

GCSD POLICY

POLICY TITLE: BOARD POLICIES

POLICY NUMBER: 101

ADOPTED: October 11, 2010

AMENDED:

RESOLUTION:

101.1 Purpose of Board Policies

It is the intent of the Board of Directors of the District to maintain a District Operational Policies Manual. Contained in the Manual shall be a comprehensive listing and description of the Board's current operational policies, which constitute the rules and regulations enacted by the Board from time to time to govern the operations of the District. The District's Operational Policies Manual is intended to serve as a resource for directors, staff and members of the public in determining the manner in which the District's business is to be conducted. The District's Operational Policies consists of the following sections: 1) Board Policies 2) Public Records Management; 3) Personnel Policies; 4) Financial Policies; 5) Deeds, Easements and Encroachments; 6) Facility Development; 7) Safety and Security Policies; 8) Administrative Policies for the District's Parks System, and 9) Miscellaneous Policies . These policies can be amended by the Board at any time.

101.2 Conflicts of Policies & Procedures with Statutes or Regulations

If any policy or portion of a policy contained within the District's Operational Policies Manual is in conflict with the provisions of the Community Services District Law at Government Code Section 61000 et seq., or any other statutes applicable to community services districts, or regulations in the California Code of Regulations which are applicable to the District or its operations, then said statutes and/or regulations shall prevail over the policies specified herein.

101.3 Policy Manual of the Board of Directors

In addition to this Operational Policy Manual, the Board of Directors has also adopted a separate Policy Manual of the Board of Directors. The Policy Manual of the Board of Directors is maintained under separate cover from the District's Operational Policies Manual.

- A. Purpose: The purpose of the Policy Manual of the Board of Directors is to provide rules and guidelines for the conduct of the Board of Directors of the District. The current version of the Policy Manual of the Board of Directors shall supersede all prior Board policies, actions, or practices with respect to the operations of the Board of Directors.
- B. Policy Amendment: The Board of Directors may amend its Policy Manual of the Board of Directors from time to time.

GCSD POLICY

POLICY TITLE: ADOPTION & AMENDMENT OF POLICIES

POLICY NUMBER: 102

ADOPTED: October 11, 2010

AMENDED:

RESOLUTION:

102.1 Initiating a Policy

The Board of Directors may consider adopting a new policy or amending an existing policy at any regular or special meeting of the Board of Directors. Any Director or the General Manager may initiate this action. The proposed new policy or amended policy is initiated by submitting a written draft of the proposed new policy or amended policy to each Director and the General Manager through the District Secretary and requesting that said item be included for consideration on the agenda of a regular or special meeting of the Board of Directors of the District.

102.2 Adopting a Policy

Adoption of a new policy or amendment of an existing policy shall be accomplished at a regular meeting of the Board of Directors and shall require the affirmative vote of three members of the Board of Directors, constituting a majority of the authorized number of members of the Board of Directors of the District.

Copies of the proposed new or amended policy shall be included in the Board agenda packet for any regular or special meeting at which such policy is scheduled to be considered. A copy of the new or amended policy shall be made available to each director for review at the time the entire agenda packet is made available for review, which is no later than two days prior to the regular meeting at which such policies are to be considered for adoption and/or amendment.

GCSD POLICY

POLICY TITLE: BOARD ACTIONS AND DECISIONS

POLICY NUMBER: 103

ADOPTED: October 11, 2010

AMENDED: March 10, 2020

103.1 Board Action

The Board of Directors of the District may take action to adopt a new policy or amend an existing policy at a regular or special meeting of the Board. The Board may take action by minute action, resolution or ordinance. The following procedure will govern the adoption and distribution of resolutions and ordinances. Actions which may be taken by the Board of Directors include but are not limited to the following:

- A. Adoption, amendment, or revision of District policies, procedures or regulations within the subject matter jurisdiction of the District or within the powers and purposes of the District as specified in the Community Services District Law at Government Code Section 61000 et seq., (the "Act"). This includes, but is not limited to, regulations regarding the use of District facilities and delivery of District services to the full extent authorized by the Act;
- B. Adoption of fees, rates, charges, assessments and/or taxes as authorized by the Act;
- C. Approval and/or revision of the District's annual budget;
- D. Approval and/or revision of District expenditures;
- E. Approval, revision and/or rejection of any contracts to be entered into by the District;
- F. Approval and/or rejection of any action which permits the use of District facilities or property including, but not limited to permits, easements, licenses, rights-of-way, encroachment permits, development agreements, annexation agreements or any other form of entitlement to utilize District property or facilities;
- G. Approve or reject any claim for monetary damages against the District.

