

Moses Lake Irrigation and  
Rehabilitation District  
(MLIRD)

**BYLAWS  
AND  
GOVERNANCE POLICY**

August 6<sup>th</sup>, 2015

**Philosophy Statement**

Operating principles define the beliefs, values, and methods of working together. Successful organizations emanate from effective and dynamic leadership. To assure quality of operations, leaders must agree on basic ways of working together. The MLIRD board is more effective when it is able to integrate constructively the diversity of its members into a strong, dynamic voice for the quality conditions of Moses Lake. The difference between diverse and divided boards is that a diverse board is able to express diversity without questioning one another's motives while a divided board can find no way to reconcile differences and is unable to govern effectively.

We must agree on both philosophical and practical ways of working together to achieve the common goals.

To that end, the MLIRD Board has adopted the following operating principles. We agree the board shall review this document on an annual basis, make any needed additions or changes and reaffirm support by re-signing this working agreement.

Chair: \_\_\_\_\_ Date: \_\_\_\_\_

Director: Mary Perry Date: 5/11/2015

Director: \_\_\_\_\_ Date: \_\_\_\_\_

Director: \_\_\_\_\_ Date: \_\_\_\_\_

Director: \_\_\_\_\_ Date: \_\_\_\_\_

## Table of Contents

<u>Policy</u>	<u>Title</u>	<u>Page</u>
1	Purpose of the Board of Directors	4
2	Board Member Job Description	5
3	Regular Meeting Schedule and General Meeting Rules	5
4	Presiding Officer	6
5	Board Meeting Agenda	7
6	Motions	9
7	Voting	9
8	Audience Participation (Address the Board)	10
9	Executive Sessions	11
10	Criminal Convictions & Violations of the Code of Conduct	11
11	Preserving the Attorney Client Privilege	11
12	Good Faith Cooperation with Insurance Carrier	12
13	Ultra Vires Actions	12
14	Violations of Board Rules of Proceedings	12
15	Role of Board Chair or Designee	13
16	Board Members Code of Conduct	13
17	Board Training, Orientation	16
18	Board Review of District Public Records	17
19	Board Committees	18
20	Unity of Control	18
21	Board-Manager Relationship	19
22	Board-General Counsel Relationship	20
23	Delegation to the Manager	21
24	Budget & Procurement Authority	22
25	Financial Policies	23
26	Amendment to These Rules	23

## **1. Purpose of The Board of Directors**

- A. The Directors are the legislative and executive body of MLIRD, pursuant to RCW Chapters 87.03 and 87.84, and all other applicable statutes and laws. The powers of the District are exercised by and through the five-member Board of Directors.
- B. The purpose and responsibility of MLIRD on behalf of the citizens within District boundaries is encompassed by the District's Mission Statement: "The Moses Lake Irrigation and Rehabilitation District is devoted to operate and maintain Moses Lake as an irrigation impoundment, and to improve the water quality of Moses Lake. It is MLIRD's goal to enhance the recreational aspects of the lake and to rehabilitate the lake to further the health, welfare and quality of life of the citizens that surround it as authorized by RCW 87.84"
- C. Director duties include but are not limited to:
  1. Provide strategic leadership.
  2. Adhere to standards needed to govern with excellence in preparing for meetings, attending meetings, and policy making principles.
  3. Operate by Robert's Rules of Order.
  4. Adhere to and enforce public meeting codes of conduct.
  5. Hire, evaluate and terminate the Manager.
  6. Hire, evaluate and terminate the General Counsel.
  7. Review and approve the budget in a timely manner.
  8. Adopt policy during regularly scheduled public meetings.
  9. Be proactive rather than reactive.
  10. Rely upon the expertise and diversity of its individual members to enhance the ability of the Board as a body.



## **2. Board Member Job Description**

- A. The specific duties of the Board as elected representatives are to ensure appropriate organizational performance, and specifically:
1. Regularly attend Board meetings, special meetings and the annual meeting.
  2. Adopt the District's budget on an annual basis.
  3. Enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, respect of roles and ensuring the continuance of governance capability.
  4. Maintain written policies to ensure a high quality of governance and clear direction and roles in decision-making between the Board and Manager.
  5. Respect their individual fiduciary duties to protect and enhance the District with due diligence using sound business judgment.
  6. Hire the Manager to handle the day-to-day operations of the District.
  7. Community relations shall be an ongoing activity for all Board members.
  8. Take such other actions as may be required by law.

