

SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

Policy Name:	5040 – BOARD ACTIONS AND DECISIONS		
Approval Authority:	SPMUD BOARD OF DIRECTORS	Adopted:	09/03/15
Resolution No.	15-23	Revised:	

Purpose

The purpose of this policy is to conform with Chapter 3, Article 5 (Meetings and Legislation) of the California Municipal Utility District Act, regarding the expression of Board Actions and Decisions, including informal direction.

Policy Statement

Section 1. General

Actions by the Board of Directors include, but are not limited to, the following:

- A. Adoption or rejection of regulations or policies;
- B. Adoption or rejection of a resolution;
- C. Adoption or rejection of an ordinance;
- D. Approval or rejection of any contract or expenditure;
- E. Approval or rejection of any proposal which commits District funds or facilities, including employment and dismissal of personnel; and,
- F. Approval or disapproval of matters that require or may require the District or its employees to take action and/or provide services.

Section 2. Majority Votes of the Board

Action can only be taken by the vote of the majority of the Board of Directors. Three (3) Directors represent a quorum for the conduct of business.

- A. A member abstaining in a vote is considered as absent for that vote. A member abstaining due to a conflict of interest does not count towards a quorum.
- B. If three of five Directors are present at a meeting, a quorum exists and business can be conducted unless the abstention is due to a conflict of interest. However, if one Director abstains on a particular action and the other two cast "aye" votes, no action is taken because a "Majority of the Board" did not vote in favor of the action.
- C. If an action is proposed requiring a two-thirds vote and two Directors abstain, the proposed action cannot be approved because four of the five Directors would have to vote in favor of the action.
- D. If a vacancy exists on the Board and a vote is taken to appoint an individual to fill said vacancy, three Directors must vote in favor of the appointment for it to be approved. If two of the four Directors present abstain, the appointment is not approved.

Section 3. Board Direction

The Board may give directions that are not formal action. Such directions do not require formal procedural process. Such directions include the Board's directives and instructions to the General Manager.

The President shall determine by consensus a Board directive and shall state it for clarification. Should any two Directors challenge the statement of the President, a voice vote may be requested.

A formal motion may be made to place a disputed directive on a future agenda for Board consideration, or to take some other action (such as refer the matter to the General Manager for review and recommendation, etc.).

Informal action by the Board is still Board action and shall only occur regarding matters that appear on the agenda for the Board meeting during which said informal action is taken.

Section 4. Dissenting Opinion

In accordance with Policy 4050 *Guidelines for Members of the Board of Directors*, Directors are expected to support the legitimacy and authority of the decisions of the Board concerning any matter, irrespective of the Director's personal position. A Director retains the right to criticize the decisions of SPMUD, but in doing so should make it clear that it is their opinion, and not the opinion of the Board or other Directors, and so long as it complies with the limitations set forth in these policies. Directors are encouraged to notify the General Manager in advance when they plan to speak publicly in opposition to SPMUD decisions and policies.