103.2 Methods by Which Board Takes Action

The Board may take action by minute action, resolution or ordinance to make a new policy or amend an existing policy.

The following procedures will govern the adoption and distribution of minute actions, resolutions and ordinances.

- A. The Board may take action at any properly agenzized meeting of the District Board of Directors pursuant to the Brown Act (Government Code Section 54956 et seq.,) (the "Brown Act") by utilizing any of the following procedures: (a) by minute action, upon motion of one Board member, seconded by an additional Board member, and duly adopted by a majority vote of the total authorized number of the Board of Directors of the District and recorded in the official Minutes of Meetings of the Board of

Directors of the District; (b) by resolution, after motion, second, and majority vote of the total authorized number of members of the Board, such resolution to constitute a separate document recording the actions taken by the Board and the reasons for such actions, which includes the votes of individual members of the Board on the issue of adoption of the resolution, which is signed by the President of the Board of Directors, and attested and certified by the Secretary of the Board; or (c) by Ordinance, pursuant to the procedures set forth in Section 103.6.

- B. A majority of the members of the Board of Directors may give directions to staff to perform certain actions that do not constitute formal action of the Board and do not require the adoption of a formal resolution or ordinance. In such cases the Minutes shall reflect the directions given to staff by a consensus of the majority of the members of the Board. Such direction will usually include a Board directive and instructions to the General Manager.
 - 1. Through discussion with Board members the President of the Board shall determine whether a consensus exists for a particular Board direction to be given to staff. Should there be a dispute among Board members, a voice vote may be requested and taken among members of the Board regarding the proposed Board directive to staff.
 - 2. No individual member of the Board of Directors shall have the power to direct staff with respect to any issue.

103.3 Minute Actions

Normally, the Board of Directors of the District conducts its business by minute action. If a Board action requires special documentation, such as setting rates, then the Board uses resolutions (Section 103.4) and ordinances (Section 103.5) to document the Board action. To conduct Board business by minute action, the following procedure is used: upon motion of one Board member, seconded by an additional Board member, and duly adopted by a majority vote of the total authorized number of the Board of Directors of the District and recorded in the official Minutes of Meetings of the Board of Directors of the District.

103.4 Board Resolutions Amended March 10, 2020 Resolution 07-2020

- A. The Board will act by Resolution for the adoption of District policies and when entering into contracts which commit the District to a particular course of action or expenditure; for adoption of budgets, budget amendments; conveying or accepting grants of real property or granting easements with respect to District property; placing or releasing liens against real property for delinquent District fees, charges, taxes and/or assessments; granting, revising, or terminating any lease of subject property; granting concession, right of entry, right of use, access permits, or encroachment permits to members of the public with respect to use or access to District real property; adopting rates and charges; and as required by law.
- B. The Board may act by resolution for approval of items determined by the board or General Manager that factual findings in a resolution can improve District transparency and accountability in important actions.