## **3. Regular Meeting Schedule and General Meeting Rules**

- A. The MLIRD Board's regular monthly meetings are held at 7:00 p.m. on the second Tuesday of each month at the MLIRD office.
- B. Board members may attend Board meetings by telephone provided:
- (1) The member shall provide advanced notice to the Chair and Manager of the need to set up a speaker phone for the meeting;
  - and (2) There is a speaker phone and connection of sufficient quality to allow those attending in person to understand the member attending by phone and to allow the member attending by phone to understand the persons who are attending in person.
- The member attending by phone shall ensure that he or she is in a

location where confidentiality is maintained for any executive session.

- C. The Board may excuse an absent member by a majority vote. The Secretary to the Board will note in the minutes whether the Director's absence was excused or un-excused.
- D. Minutes of the Board meetings, except executive sessions, shall be kept by the Secretary of the Board (or the Secretaries designee), and shall be entered in a book constituting the official record of the Board. All Board meetings and workshops, except executive sessions, may be audio recorded and retained in accordance with State retention guidelines.
- E. Right of Floor: Any Director desiring to speak shall first be recognized by the Chair.
- F. Decorum: All members, employees, and members of the public shall preserve order, decency and decorum at all times during Board meetings. No member shall, by conversation or otherwise, delay or interrupt the proceedings or the peace of the Board, nor disturb any member who is speaking. No member shall refuse to obey a lawful order of the Chair. Members shall confine their remarks to the subject under consideration. Discussion shall relate to the subject under consideration and shall be relevant and pertinent thereto so as to provide for the expeditious disposition and resolution of the District's business. No member shall use any impertinent, degrading or slanderous language about any other member, District staff, or any member of the public. There shall be no lectures, speeches or grandstanding.

#### **4. Presiding Officer**

- A. **Chair:** The Chair shall preside at meetings of the Board, and be recognized as the head of the Board for all ceremonial purposes. In case of the Chair's absence or temporary disability, another Board Member shall act as Chair during the continuance of the absence. The Chair is referred to as the "Chair" or "Presiding Officer" from time-to-time in this Governance Policy.

- B. **Call to Order:** The meetings of the Board shall be called to order at the appointed time by the Chair or, in his absence, by another Board member.
- C. **Preservation of Order:** The Chair shall preserve order and decorum; prevent attacks on personalities or the impugning of member's or public motives and confine members or public in debate to the question under discussion.
- D. **Points of Order:** The Chair shall determine all points of order, subject to the right of any member to appeal to the Board. If any appeal is taken, the question shall be "shall the decision of the Chair be sustained?"
- E. **Quorum:** A quorum shall consist of three members.
- F. **Questions to be stated:** The Chair shall state all questions submitted for a vote and announce the results. A roll call shall be taken upon request of any member.
- G. **Chair - Voting Powers:** The Chair shall vote on motions or other matters to be decided by the Board unless he or she has a conflict of interest. If the Chair has a conflict of interest, the Chair shall announce the conflict and shall abstain from discussion, debate and voting on an agenda item.

## 5. Board Meeting Agenda

- A. The Manager shall arrange a list of proposed matters according to the order of business and prepare an agenda for the Board and shall email it to the Board members by Wednesday the week before the meeting. Board members other than the Chair may request that the Chair add agenda items. The Chair shall decide which, if any, additional items may be added to the preliminary agenda. A copy of the preliminary agenda and supporting materials shall be prepared for Board Members, the Manager and posted on the MLIRD website on or before the close of business on the Monday prior to the regular Board meeting in accordance with RCW 42.30.077. The preliminary agenda may be modified at the Board meeting. A matter may be added to the preliminary agenda at the board meeting at the discretion of the Chair or by majority vote of the Board.



At each regular Board meeting, time shall be set aside for any Board member, the Manager, or designee to bring before the Board any business that should be discussed or deliberated upon. Any Board member, the Manager, or designee will have the opportunity to discuss/recommend business for placement on future agendas.

- B. Special Board Meetings: The Chair may call a special Board meeting. If the Chair is unavailable, a majority of the Board may call a special meeting. The Chair (or one of the majority) shall direct the Manager to prepare a notice of special board meeting and identify the business to be transacted at the special board meeting. Except in the event of emergency, the Manager shall post a notice of special meeting and the business planned to be conducted and provide notice to any newspaper, radio or television station that has filed a written request with MLIRD requesting notice of special meetings. Each special meeting agenda shall state that MLIRD may go into executive session if proper under RCW 42.30.110. The agenda for a special board meeting may not be amended or changed less than 24 hours before the beginning of the special meeting. The Agenda for a special Board meeting may not be changed or modified at the special Board meeting except in the event of emergency.
- C. The Consent Agenda may contain items which are of a routine and noncontroversial nature and may include, but shall not be limited to, the following; meeting minutes, vouchers, travel, and contract performance acceptances. Any item on the Consent Agenda may be removed and considered separately as an agenda item at the request of any Board member. C In the event of a natural disaster, attack or notice of imminent attack, where it becomes imprudent, inexpedient or impossible to conduct the affairs of the District at the regular or usual place, the Board may meet at any place within or without its district boundaries on the call of the Chair or any three members of the Board. After any emergency relocation, the affairs of the District shall be conducted at such emergency temporary location for the duration of the emergency (RCW 42.14.075).



