balances environmental objectives with economic, social and other relevant objectives. The Board either approves or disapproves the project and, if appropriate, makes a statement of overriding considerations. If the project is approved, the Board authorizes the preparation and filing of a Notice of Determination.

(j) The Environmental Committee prepares a Notice of Determination after project approval in the form contained in the State CEQA Guidelines.

(k) The Secretary files the Notice of Determination upon project completion and files a copy of the certified, final EIR with the appropriate agencies.

(l) The Environmental Committee reviews other agencies' Notices of Preparation and draft EIRs where the District is not the lead agency and provides those other agencies with the official District comments on the documents.

SECTION 7-1.3.7. DELEGATION OF RESPONSIBILITIES

(a) Any act or function to be performed hereunder by the Environmental Committee may, at the discretion of the Governing Board, be performed instead by other parties designated by the Board.

(b) Any act or function to be performed hereunder by the Governing Board may, at the discretion of the Board, be performed instead by other parties; provided, however, that the Board shall not delegate the responsibility for reviewing and considering the information contained in a Negative Declaration or EIR or for approving or disapproving a project.

SECTION 7-1.3.8. APPEALS

Any interested party may file a written appeal of any decision made by the Environmental Committee or made by a party to whom the responsibilities of the Environmental Committee have been delegated. Said appeal must be filed with the Governing Board within seven (7) calendar days of the decision. The Board may charge a reasonable fee to defray the costs of administering the appeal. The Board shall conduct a public hearing on the appeal and shall give public notice of said hearing. After consideration of the testimony presented at the hearing, the Board shall make its determination concerning the appeal and notify all interested parties of said determination.

[Adopted as Resolution No. 88-178 on August 15, 1988. Amended by Ordinance No. 70 on July 21, 2008]

APPENDIX "A"
PRELIMINARY ENVIRONMENTAL REVIEW
GOLETA SANITARY DISTRICT

One William Moffett Place
Goleta, CA 93117
(805) 967-4519

Name of Project:

Location:

Entity or Person Undertaking Project: (Check appropriate box)

- Goleta Sanitary District
- Other: Name: _____
Address: _____

Environmental Committee Determination:

The District's Environmental Committee, having undertaken and completed a preliminary review of this proposed activity in accordance with the California Quality Act Guidelines ("CEQA Guidelines") has concluded that:

- A. The activity does not require further environmental assessment because:
- 1. The proposed action does not constitute a project under the CEQA Guidelines Section 15378 or is statutorily exempt.
 - 2. The project constitutes a feasibility or planning study under CEQA Guidelines Section 15262.
 - 3. The project is an Emergency Project under CEQA Guidelines Section 15269.
 - 4. The project is a Ministerial Project under CEQA Guidelines Section 15268.
 - 5. The project is Categorically Exempt under CEQA Guidelines Section _____.
 - 6. The project involves another public agency which constitutes the lead agency.
Name of Lead Agency _____
- B. The District is the lead agency and the activity is a project which requires further evaluation of the possible significant effects on the environment.

Date: _____

Authorized Person

Title

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APPENDIX "B"
ENVIRONMENTAL IMPACT ASSESSMENT
GOLETA SANITARY DISTRICT

One William Moffett Place
Goleta, CA 93117
(805) 967-4519

Name of Project:

Location:

Entity or Person Undertaking Project: (Check appropriate box)

- Goleta Sanitary District
- Other: Name: _____
Address: _____

Environmental Committee Determination:

The District's Environmental Committee, having undertaken and completed an initial study of this project for the purpose of ascertaining whether the proposed project might have a significant effect on the environment, has reached the following conclusion:

- 1. The project will not have a significant effect on the environment; therefore, a negative declaration should be prepared.
- 2. The project, if modified in accordance with certain mitigation measures set forth in the initial study and enumerated in Exhibit "A" attached hereto, will not have a significant effect on the environment. Upon completion of such procedures as may be necessary to assure such modification, a negative declaration should be prepared.
- 3. The project may have a significant effect on the environment; therefore, an EIR will be required.

Date: _____

Authorized Person

Title

APPENDIX "C"

NEGATIVE DECLARATION

GOLETA SANITARY DISTRICT

One William Moffett Place
Goleta, CA 93117
(805) 967-4519

- Proposed
- Final

Name of Project:

Location:

Entity or Person Undertaking Project: (Check appropriate box)

- Goleta Sanitary District
- Other: Name: _____
Address: _____

Project Description: _____

Finding: It is hereby found that the above-captioned project will not have a significant effect upon the environment.

Initial Study: An initial study of this project was undertaken and prepared in accordance with the California Environmental Quality Act and the Guidelines thereunder for the purpose of ascertaining whether this project might have a significant effect on the environment. A copy of such initial study is attached hereto. Such initial study documents reasons to support the above finding.

Mitigation Measures: The mitigation measures attached hereto as Exhibit "A" have been included in the project to avoid potentially significant effects.