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- C. Resolutions may be adopted by the Board of Directors at the meeting in which they are introduced on the agenda. Resolutions which are adopted by the Board of Directors are effective immediately unless otherwise specified.
- D. Any District resolution may be amended or repealed after being properly agendaized.
- E. Resolutions adopted by the Board shall have attached as exhibits and included in the District's Resolution Book any and all agreements, easements, liens, licenses, permits, leases, policy, contract, or document, any and all such items referred to in such resolution which are the subject matter of that particular resolution.
 - 1. All original resolutions shall be signed by the President of the Board of Directors, attested by the Board Secretary, and filed in consecutive, numbered order by year, in the District's Resolution Book.
- F. Any District resolution may be amended or repealed after being properly agendaized pursuant to the provisions of the Brown Act and after compliance with the same procedure for adopting the resolutions specified in this policy.
- G. Resolutions Affecting Real Property
 - 1. Resolutions affecting real property are those Board resolutions documenting action by the Board of Directors conveying or accepting grants of real property with respect to non-District property or granting easements with respect to District property; placing or releasing liens against real property for delinquent District fees, charges, taxes and/or assessments; granting, revising, or terminating any lease of subject property; granting concession, right of entry, right of use, access permits, or encroachment permits to members of the public with respect to use or access to District real property.
 - 2. Resolutions affecting real property and adopted by the Board shall have attached as exhibits any and all agreements, easements, liens, licenses, permits, leases, which are the subject matter of that particular resolution.
- H. Resolutions Regarding General District Business

These resolutions may document all other actions taken by the Board of Directors regarding issues within the subject matter jurisdiction of the District that do not involve real property but for which the District desires to provide written, certified evidence of the formal adoption of specified actions by the Board on behalf of the District upon which third parties may rely, such as banks, lessors, finance companies, vendors, contractors, consultants, etc.

- 1. If such a resolution acts to authorize a specific District policy, contract, or document, any and all such items referred to in such resolution shall be attached to said resolution as an exhibit and retained in the District's Resolution Book.

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103.5 Board Ordinances

Any action which the Board of Directors may wish to take which will have the full effect of law and be judicially enforceable as to members of the public such as customers and residents of the District shall be adopted by ordinance. If any Board action will potentially and directly affect members of the public within the District's jurisdiction, then the Board should take such actions by ordinance; otherwise, the Board may take such action by minute action or resolution. Examples of Board actions requiring action by ordinance are the following: (a) the levying and collection of rates, fees and charges with respect to water service including standby connection fees and standby charges; (b) the levying and collection of rates, fees and charges for sewer service including connection fees and standby charges; (c) the levying and collection of any special taxes; (d) the levying and collection of any assessments, including the Landscaping and Lighting Assessment for park and recreational purposes and/or a fire suppression assessment for fire suppression services; (e) the levying and collection of special taxes pursuant to the Mello-Roos Community Facilities District Act (the "Mello-Roos Act").

103.6 Procedures for Adoption of Ordinances

The District shall follow the procedures for ordinance passage specified for counties set forth in Government Code Sections 25120 through 25132 as required by Section 61060(a) of the Act. These requirements and procedures include specific timeframes that must be followed for public notice, specific requirements for passage, publication, and recordation of the ordinance; and specific language for the ordinance itself.

A. Title

Each ordinance should have a title for ease of reference and to allow the reading of the entire ordinance to be weighed at the Board meeting at which the ordinance is first introduced.

B. Enacting Clause

All ordinances passed by the Board must use the following enacting clause: "The Board of Directors of the Groveland Community Services District hereby ordains as follows."

C. Reading of the Ordinance for the Record

All ordinances must be read in full at the time of introduction, which introduction must be by means of being properly agendized pursuant to the Brown Act at a regular meeting of the Board of Directors. Upon the introduction of any ordinance, the Board may, by majority vote, waive the reading of the entire text of the ordinance as introduced, and simply introduce the ordinance by reading the title of the ordinance.

Except for an urgency ordinance, no ordinance may be passed at the time of its introduction, nor within five (5) days of its introduction.

D. Adoption of the Ordinance

After introduction at a regular meeting of the Board of Directors, any ordinance may only be adopted at a regular meeting of the Board of Directors in accordance with the following procedures:

1. Publication and Posting Requirement

The District must cause publication and posting of each ordinance at least five (5) days prior to the meeting of the Board at which the proposed ordinance is to be voted on, which publication shall be in a newspaper of general circulation throughout the District.

- a. Publication of an ordinance may be accomplished by the publication of the entire text of the ordinance, or it may be accomplished with the publication of a summary of the provisions of the ordinance prepared by an official designated by the Board, which summary is approved by the Board prior to certification. In

addition a certified copy of the full text of the proposed ordinance must be posted in the District's office at least five (5) days prior to the Board meeting at which the proposed ordinance is to be voted on.