## **6. Motions**

- A. Directors who wish to make a motion must first be recognized by the presiding Chair. After the director makes a motion (and after the motion is seconded, if required,), the Chair must restate it or rule it out of order, then call for discussion.
- B. Most motions require a second, although there are some exceptions: nominations, points of order, requests to remove an item from the consent agenda, and motions to table. The Chair will state the motion and call for the vote. A motion to table does not require a second and is not debatable.
- C. Motions for reconsideration must be made by a Board member from the prevailing side; any member may make a second. The following rules apply to motions for reconsideration: Motion must be in a timely manner but in no instance more than six (6) months after the original action. When (6) months have elapsed, any director may bring the item before the Board.

## **7. Voting**

- A. The votes during all meetings of the board shall be transacted as follows:
  1. Unless otherwise provided for by the statute, ordinance, or resolution, all votes shall be taken by voice, except that at the request of any director, the Presiding Chair shall take roll call vote. The Presiding Chair shall determine the order of the roll call vote.
  2. The passage of any motion or resolution shall require a majority vote of the directors.
  3. Board members shall vote on all matters before the Board unless a conflict of interest or other basis for disqualification exists. If there is a conflict of interest or basis for disqualification, that director shall describe for the record the conflict of interest or disqualification and abstain from discussion, debate and voting on that matter.

## **8. Audience Participation (Address the Board)**

- A. **Agenda Items:** Anyone desiring to speak to the Board of Directors on an agenda item must sign the meeting register and indicate their desire to speak to the Presiding Chair at the beginning of the meeting when asked unless otherwise recognized by the Chair. When an agenda item is on the floor for discussion, the Presiding Chair will recognize such persons to address the Board. This will generally take place following a report and Board discussion on the agenda item. The length of discussion may be limited to reasonable length by the chair.
- B. **Non-Agenda Items:** Anyone desiring to speak to the Board on a non-agenda item shall sign the meeting register and indicate their desire to speak to the Presiding Chair at the beginning of the meeting when asked. The Presiding Chair, at his or her discretion, may permit such persons to address the Board and may limit the time for comment as reasonable.
- C. **Manner of Addressing the Board:** Each person addressing the Board shall step up to the microphone where applicable; give his/her name and resident address and subject matter of comments in an audible tone of voice for the record. All comments shall be made to the entire Board and not to any single member nor to staff. Any questions for Board members or staff shall be presented through the Presiding Chair. The Board will determine the disposition of any issues raised (e.g., placed on the present agenda, workshop, other agendas, refers to staff, or do not consider). The length of discussion may be limited to reasonable length by the chair.
- D. **Conduct of Audience:** All audience members shall abide by the rules of decorum. No audience member shall disrupt the conduct of the meeting or cheer, hoot, holler, gesture, whistle, guffaw, jeer, boo, hiss, make remarks out of turn, use profanity, or the like. Any audience member who does so shall be determined out of order and the Presiding Chair may have such person removed from the Board meeting room immediately. Such person shall not be permitted to attend the remainder of that Board meeting.

## **9. Executive Sessions**

- A. If the Board convenes an executive session to discuss what is permitted by law in executive session, there is no valid reason to disclose publicly what was discussed and reviewed privately. Everything which is discussed during an executive session, and all written materials that are reviewed during an executive session, shall be considered and kept confidential and no Board member shall publicly disclose any such information. The Board finds that disclosing publicly what was discussed and reviewed during an executive session undermines the whole purpose of meeting in executive session. Public disclosure may be made only in the event that a majority of the Board votes to approve the public disclosure prior to its disclosure. Any request for such a vote shall be first raised during an executive session for discussion purposes prior to a vote in open session. It is a crime for a board member or other person attending an executive session to disclose matters discussed in that executive session without prior action by the Board authorizing the disclosure.

## **10. Criminal Convictions & Violations of the Code of Ethics**

No Board member shall serve on the Board of Directors after having been convicted of any criminal violation of Chapter 42.23 RCW (as now enacted or hereafter amended) or any felony or malfeasance in office as prohibited by RCW 9.92.120 (as now enacted or hereafter amended). No member shall serve on the Board after having violated any of the provisions of Chapter 42.23 RCW (as now enacted or hereafter amended). No member shall serve on the Board after having been convicted of any offense involving a violation of his or her official oath RCW 42.12.010(5) (as now enacted or hereafter amended).