Date: _____

Authorized Person

Title

APPENDIX "D"

NOTICE OF PROPOSED ADOPTION OF NEGATIVE DECLARATION

GOLETA SANITARY DISTRICT

One William Moffett Place
Goleta, CA 93117
(805) 967-4519

Name of Project:

Location:

Entity or Person Undertaking Project: (Check appropriate box)

Goleta Sanitary District

Other: Name: _____

Address: _____

Project Description: _____

NOTICE IS HEREBY GIVEN THAT the Goleta Sanitary District, located in Santa Barbara County, California, proposes to approve a Negative Declaration for the above-captioned project. Such Negative Declaration is based upon a finding that the project will not have a significant effect upon the environment. The reasons to support such finding are documented by an initial study prepared by the District. The public is invited to comment on the proposed Negative Declaration by submitting written comments or by providing oral testimony at the hearing on this matter to be held at the address shown above on _____ at _____. Copies of the initial study and the proposed Negative Declaration may be obtained from:

Name: _____

Title: _____

Address: _____

Date: _____

Authorized Person

Title

TITLE 8 - RECORDS

Chapter 1. Inspection and Retention Policies

Article 1. Inspection of Records

SECTION 8-1.1.1. PURPOSE AND SCOPE

This Article provides criteria and procedures for the inspection of records.

SECTION 8-1.1.2. GENERAL

District records are open to inspection during normal office hours and every person has a right to inspect such records.

SECTION 8-1.1.3. DEFINITIONS

As used in this Article:

(a) “Public Records” includes writing containing information relating to the conduct of the District’s business prepared, owned, used, or retained by the District, regardless of physical form or characteristics.

(b) “Writing” means handwriting, typewriting, printing, photostating, photographing, and other means of recording upon any form of communication or representation, including letters, words, pictures, sounds or symbols, or combinations thereof, and papers, maps, magnetic or paper tapes, photographic films and prints, magnetic or punched cards, discs, drums, or other documents. Writing does not include compilations of writings not created in the normal course of business.

SECTION 8-1.1.4. EXCEPTIONS

Nothing in this Article requires disclosure of the following records:

(a) Preliminary drafts, notes, or intra or inter agency memoranda not retained by the District in the ordinary course of business, if the public interest in withholding such records clearly outweighs the public interest in disclosure;

(b) Records pertaining to pending litigation to which the District is a party or to claims made pursuant to Division 3.6 (Commencing with Section 810) of Title 1 of the Government Code, until such litigation or claim has been finally adjudicated or otherwise settled;

(c) Personnel, medical or similar files, the disclosure of which would constitute an unwarranted invasion of personal privacy;

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(d) Geological and geophysical data, plant production data and similar information relating to utility systems development obtained in confidence from any person;

(e) Test questions, scoring keys, and other examination data used to administer examinations for employment;

(f) The contents of real estate appraisals, engineering or feasibility estimates and evaluations made for or by the District relative to the acquisition of property, or to prospective supply and construction contracts, until such time as the property has been acquired or the contract agreement obtained. The law of eminent domain shall not be affected by this provision;

(g) Records exempted or prohibited pursuant to provisions of Federal or State Law, including, but not limited to, provisions of the Evidence Code relating to privilege;

(h) Other records, the disclosure of which is not required by law.

SECTION 8-1.1.5. ADDITIONAL PUBLIC RECORDS

Notwithstanding the foregoing:

(a) Every employment contract between the District and a public official or public employee is a public record, and

(b) An itemized statement of the total expenditures and disbursements of the District provided for in Article VI of the California Constitution shall be open for inspection.

SECTION 8-1.1.6. JUSTIFICATION FOR WITHHOLDING OF RECORDS

The District shall justify withholding a record by demonstrating the record is exempt under the express provisions of this Article or the public interest served by not making the record available clearly outweighs the public interest served by disclosure of the record. Notice of intent to withhold records shall be provided to the person requesting the record within ten days of the request for inspection.

SECTION 8-1.1.7. COPIES OF RECORDS

(a) A person may obtain a copy of an identifiable record. On written request, an exact copy shall be provided in a form determined by the Secretary. Officers, agents and employees of the District are not required to request records in compliance with this section when acting within the course and scope of employment or office holding. The copy shall be provided within ten days or the person requesting the record shall be notified within ten days when the record will be provided.

(b) A payment shall be made in the amount of fifty cents (\$0.50) per page or, in the case of blue-line records, the amount charged shall be the actual cost charged by an outside blue-line print company. A certified copy of such record shall require an additional payment of two dollars (\$2.00). No charge shall be imposed for research.

(c) The General Manager may require a person who desires to obtain a copy of a record to deposit an amount equal to the estimated fees for copying prior to receiving the record. The portion of the deposit not required shall be refunded. If the deposit is insufficient an additional deposit will be required.

SECTION 8-1.1.8. PUBLIC COUNTER FILES

(a) Except for writings exempt from public disclosure, the Secretary shall maintain a duplicate copy of approved minutes, the agenda and written materials distributed to the Board for discussion or consideration at the next scheduled Board meeting, at the public counter located in the District's offices. Public records discussed during a public meeting but not previously available shall be made available before the commencement of discussion at such meeting and shall be made available for public inspection immediately or as soon thereafter as practicable.

(b) No charge will be imposed for the use of the records described in this section, unless a copy is requested in which case a copy charge shall be imposed.

(c) The Secretary shall also maintain a record of requests for inspection that are declined, including the reason.