- b. If it is not feasible to prepare a fair and adequate summary of the proposed ordinance, if the Board so orders and approves, a display advertisement of at least one quarter (1/4) page in a newspaper of general circulation within the District shall be published at least five (5) days prior to the Board meeting at which the proposed ordinance is to be voted on, which advertisement shall provide the general nature of and provide information about the ordinance and where to obtain copies.

E. Alteration of the Proposed Ordinance

If an ordinance is altered after its introduction, the ordinance may be passed only after the passage of at least five (5) days from the date of the alteration at either a regular Board meeting or an adjourned regular meeting of the Board. Simple corrections of typographical or clerical errors which do not affect the substance of the ordinance are not considered alterations and are not subject to the 5-day alteration requirement.

F. Votes

All ordinances require at least a majority vote of the total membership of the Board except urgency ordinances which require a four-fifths (4/5) vote of the Board.

G. Recordation of Votes on Ordinance

Upon passage of any ordinance, the votes of the Board members voting for, against, abstaining, or having been absent, shall be entered on the ordinance itself.

H. Effective Date of Ordinances

Ordinances generally become effective on the thirty-first (31st) day after adoption, provided that, before the expiration of fifteen (15) days after passage of an ordinance, the full text or a summary of the ordinance must be published a second time in the format in which it was adopted, in a newspaper of general circulation published throughout the District, with the names of the members of the Board of Directors voting for, against, abstaining, or absent.

If the Board fails to publish the summary or full text of the ordinance as adopted within fifteen (15) days after the date of the adoption, the ordinance will not become effective until thirty (30) days after the eventual date of publication.

I. Urgency Ordinances

Urgency ordinances take effect immediately. However, urgency ordinances must still be published within fifteen (15) days after adoption. The following ordinances take effect immediately.

1. Ordinances calling or otherwise relating to an election, whether general or special;
2. Ordinances specifically required by the government code or by any other law to take immediate effect;
3. Ordinances fixing the amount of money to be raised through special taxes, or the rate of special taxes to be levied;
4. Ordinances for the immediate preservation of public peace, health or safety, which shall contain a declaration of the facts constituting the urgency and shall be passed by a four-fifths (4/5) vote of the Board.

J. Post Adoption Posting Requirement

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Beginning with the date the ordinance is adopted and for at least fifteen (15) days after the passage of the ordinance it must be continuously posted in the form in which it was adopted by the Board in the District's office. Both posting and publication of the ordinance after adoption are necessary for the ordinance to become effective.

K. Record Keeping for Ordinances

After adoption of an ordinance, the original text of the ordinance signed by the President of the Board of Directors and attested by the Board Secretary shall be filed in the District's Ordinance Book together with two (2) proofs of publication evidencing the fact that said ordinance was published both before and after adoption as required by the provisions of this policy.

GCS D POLICY

POLICY TITLE: CONFLICT OF INTEREST CODE

POLICY NUMBER: 104

ADOPTED: October 11, 2010

AMENDED: December 11, 2018, Resolution 40-18

AMENDED: September 16, 2020, Resolution 40-2020

104.1 Policy

GROVELAND COMMUNITY SERVICES DISTRICT CONFLICT OF INTEREST CODE

The Political Reform Act (Government Code section 81000 et seq) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission (“FPPC”) has adopted a regulation (2 California Code of Regulations Section 18730, hereinafter “CCR 18730”) which contains the terms of a standard conflict of interest code and which can be incorporated by reference in an agency’s code. After public notice and hearing, the standard code may be amended by the FPPC to conform to amendments in the Political Reform Act. Therefore, the terms of CCR 18730 and any amendments to it duly adopted by the FPPC are hereby incorporated by reference. This regulation and the attached Appendices in which members and employees are designated and disclosure categories are set, shall constitute the conflict of interest code of the Groveland Community Services District.