Article 2. Retention or Destruction of Records

SECTION 8-1.2.1. PURPOSE AND SCOPE

This Article governs the destruction or disposition of public records of the District as provided Sections 60200 through 60203 of the Government Code of the State of California. This Article is in accordance with Government Code Section 60201 which authorizes special districts to adopt a records retention schedule that complies with the Local Government Records Management Guidelines issued by the California Secretary of State pursuant to Government Code Section 12236 (the "Guidelines").

SECTION 8-1.2.2. DESTRUCTION IN ACCORDANCE WITH SCHEDULE

The records of the District are hereby authorized to be destroyed as provided by Sections 60200 through 60203 of the Government Code and in accordance with the Records Retention Schedule set forth in the table below, upon the request of the General Manager without further action by the Governing Board of the District.

SECTION 8-1.2.3. COMPLIANCE OF SCHEDULE WITH GUIDELINES

As provided in Government Code Section 60201(b)(2), the Records Retention Schedule complies with the Guidelines.

SECTION 8-1.2.4. DESTRUCTION OF RECORDS NOT COVERED BY SCHEDULE

Records not mentioned in this Article shall be disposed of in compliance with the Guidelines.

SECTION 8-1.2.5. RETENTION OF CERTAIN RECORDS

Notwithstanding the provisions of Section 8-1.2.2 above or any other provision of law, pursuant to Government Code Section 60201(d) the District may not destroy or dispose of any record that is any of the following:

- (a) Relates to formation, change of organization, or reorganization of the District;
- (b) An ordinance adopted by the District. However, an ordinance that has been repealed or is otherwise invalid or unenforceable may be destroyed or disposed of pursuant to Section 60201 of the Government Code five years after it was repealed or became invalid or unenforceable;
- (c) Minutes of any meeting of the Governing Board of the District;
- (d) Relates to any pending claim or litigation or any settlement or other disposition of litigation within the past two years;
- (e) Is the subject of any pending request made pursuant to the California Public Records Act (Chapter 3.5, Division 7, Title 1, commencing with Section 6250 of the Government Code), whether or not the District maintains that the record is exempt from disclosure, until the request has been granted or two years have elapsed since the District provided written notice to the requester that the request has been denied;
- (f) Relates to any pending construction that the District has not accepted or as to which a stop notice claim legally may be presented;
- (g) Relates to the title to real property in which the District has an interest;
- (h) Relates to any nondischarged contract to which the District is a party;
- (i) Has not fulfilled the administrative, fiscal, or legal purpose for which it was created or received;
- (j) Is an unaccepted bid or proposal, which is less than two years old, for the construction or installation of any building, structure, or other public work;
- (k) Specifies the amount of compensation paid to District employees or to independent contractors providing personal or professional services to the District, or relates to expense reimbursement to District officers or employees or to the use of District paid credit cards or any travel compensation mechanism. However, a record described in this paragraph may be destroyed or disposed of pursuant to Section 60201 of the Government Code seven years after the date of payment; and
- (l) Any other records required by law to be filed and preserved.

SECTION 8-1.2.6. DESTRUCTION UNDER CERTAIN CONDITIONS

Notwithstanding the provisions of Section 8-1.2.2 above, the District may, pursuant to Government Code Section 60203, authorize the destruction of any record, paper, or document that is not expressly required by law to be filed and preserved if all of the following conditions are complied with:

- (a) The record, paper, or document is photographed, microphotographed, reproduced by electronically recorded video images on magnetic surfaces, recorded in the electronic data processing system, recorded on optical disk, reproduced on film or any other medium that is a trusted system and that does not permit additions, deletions, or changes to the original document in compliance with Government Code Section 12168.7 for recording of permanent records or nonpermanent records.
- (b) The device used to reproduce the record, paper, or document on film, optical disk, or any other medium is one that accurately reproduces the original thereof in all details and that does not permit additions, deletions, or changes to the original document images.
- (c) The photographs, microphotographs, or other reproductions on film, optical disk, or any other medium are placed in conveniently accessible files and provision is made for preserving, examining, and using the files.

SECTION 8-1.2.7. REPRODUCTIONS

For the purposes of Section 8-1.2.6 above, every reproduction shall be deemed to be an original record and a transcript, exemplification, or certified copy of any reproduction shall be deemed to be a transcript, exemplification, or certified copy, as the case may be, of the original.

SECTION 8-1.2.8. DESTRUCTION OF DUPLICATES

Notwithstanding the provisions of Section 8-1.2.2 above, the duplicate of record, paper or document that is no longer needed is hereby authorized, pursuant to Government Code Section 60200, to be destroyed, provided that the original or a permanent photographic record of such record, paper or document is retained by the District for the period required by the Records Retention Schedule or as specified in Section 8-1.2.5 above.

SECTION 8-1.2.9. METHOD OF DESTRUCTION

The destruction of any records as provided for herein shall be by burning, shredding or other effective method of destruction, and said method of destruction shall be authorized by the General Manager.

SECTION 8-1.2.10. DEFINITIONS

As provided in Government Code Section 60201(a), the term “records” as used herein shall consist of any “writing” defined within Government Code Section 6252(f), including any handwriting, typewriting, printing, photostating, photographing, photocopying, transmitting by

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electronic mail or facsimile, and every other means of recording upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof, and any record thereby created, regardless of the manner in which the record has been stored.

RECORDS RETENTION SCHEDULE

Document Title	Retention Period	Records Management Guidelines Page Reference (2/06) Attachment C	Comments
Financial Records			
Independent Auditors Report	Permanent	C-30	
Budgets	Permanent	C-17; C-29	
Bonds	Closed/Completion + 10 Years	C-17; C-31	
General Ledger	Permanent	C-29	
Investment Transactions	Permanent	C-30	
State Controller's Annual Report	Permanent	C-30	
Accounts Receivables	Audit + 4 Years	C-29	
Bank Reconciliations	Audit + 5 Years	C-29	
Billing Records	Audit + 2 Years	C-29	
Budget Adjustments	Audit + 2 Years	C-29	
Canceled & Voided Checks	Audit + 5 Years	C-29	
Deposits/Receipts	Audit + 4 Years	C-29	
Invoices	Audit + 2 Years	C-29	
Inventory	Audit + 4 Years	C-29	

Administrative			
Agenda Reports	Current Year + 2 Years	C-22	
Minutes	Permanent	C-23	
Recording Tapes	Current Year + 3 Months	C-23	
Ordinances/Resolutions	Permanent	C-23	
Formation Records	Permanent	C-22	“Articles of Incorporation” used as reference.
Employment Records			
Insurance Records - Worker’s Compensation	Permanent	C-24	
Employee Personnel Records (Copies)	Current Year + 2 Years	C-21	Attendance, evaluations, drafts, worksheets, postings.
Payroll Register	Permanent	C-30	
Payroll- Federal/State Reports (Records of Deductions)	Termination + 4 Years	C-30	
Employee Time Sheets	Audit + 6 Years	C-30	
Disability Claims	Permanent	C-20	
Disability Records	Permanent	C-20	
Recruitment	Closed/Completion + 3 Years	C-21	Includes applications and interview information.
Accident Reports (City Assets)	Closed/Completion + 7 Years	C-24	
Claims/Damage	Closed/Completion	C-24	

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	+ 5 Years		
Incident Reports	Closed/Completion + 7 Years	C-24	
Employee Handbook	Superseded + 2 Years	C-20	
PERS, Social Security, SSI Records	Permanent	C-21	
Training Records (Safety)	Closed/Completion + 2 Years	C-21	
Training Records (Non- Safety)	Closed/Completion + 7 Years	C-21	
Training Manuals	Closed/Completion + 7 Years	C-21	
Training Materials	Closed/Completion + 7 Years	C-21	
Contracts			
Contracts and Agreements (Excluding Capital Improvements)	Termination + 5 Years	C-22	Includes leases, equipment, services, or supplies.
Contracts and Agreements (Including Capital Improvements)	Permanent	C-22	Construction.
Construction Records	Permanent	C-26	
Grants (Federal and State)	Closed/Completion + 7 Years	C-19	
Grants (Community and Urban Development)	Closed/Completion + 4 Years	C-19	
Property			
Vehicle Ownership and Title	Life	C-29	

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Deeds and Easements	Permanent	C-28	
Plans and Specifications (Approved Construction)	Permanent	C-26	
	Closed/Completion + 2 Years	C-26	
Miscellaneous			
District Code	Permanent	C-23	Treated as “Municipal Code,” due to lack of “District Code” category.
Certificates of Election	Termination + 4 Years	C-17	
Statement of Economic Interest (Elected Officials)	Termination + 7 Years	C-18	
Oaths of Office	Termination + 6 Years	C-18	
Sewer Permits (Construction)	Permanent	C-26	
Sewer Permits (Other)	Closed/Completion + 2 Years	C-26	
County Assessor Maps	Permanent	C-26	
Insurance Records – General Liability, Property	Permanent	C-24	
Legal Opinions (confidential)	Superseded + 2 Years	C-23	
Public Notices/Legal Publications	Closed/Completion + 4 Years	C-23	Contain lasting administrative and legal value.
Unaccepted Bids	Closed/Completion + 2 Years	C-25	

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Board of Director Applications (Not Accepted)	Closed/Completion + 2 Years	C-22	
Board of Director Applications (Accepted)	Termination + 5 Years	C-22	
Surplus Property Lists (Auction)	Audit + 2 Years	C-29	
Surplus Property Lists (Disposal)	Audit + 4 Years	C-29	
Public Records Requests	Closed/Completion + 2 Years	C-23	
Written Protests under Proposition 218	Hearing to Consider Protests + 2 Years	N/A	Protests for property-related fees pursuant to California Constitution Article XIII D, Section 6

[Adopted as Resolution No. 08-479 on November 17, 2009. Amended by Resolution No. 16-608 on December 5, 2016.]