Individuals holding designated positions shall file their statements of economic interests with the Clerk of the Groveland Community Services District. The Clerk will (1) make and retain a copy of each statement filed and forward the original to the Tuolumne County Board of Supervisors; and (2) make the statements available for public inspection and reproduction. (Gov. Code Sec. 81008). Original statements for all designated positions of the Groveland Community Services District will be retained by the Clerk of the Groveland Community Services District.

APPENDIX A

DESIGNATED POSITIONS

GOVERNED BY THE CONFLICT OF INTEREST CODE

DESIGNATED EMPLOYEES' TITLE OR FUNCTION	DISCLOSURE CATEGORIES
Members of the Board	ALL
Secretary of the Board	ALL
Attorney	ALL
Consultants¹	ALL
General Manager	ALL

¹ Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation: The President of the Board may determine in writing that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such a written determination shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of disclosure requirements. The President’s determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

APPENDIX B

DISCLOSURE CATEGORIES

All investments and business positions in business entities, and all sources of income and interests in real property as set forth below. This category is known as full disclosure.

1. Investments in or income from persons or businesses engaged in the business of providing services or supplies, including, but not limited to, equipment, machinery, or office supplies, to the Groveland Community Services District, or could foreseeably provide services or supplies to the Groveland Community Services District.
2. Interests in real property located in whole or in part within the boundaries of the Groveland Community Services District, or within a two-mile radius of the Groveland Community Services District, including any leasehold, beneficial or ownership interest or option to acquire such interest in real property if the fair market value of the interests is greater than \$2,000.00.
3. Business positions, including but not limited to, status as a director, officer, sole owner, partner, trustee, employee, or holder of a position of management in any business entity which, in the prior two years has contracted with, or in the future may contract with Groveland Community Services District to provide services or supplies to the Groveland Community Services District.

104.2 Limits on Honoraria

A. Definition of Honorarium

An honorarium is a payment made in consideration for any speech given, article published, or attendance at a public or private conference, convention, meeting, social event, meal, or similar gathering.

B. Limits on Honorarium

The Act prohibits receipt of an honorarium by any elected member of the Board of the District or by any designated employee of the District.

C. Return or Donation of Honorarium

The limitations on an honorarium do not apply if within 30 days of the receipt of the honorarium, the honorarium is returned unused, is donated to the general fund of the District, or is donated to a charity and not claimed as a tax deduction.

104.3 Economic Disclosure Provisions

In addition to the requirements that members of the Board and designated employees of the District disqualify themselves from conflicts of interest situations, these individuals whose participation in District decision making could affect their economic interests are required under the Act to file economic interest statements (Form 700) annually which are public records. Disclosure serves a two-fold purpose of making

assets and income of members of the Board and designated employees of the District a matter of public record, and by making the public aware of what constitutes economic interests subject to conflicts of interest. Disclosure enables Board members and employees of the District to be able to identify conflict of interest situations when they arise and disqualify themselves from participating in discussions when appropriate.

A. Conflict of Interest Code

The District's Conflict of Interest Code attached hereto as Appendix 100-A lists the categories of Board members and designated employees of the District who are required to file a Statement of Economic Interest (Form 700), and describes the economic interests which are subject to reporting. The Conflict of Interest Code also specifies when Board members and designated employees of the District must file their Form 700s and with whom.

All Form 700s are available for public inspection during regular business hours pursuant to the District's public record policy (Policy Section 201).

104.4 Mass Mailing Restrictions

The Act prohibits incumbent elected directors of the District from authorizing the use of District funds to produce mass mailings to residents and customers of the District which feature the elected Board member and increase the Board member's exposure to the public.

A. Basic Prohibition

The Act prohibits the District from mailing more than 200 substantially similar tangible items in one month, by any means, to recipients of the District if such mass mailing is prepared and mailed at District expense and featured an elected member of the Board, including the name, office, photograph or other reference to an elected Board member.

B. Exceptions

The Act specifies the following exceptions to the general prohibition:

1. Any item in which the elected Board member's name appears only in the letterhead, or a roster listing containing the names of all members of the Board, or a listing of a member of the Board on the envelope of the District;
2. A press release sent to members of the media;
3. Any intra-District communication to staff during the normal course of business;
4. Any item sent by the District in connection with the payment or collection of rates, fees, charges or assessments;
5. Any District or telephone directory, organizational chart, or similar listing or roster;
6. An announcement sent to an elected Board member's constituents concerning a public meeting which is directly related to the elected Board member's duties on behalf of the District which is held by the elected Board member and which the elected Board member attends.

104.5 Conflicts of Interest in Contracts

A Board member or designated employee of the District may not participate in the making of a contract or influence the negotiation of a contract in which he or she is financially interested. A Board member is conclusively presumed to have participated in the making of any contract executed by the Board or the District, even if the Board member has disqualified himself or herself from any and all participation in the making of the contract. Any Board member or designated employee of the District who participates in the process by which a contract is developed, negotiated and executed and in which such Board member or employee is financially interested is a violation of Government Code Section 1090. Any contract made in violation of Government Code Section 1090 is void and cannot be enforced.

A. Persons Covered

All Board members are covered because they are conclusively presumed to be involved in the making of all contracts by the District. All employees and consultants of the District also come within the prohibitions of Government Code Section 1090.

B. Nature of Financial Interest in a Contract

The following economic relationships generally constitute a financial interest in a contract prohibited by Government Code Section 1090: (1) employee of a contracting party; (2) attorney, agent or broker of a contracting party; (3) supplier of services or goods to a contracting party; (3) landlord or tenant of a contracting party; (4) officer or employee of a nonprofit corporation which is a contracting party with the District.

C. Remote Interests

Government Code Section 1091 enumerates specific financial interests of Board members and employees of the District in contracts of the District which trigger abstention for Board members, but which do not prevent the Board from making the contract. Members of the Board and the designated employees of the District should consult Government Code Section 1091 for the definition of the specific interests which constitute a remote interest.

D. Non-Interest

Government Code Section 1091.5 enumerates the specific financial interests in contracts of the District which do not prevent a Board member or employee from participating in the making of a contract, and do not require abstention or disqualification, which interests are referred to as "non-interests." Again, Board members and District staff are urged to consult Government Code Section 1091.5 for the specific types of interests which constitute "non-interest."

104.6 Incompatible Offices

The legal restrictions on incompatible offices deals with the potential clash of two public offices held by a single individual, as opposed to a conflict of interest which involves a clash between an individual's private interests and his or her public duties.

The law prohibits a public official from holding two public offices simultaneously, except as specifically authorized and permitted by law, where there is a potential conflict or overlap in the functions or responsibilities of the two offices.

GCSD POLICY

POLICY TITLE: COMPLAINTS

POLICY NUMBER: 105

ADOPTED: October 11, 2010

AMENDED:

RESOLUTION:

105.1 Purpose

The Board of Directors desires that public and policy complaints be resolved at the lowest possible administrative level, and that the method for resolution of complaints be logical, systematic, and timely. This policy is not intended to prohibit or deter a member of the community or staff member from appearing before the Board to verbally present a statement in regard to actions of the Board, issues regarding District programs and services, or issues pending before the Board.

105.2 Definitions

- A. Complaint: A complaint is an allegation by a member of the public that he or she has been adversely affected by the misinterpretation or misapplication of a District ordinance, policy, or other District action.

105.3 Method of Resolution

The method of resolving complaints shall be as follows:

- A. The Admin/Finance Manager or General Manager will direct the individual with a complaint to the appropriate staff person for discussion.
- B. If the individual registering the complaint is not satisfied with the disposition of the complaint by staff, the complaint will be forwarded to the General Manager. Within a reasonable time, the General Manager shall meet with the person filing the complaint to resolve the matter. At the option of the General Manager, he/she may conduct interviews and/or review written documentation in reviewing the allegations of the complaint. The General Manager shall record his or her decision in writing, providing a copy to the individual registering the complaint.
- C. If the individual filing the complaint is not satisfied with the disposition of the matter by the General Manager, a written complaint may be filed with the Board of Directors within ten (10) days of receiving the General Manager's decision. The Board may consider the matter at the next regular meeting, or call a special meeting. In making the final decision, the Board may request oral testimony and/or review written documentation. The Board's

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decision shall be memorialized in writing with a copy provided to the individual registering the complaint. All decisions of the Board of Directors are final.