TITLE 9 - ANNEXATION POLICY

Chapter 1. Legal Parcels and Out-of-Agency Service Agreements

Article 1. Findings, Policies and Exceptions

SECTION 9-1.1.1. FINDINGS - ANNEXATION OF LEGAL PARCELS

With respect to the boundaries of new territory to be annexed to the District, the Governing Board makes the following findings:

- (a) It has been the long standing practice and policy of the District to (i) deny requests for annexations of any new territory where the territory includes less than an entire legal parcel, and (ii) deny requests for the use of out-of-agency service agreements in lieu of annexing new territory that requires service from the District. The Board deems it to be in the best interests of the District to adopt a resolution to formally approve and memorialize its existing practices and policies relating to annexations.
- (b) The Board has adopted Ordinance No. 59 setting forth the fees to be charged for annexations. The annexation fees set forth in Ordinance No. 59 were calculated to equitably apportion the costs to be covered by the fees among the total acreage anticipated to be annexed to the District. Accordingly, if the District were to approve the annexation of new territory that includes less than an entire legal parcel, certain acreage would be left outside the District's boundaries and the District would therefore collect less revenue than is needed to cover the costs which are intended to be covered through annexation fees.
- (c) All of the District's records are currently maintained on the basis of Assessor's Parcel Numbers and legal lots. Accordingly, if the District were to approve the annexation of new territory that includes less than an entire legal parcel, the District would need to develop and implement burdensome new systems for tracking services and billing its customers. In addition, the District would be required to assume new responsibilities for (i) monitoring land uses to ensure that those portions of legal parcels which are not annexed are not connected to the District's sewer system in the future, (ii) informing subsequent owners of the fact that only a portion of their property has been annexed to the District, and (iii) processing subsequent annexations before improvements on any unannexed portion of a legal parcel are connected to the District's sewer system.
- (d) The Santa Barbara County Assessor's Office discourages the practice of creating taxation-based boundaries that are not coincident with legal parcel boundaries because such boundaries have the potential to create confusion and may be used to justify a later actual subdivision of the parcel. Accordingly, if

the District were to approve the annexation of new territory that includes less than an entire legal parcel, such approval would create potential problems for the County of Santa Barbara.

- (e) Government Code Section 56375(l) indicates that any territory to be annexed to the District should have definite boundaries and that the boundaries should conform with lines of assessment or ownership. Accordingly, if the District were to approve the annexation of new territory that includes less than an entire legal parcel, such approval would be inconsistent to the intent of Government Code Section 56375(l).

SECTION 9-1.1.2. POLICY - ANNEXATION OF LEGAL PARCELS

Based on the foregoing findings, it shall be the policy of the District that, if an applicant for the annexation of new territory to the District desires to have less than the entirety of an existing legal parcel annexed, such applicant should first obtain approval of a subdivision or lot split to create a separate legal parcel with boundaries corresponding to the territory sought to be annexed.

SECTION 9-1.1.3. FINDINGS - OUT-OF-AGENCY SERVICE AGREEMENTS

With respect to out-of-agency service agreements, the Governing Board makes the following findings:

- (a) Government Code Section 56133 provides that an agency may provide new or extended service by contract or agreement outside its jurisdictional boundaries only if it first requests and receives written approval from the Local Agency Formation Commission (“LAFCO”). That section further provides that LAFCO may authorize an out-of-agency service agreement only where (i) the property is located within the agency’s sphere of influence and the out-of-agency service agreement is entered into in anticipation of a later change of organization (e.g., an annexation of the territory to the agency); or (ii) the property is located outside the agency’s sphere of influence and an out-of-agency service agreement is necessary to respond to an existing or impending threat to public health or safety of the residents of the affected territory. Accordingly, under Government Code Section 56133, out-of-agency service agreements are to be used only under very limited circumstances.
- (b) In situations where out-of-agency service agreements are permitted under Government Code Section 56133, such agreements may nevertheless present problems for the District because they have the potential to (i) create confusion with respect to the District’s service area, (ii) create disorderly boundaries, (iii) complicate and make more costly the billing and collection of fees, (iv) create different classes of customers, (v) deprive customers who receive service by contract of the right to vote for members of the District’s Governing Board, and (vi) make more difficult the enforcement of District requirements.

SECTION 9-1.1.4. POLICY - OUT-OF-AGENCY SERVICE AGREEMENTS

Based on the foregoing findings, it shall be the policy of the District to not provide service through out-of-agency service agreements and to instead require the annexation to the District of any new territory requiring sewer service.

SECTION 9-1.1.5. EXCEPTIONS

Exceptions to the policies set forth above may be made on a case by case basis in the sole discretion of the District's Governing Board to address unique circumstances and/or to avoid undue hardship.

[Adopted by Resolution No. 08-478 on November 3, 2008]

TITLE 10 - FRAUD AND IDENTITY THEFT PROTECTION

Chapter 1. Fraud Policies and Procedures Applicable to District Employees and Board Members

Article 1. Purpose and Scope

The purpose of this Chapter is to establish policies and procedures for (i) clarifying acts that are considered to be fraudulent, (ii) describing the steps to be taken when fraud or similar dishonest activities are suspected, (iii) accounting for missing property and funds, and (iv) seeking restitution or otherwise attempting to recover missing property and funds.

Article 2. Policy

SECTION 10-1.2.1. STATEMENT OF POLICY

(a) The Goleta Sanitary District is committed to protecting its assets against the risk of loss or misuse. Accordingly, it is the policy of the District to identify and promptly investigate any possibility of fraudulent or similar dishonest activities against the District and, when appropriate, to pursue legal remedies available under the law.

(b) This policy applies to any suspected acts of fraud, as defined herein, involving employees, members of the District's Governing Board, consultants, vendors, contractors, outside agencies, and/or any other parties with a business relationship with the District.