GCSD POLICY

POLICY TITLE: CLAIMS AGAINST THE DISTRICT

POLICY NUMBER: 106

ADOPTED: October 11, 2010

AMENDED: December 11, 2018, RESOLUTION: 41-18

AMENDED: APRIL 11, 2023, RESOLUTION

106.1 PURPOSE

The Groveland Community Services District (District) is a political subdivision of the State of California and thus subject to the Government Claims Act located in Government Code Sections 810 et. Seq. This policy provides the procedures for the District to follow from when an accident occurs, to receipt of a claim and through the District's reply.

106.2 WHEN AN ACCIDENT OR INCIDENT OCCURS

When an accident or incident occurs, employees shall:

1. Only discuss details of the accident/incident with his/her supervisor, the police, the District's insurance provider and District Legal Counsel.

Not assign or admit any responsibility or liability for any actions or on behalf of the District or make any related promises.

106.3 INQUIRIES REGARDING HOW TO FILE A CLAIM

During or immediately following an accident or incident, employees may be approached regarding the possibility of filing a claim against the District. All submissions of a claim must be made in writing. Employees are to offer two ways to make a claim if someone believes the District is responsible for their injury or loss; by submitting a District Claim Form or by letter from the Claimant as detailed below.

106.4 HOW TO FILE A CLAIM (one of the two following methods must be followed):

1. Claimant may submit a claim using a completed District Claim Form (attached). NOTE: Form may also be used by District Employees for accidents or injuries.
2. The person wishing to submit a claim ("Claimant") can send a letter addressed to the District that includes the same information contained in the District Claim Form.

106.5 PROCESSING A SUBMITTED WRITTEN CLAIM

When accepting a claim letter or form, employees are not to: comment on or evaluate the information provided; agree to or promise anything (except that the District will investigate their claim and they will be notified); or speculate on the possible outcome. The employee accepting the claim letter or form shall write the day's date, their own name, and submit it to the General Manager's office the same day.

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Once a claim letter or form is received, and depending on the situation, the District may respond to the claimant with a letter stating that the District has received the claim and that the District is investigating it.

106.6 GATHERING INFORMATION

Claims will be investigated by assigned District staff, in conjunction with the District's Risk Administrator, the General Manager, and/or the District's Legal Counsel. Information to be collected may include, but is not limited to: Accident/Incident Reports; photographs; observations; District records and reports; police reports; and, written statements from witnesses and other relevant parties.

106.7 FORWARDING POTENTIAL CLAIM INFORMATION

Assigned staff will forward any accident or incident information to the District's insurance provider and the District's Legal Counsel. This should be done as soon as possible.

106.8 DETERMINING THE COURSE OF ACTION

The General Manager, in consultation with the District's insurance provider and/or the District's Legal Counsel, may determine the course of action, on claims of \$50,000 or less. For claims over \$50,000, the Board of Directors, in consultation with the General Manager, the District's Legal Counsel, and the District's insurance provider, may determine the course of action during a closed session Board Meeting.

After the initial investigation of a claim, the claim may be:

1. Accepted, by the General Manager if the claim is \$50,000 or less or by the Board of Directors for claims of more than \$50,000
2. Deemed denied by operation of law after 45 days
3. Denied by the General Manager if the claim is \$50,000 or less or by the Board of Directors for claims greater than \$50,000
4. Submitted to the District's insurance provider or Legal Counsel for further discussions and resolution of the matter with the claimant

106.9 NOTIFYING THE CLAIMANT

The claimant, or a party representing the claimant, will be notified in writing by the General Manager if a claim is denied or "deemed denied", via the U.S. Postal Service. If a claim is accepted, the District's insurance provider or their Third Party Administrator will contact the claimant and negotiate a settlement.