(c) Any investigative action taken in connection with a suspected act of fraud will be conducted in an objective and impartial manner without regard to the suspected wrongdoer's length of service, position, title, or relationship to the District.

(d) All District employees are responsible for the detection, reporting and prevention of fraud.

SECTION 10-1.2.2. DEFINITIONS

(a) Fraud – The intentional false representation, or concealment of material fact for the purpose of personal gain for oneself or others; or inducing another to act similarly. Fraud includes, but is not limited to:

- (i) Claim for reimbursement of expenses that are not job-related or authorized by current District policies
- (ii) Forgery or unauthorized alteration of documents (checks, promissory notes, time sheets, independent contractor agreements, purchase orders, budgets, etc.)

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- (iii) Misappropriation of District assets (funds, securities, supplies, furniture, equipment, etc.)
- (iv) Improprieties in handling or reporting of money transactions
- (v) Authorizing or receiving payment for goods not received or services not performed
- (vi) Computer-related activity involving unauthorized alteration, destruction, forgery, or manipulation of data or misappropriation of District-owned software
- (vii) Misrepresentation of information on documents
- (viii) Any violation of federal, state, or local laws related to dishonest activities or fraud
- (ix) Seeking or accepting anything of material value from those doing business with the District, including vendors, consultants, contractors, lessees, applicants, and grantees

(b) Employee – Any individual who receives compensation from the District for services rendered, either full- or part-time. The term includes members of the District’s Governing Board, volunteer who provide services to the District through an official arrangement with the District, consultants, vendors, contractors and outside agencies and/or any other parties with a business relationship with the District.

(c) Management – The District’s General Manager and the supervisor of each department of the District.

(d) Investigator – Any person assigned by the General Manager to investigate a suspected act of fraud.

(e) External Auditor – The independent audit professionals who perform annual audits of the District’s financial statements.

SECTION 10-1.2.3. INVESTIGATION

The District will fully investigate any suspected acts of fraud by a District Employee. An objective and impartial investigation will be conducted regardless of the position, title, length of service or relationship with the District, of any Employee who might be or become involved in or becomes the subject of such investigation.

SECTION 10-1.2.4. RESPONSIBILITIES OF MANAGEMENT EMPLOYEES

Each department of the District is responsible for instituting and maintaining a system of internal controls for the prevention and detection of fraud. Each Management Employee should be familiar with the types of improprieties that might occur within their area of responsibility and be alert for any indications of fraud.

SECTION 10-1.2.5. RESPONSIBILITIES OF INVESTIGATOR

The Investigator has the primary responsibility for the investigation of all suspected acts of fraud, as defined in this policy. Throughout the investigation, the Investigator will keep the General Manager informed of pertinent investigative findings.

SECTION 10-1.2.6. WHISTLE-BLOWER PROTECTION

Employees will be granted whistle-blower protection when acting in accordance with this policy. When an Employee informs the District of a suspected act of fraud, neither the District nor any person acting on behalf of the District shall (i) dismiss or threaten to dismiss the Employee, (ii) discipline, suspend, or threaten to discipline or suspend the Employee, (iii) impose any penalty upon the Employee, or (iv) intimidate or coerce the Employee. Violations of the foregoing whistle-blower protection will result in discipline up to and including dismissal.

SECTION 10-1.2.7. REPORT BY INVESTIGATOR

Upon conclusion of the investigation, the Investigator will report the results to the General Manager.

SECTION 10-1.2.8. ACTION BY GENERAL MANAGER

The General Manager, following review of investigation results, will take appropriate action regarding Employee misconduct. Disciplinary action can include termination, and referral of the case to the appropriate law enforcement agency and district attorney for possible arrest and prosecution.

SECTION 10-1.2.9. ACTION BY DISTRICT

The District will pursue every reasonable effort, including court ordered restitution, to obtain recovery of District losses from the offender, or other appropriate sources.

Article 3. Procedures

SECTION 10-1.3.1. MANAGEMENT RESPONSIBILITIES

(a) Management is responsible for being alert to, and reporting fraudulent activities in their areas of responsibility.

(b) Each Management Employee should be familiar with the types of improprieties that might occur in his or her area and be alert for any indication that improper activity, misappropriation, or dishonest activity is or was in existence in his or her area.

(c) When an improper activity is detected or suspected, Management should determine whether an error or mistake has occurred or if there may be fraudulent activity.

(d) If a Management Employee suspects that an activity may involve fraud, they should contact their next immediate supervisor not involved in the suspected misconduct, and together with that supervisor inform the General Manager (unless the General Manager is alleged to have involvement in the suspected misconduct). If the suspected misconduct is alleged to involve the General Manager, District Counsel should be informed.

(e) Management should not attempt to conduct individual investigations, interviews, or interrogations. However, Management is responsible for taking appropriate corrective actions to ensure adequate controls exist to prevent reoccurrence of improper actions.

(f) Management should cooperate fully with the Investigator, other involved departments, and law enforcement agencies in the detection, reporting, and investigation of criminal acts, including the prosecution of offenders.

(g) Management must give the Investigator appropriate access to District records and personnel. All District furniture and contents, including desks and computers, are open to inspection by the Investigator. There is no assumption of privacy.

(h) In dealing with suspected fraudulent activities, great care must be taken. Therefore, Management should avoid (i) incorrect accusations, (ii) alerting suspected individuals that an investigation is underway, (iii) treating Employees unfairly, or (iv) making statements that could lead to claims of false accusations or other offenses.

(i) In handling fraudulent activities, Management has the responsibility to:

(i) Make no contact with the suspected individual to determine facts or demand restitution, unless requested by the Investigator. Under no circumstances should there be any reference to “what you did”, “the crime”, “the fraud”, “the misappropriation”, etc.

(ii) Avoid discussing the case, facts, suspicions, or allegations with anyone outside the District, unless specifically directed to do so by District Counsel.

(iii) Avoid discussing the case, facts, suspicions, or allegations with anyone other than those who have a need to know, such as the General Manager, District Counsel, or law enforcement personnel. Management should direct any inquiries from the District’s Governing Board to the General Manager or District Counsel.

(iv) Direct all inquiries from the suspected individual, or his or her representative, to the Investigator or General Manager. All

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inquiries from the media should be directed to the General Manager or District Counsel.

- (v) Take appropriate corrective and disciplinary action, up to and including dismissal, after consulting with the General Manager, in conformance with the District's personnel policies and procedures.

SECTION 10-1.3.2. INVESTIGATOR RESPONSIBILITIES AND AUTHORITY

(a) Upon assignment by the General Manager (or District Counsel, as necessary), the Investigator will promptly investigate the suspected fraud.

(b) Employees must cooperate with the Investigator. Refusal, or the conveyance of inaccuracies, may subject an Employee to disciplinary action up to and including dismissal.

(c) In all circumstances where there appears to be reasonable grounds for suspecting that fraud has taken place, the Investigator, in consultation with the District Counsel, will contact the appropriate law enforcement agency.

(d) The Investigator shall be available and receptive to receiving relevant, confidential information to the extent allowed by law.

(e) If evidence is uncovered showing possible fraudulent activities, the Investigator will proceed as follows:

- (i) Discuss the findings with the General Manager, who will in turn inform District Counsel.
- (ii) Meet with the General Manager (or his designated representative) to: (1) determine if disciplinary actions should be taken, (2) report to the External Auditor such activities in order to assess the effect of the illegal activity on the District's financial statements, and (3) notify insurers and coordinate the filing of insurance claims.
- (iii) Take immediate action, in consultation with District Counsel, to prevent the theft, alteration, or destruction of evidentiary records. Such action shall include, but is not limited to: (1) removing the records and placing them in a secure location, or limiting access to the records, and (2) preventing the individual suspected of committing the fraud from having access to the records.

(f) In consultation with District Counsel and the appropriate law enforcement agency, the Investigator may disclose particulars of the investigation to potential witnesses if such disclosure would further the investigation.

(g) If the Investigator is contacted by the media regarding an alleged fraud or audit investigation, the Investigator will consult with the General Manager and District Counsel, as appropriate, before responding to a media request for the information or interview.

(h) At the conclusion of the investigation, the Investigator will document the results in a confidential report to the General Manager and District Counsel. If the report concludes that the allegations are founded, the report will be forwarded to the appropriate law enforcement agency.

(i) Unless exceptional circumstances exist, a person under investigation for fraud is to be given notice in writing of essential particulars of the allegations prior to the conclusion of the investigation. Where notice is given, the person against whom allegations are being made may submit a written explanation to the Investigator no later than seven calendar days after notice is received.

(j) The Investigator will be required to make recommendations to the District for the prevention of future similar occurrences.

(k) Upon completion of the investigation, including all legal and personnel actions, the Investigator will return all records, documents, and other evidentiary material, obtained from the District.

Article 4. Exceptions

Exceptions to this policy must be approved in writing by the General Manager, the District's Governing Board, or District Counsel. No such exception will be valid if the person authorizing the exception is himself/herself the subject of the related allegation.

[Adopted as Resolution No. 08-472 on July 21, 2008]

Chapter 2. Identity Theft Prevention Program

Article 1. Purpose

The purpose of this program is to provide for compliance by the District with Section 114 of the Fair and Accurate Credit Transaction Act of 2003 and the rules and guidelines published by the Federal Trade Commission (FTC) and other federal regulatory agencies under 16 C.F.R. Part 681 (the “FTC Regulations”) requiring the District to develop and implement a written program designed to detect, prevent and mitigate identity theft in connection with new and existing covered accounts.

The FTC Regulations require the program to include reasonable policies and procedures to:

- Identify relevant red flags and incorporate them into the program
- Detect red flags that have been incorporated into the program
- Respond appropriately to any red flags that are detected to prevent and mitigate identity theft
- Ensure the program is updated periodically to reflect changes in risks from identity theft.

The FTC Regulations further require the District to (i) provide for the continued administration of the program, (ii) obtain approval of the initial written program from its Governing Board, (iii) provide for the oversight, development, implementation and administration of the program, (iv) train staff, as necessary, to effectively implement the program, (v) exercise appropriate and effective oversight of service provider arrangements, and (vi) consider the guidelines in Appendix J of the FTC Regulations and include in its program those guidelines that are appropriate.