106.10 THIRD PARTY REPRESENTATION OF THE CLAIMANT

All Claimants who are represented by a third-party (e.g. an attorney) must provide an authorization letter indicating that the third party is authorized to represent the claimant and that the third-party is authorized to act on behalf of claimant and receive information related to the claim. No information should be provided to any third party without an authorization letter from the claimant.

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106.11 TIME FOR FILING CLAIMS

CLAIMS FOR DEATH, INJURY TO PERSON OR TO PERSONAL PROPERTY MUST BE FILED NOT LATER THAN 6 MONTHS AFTER THE OCCURRENCE. (GOVERNMENT CODE SECTION 911.2)

ALL OTHER CLAIMS FOR DAMAGES MUST BE FILED NOT LATER THAN ONE YEAR AFTER THE OCCURRENCE. (GOVERNMENT CODE SECTION 911.2)

If a claim is determined to have been filed after the deadline to file a claim, the General Manager shall contact promptly District Legal Counsel for instructions for how to respond to the Claimant.

GCSD POLICY

POLICY TITLE: INDEMNIFICATION OF DISTRICT EMPLOYEES AND BOARD MEMBERS BY DISTRICT

POLICY NUMBER: 107

ADOPTED: October 11, 2010

AMENDED:

RESOLUTION:

107.1 Purpose of Policy

The law requires the District to defend and indemnify either an employee or a Board member in a civil court proceeding arising out of personal injury or property damage caused by a negligent or wrongful act or omission occurring within the employee's or Board member's scope of duties, and to indemnify the employee or Board member for the amount of any settlement or judgment resulting from such claims. The purpose of these statutory indemnification provisions is to eliminate the concern of District employees and Board members that they might be forced to finance their own defense and pay any damages resulting from claims by third parties arising out of the good faith performance of their duties for the District.

107.2 Defense of Employee or Board Member

Generally the District will provide defense for an employee or Board member against the claim unless the District determines that the act or omission of the employee or Board member is not within the scope of employment or their duties, or if the employee or Board member acted or failed to act because of fraud, corruption or actual malice. In these situations the District will deny any request of an employee or Board member to have the District defend their interest with respect to the claim. The District's obligation to provide a defense applies to civil actions only, and does not apply to disciplinary proceedings, administrative proceedings, or criminal proceedings.

A. Method of Providing Defense

The District may provide the employee or Board member with a defense through the District's own counsel, by employing other counsel, or by asking its liability insurance coverage provider to provide a defense through counsel of the insurance coverage provider's choice. The District shall respond in writing to the request of an employee or Board member that the District provide for their defense to a claim.

107.3 Indemnification of Employee or Board Member by District

In those circumstances in which the District assumes the defense of an employee or Board member, the District is required by law to pay any judgment issued by a court against the employee or Board member, or pay any settlement on behalf of the employee or Board member to which the District has agreed.

A. Exceptions

The District's duty to indemnify an employee or Board member with respect to a claim applies only to civil proceedings arising out of personal injury or property damage caused by an act or omission of the employee or Board member in the scope of their respective duties on behalf of the District. The duty for

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the District to indemnify does not extend to any damage claim arising out of an act or omission of an employee or Board member which action is not within the course and scope of the duties of that employee or Board member. In addition, the District has no duty to indemnify an employee or Board member against a claim which arises out of the fraud, corruption, or actual malice of an employee or Board member.

B. Defense and Indemnification Pursuant to Reservation of Rights

Under certain circumstances, the District may assume the defense of an employee or Board member with respect to a claim and reserve its rights to refuse to pay a judgment or to settle a claim against the employee or Board member on the ground that the injury or alleged damage claimed arose out of an act or omission of the employee or Board member that was not within the scope of their respective duties on behalf of the District. If the District reserves its rights on this ground, and the employee or Board member fails to establish that he or she acted within the course and scope of their duties on behalf of the District, then the District will not be liable to indemnify the employee or to pay damages to the claimant.

107.4 Consultation with Legal Counsel

Due to the complexities in the law regarding the District's duty to defend and indemnify employees and Board members with respect to certain claims, in most circumstances District staff will consult District legal counsel with respect to the District's duty to defend or indemnify an employee or Board member with respect to any particular alleged claim against the District.