Article 2. Program Details

SECTION 10-2.2.1. IDENTIFYING RELEVANT RED FLAGS

A “red flag” is a pattern, practice, or specific activity that indicates the possible existence of identity theft. The FTC Regulations include 26 examples of red flags which fall into the following five categories:

- Alerts, notifications, or other warnings received from consumer reporting agencies or service providers
- Presentation of suspicious documents
- Presentation of suspicious personal identifying information, such as a suspicious address change
- Unusual use of, or other suspicious activity related to, a covered account
- Notice from customers, victims of identity theft, law enforcement authorities or other persons regarding a possible identity theft.

After reviewing the 26 examples contained in the FTC Regulations, the District has determined that the following red flags are applicable to the District's sewer service accounts which either are billed on the County tax roll or are billed directly by the District through the issuance of periodic invoices:

Suspicious Documents

- Documents provided for identification appear to have been altered or forged.
- The photograph or physical description on the identification is not consistent with the appearance of the applicant or customer.
- Other information on the identification is not consistent with information provided by the applicant or customer.
- Other information on the identification is not consistent with readily accessible information that is on file with the District.
- An application or other documentation appears to have been altered or forged, or gives the appearance of having been destroyed and reassembled.

Suspicious Personal Identifying Information

- Personal identifying information provided is inconsistent when compared against external information sources used by the District
- Personal identifying information provided to the District is not consistent with other personal identifying information on file with the District.
- The applicant or the customer fails to provide all required personal identifying information on an application or in response to notification that the application is incomplete.

Unusual Use of, or Suspicious Activity Related to, the Covered Account

- Mail sent to the customer is returned repeatedly as undeliverable although transactions continue to be conducted in connection with the customer's covered account.

Notice from Customers, Victims of Identity Theft, Law Enforcement Authorities, or Others

- The District is notified by a customer, a victim of identity theft, a law enforcement authority, or any other person that the District has opened a fraudulent account for a person engaged in identity theft.

SECTION 10-2.2.2. DETECTING RED FLAGS

Red flags will be detected as District employees interact with applicants, customers and members of the public. An employee will be alerted to red flags when (i) reviewing and processing applications and associated documentation for new service, (ii) preparing and processing invoices for District customers who are not billed on the County tax roll, (iii) preparing reports to the County of Santa Barbara listing parcels to be billed on the tax roll and the charges for each parcel, and (iv) responding to inquiries from customers and members of the public relating to service provided by the District to particular parcels.

To assist in the detection of red flags, District employees should:

- Require any person requesting new service from the District and any customer or other person requesting information on an existing account to provide photo identification issued by a governmental agency.
- Where an entity is requesting new service, require copies of the entity's formation documents, such as articles of incorporation, articles of organization, partnership agreement or trust certification.
- Review the documents required above with a view to identifying red flags.
- Compare the documents required above with other information contained in the District's files, to the extent reasonable and practical.
- Verify any notifications of address change by contact the customer to confirm the change.

SECTION 10-2.2.3. RESPONDING TO RED FLAGS

Responses to red flags should be commensurate with the degree of risk posed. Aggravating factors that heighten the risk of an identity theft include:

- A data security incident that results in unauthorized access to a customer's account records held by the District; or
- Receipt of a notice that a customer has provided information related to an account to someone fraudulently claiming to represent the District.

Responses to red flags detected by District employees may include:

- Monitoring the account for evidence of identity theft
- Contacting the customer
- Declining to open a new account

- Declining to provide access to information relating to an existing account
- Closing an existing account
- Notifying the District's Office Manager and/or General Manager
- Notifying law enforcement
- Determining that no response is warranted under the circumstances

SECTION 10-2.2.4. SERVICE PROVIDERS

The District utilizes the services of the County of Santa Barbara to collect sewer service charges on the tax roll. In order to ensure that the County conducts its collection activities in accordance with reasonable policies and procedures designed to detect, prevent and mitigate the risk of identity theft, the District will annually obtain a current copy of the County's Identity Theft Prevention Program and review it to ensure that it complies with the FTC Regulations. If any deficiencies are noted in connection with such review, the District will ask that the County correct the deficiencies.

SECTION 10-2.2.5. ADMINISTRATION AND OVERSIGHT OF PROGRAM

The Governing Board must approve the District's initial Identity Theft Prevention Program and all subsequent material changes thereto. The District's General Manager will present an annual report to the Governing Board which addresses the effectiveness of the program, documents significant incidents involving identity theft and related responses, provides updates related to external service providers, and includes recommendations for material changes to the program.

The program will be reviewed at least annually and updated as needed based on the following events:

- The District's experience with identity theft
- Changes in methods of identity theft
- Changes in methods to detect, prevent and mitigate identity theft
- Changes to the types of accounts offered and maintained by the District
- Changes in service provider arrangements

The District's Office Manager will (i) assume primary responsibility for the administration of the program, (ii) oversee the daily activities related to identity theft detection and prevention, (iii) train staff, as necessary, to detect and respond to red flags and to effectively implement the program, and (iv) provide ongoing oversight to ensure that the program is effective.

[Adopted as Resolution No. 09-483 on April 20, 2009]



GOLETA SANITARY DISTRICT
ADMINISTRATIVE CODE