## **11. Preserving the Attorney Client Privilege**

No Board member shall make any disclosures or release any information which would result in the waiver of the attorney/client privilege without first obtaining the approval of a majority of the Board Members in open session. Accordingly, Board members are prohibited from saying "Our lawyer told us . . ." or other words that could be construed as a waiver of confidential communications, and any board member who makes such statements shall be subject to discipline by the Board. A request to waive attorney-client privilege



shall first be raised during an executive session for discussion prior to a vote in open session.

**12. Good Faith Cooperation with Insurance Carrier**

All Board members shall cooperate in good faith with any insurance carrier or attorney representing the District in connection with a defense provided by an insurance carrier.

**13. Ultra Vires Actions** (beyond one's legal power or authority)

Board members shall not act ultra vires, or outside the scope of their authority and duties as Board members.

**14. Violations of Board Rules of Proceedings**

A. This Governance Policy is adopted with the intent that they be fully enforceable and that violations thereof result in Board disciplinary action against members as provided herein, pursuant to RCW Title 87 and Title 42.23, as now enacted or hereafter amended, and as permitted under the common law. Any violation of this policy is deemed to constitute disorderly conduct by such member.

B. Any claim of violation of the Governance Policy must be made in writing by a Board member and filed with the Chair and made a part of the minutes of the Board meeting where the charge is first considered.

C. Board members violating any policy shall be subject to admonition for the first violation of a particular rule and reprimanded for subsequent violations.

D. **Admonition:** An admonition shall be verbal vote in open session recorded in the minutes, made by the Board to the member.

E. **Reprimand:** A reprimand shall be administered to the member by letter. The letter shall be prepared by the Board after action in open session to approve such letter. If the member objects to the contents of such letter, he/she may file a request for review of the content of the letter of reprimand with the Board. The Board shall review the letter of reprimand based upon the request for review and any record established, and may take whatever action appears appropriate under the circumstances.

**15. Board Chair or Designee shall:**

1. Ensure that the Board jointly and consistently adheres to its own rules and policies, and those imposed upon it by the laws of the State of Washington.
2. Preside over and facilitate Board meetings.
3. Ensure that deliberation is fair, open and thorough, but also timely, orderly and kept to the point.
4. Preside over and facilitate all Board meetings in accordance with this Governance Policy, if not otherwise addressed here, the most current version of Roberts Rules of Order, as needed.
5. Schedule and coordinate the annual process of evaluating the Manager.
6. Schedule and coordinate the annual process of evaluating the General Counsel.
7. Have no authority to supervise or administratively direct the Manager, apart from authority expressly granted the Board Chair by the Board.
8. Assume responsibility of the Board that is not specifically assigned to another Board member.
9. Be allowed to delegate his or her authority, but remains accountable for its use.
10. Call special meetings of the Board in the event of a business need as provided for in RCW 42.30.080.
11. Appoint a Board member to have all the powers and duties of the Chair in the absence or inability of the Chair to act.

**16. Board Members Code of Conduct**

- A. Board members shall conduct themselves in accordance with all laws. The State of Washington has adopted a "Code of Ethics" that applies to all municipal officers, codified under RCW Ch. 42.23. The declared purpose of the Code of Ethics is to make uniform the laws of the State concerning the transaction of business by municipal officers in conflict with the proper performance of their

duties in the public interest, and to promote the efficiency of local government by prohibiting certain instances and areas of conflict while at the same time sanctioning, under sufficient controls, certain other instances and areas of conflict.

B. Specifically:

1. Board members are strictly prohibited by law from entering into or engaging in any activity defined by RCW 42.23 as a conflict of interest with their official duties as a Moses Lake Irrigation and Rehabilitation District Board Member.
2. During the first regular board meeting of each calendar year, , each Board Member shall in the open public meeting acknowledge their obligation to disclose any and all conflicts of interest as defined by RCW Ch. 42.23.
3. In addition, on a case by case basis, each Board Member will disclose to the other Board Members, in an open public meeting, any "remote" conflicts of interest as defined under RCW Ch. 42.23. Disclosure will be noted in the District's official minutes which are public record. A Board Member with such remote interest will not participate in any discussion and/or debate concerning such interest, will not vote on the matter, and will do nothing to influence any other Board Member concerning their decision on the matter.
4. Board Members will adhere to the Moses Lake Irrigation and Rehabilitation District's Code of Ethics adopted by the Board, and shall conduct themselves with civility and respect at all times with one another, with staff, and with members of the public.
5. Board Members will become familiar with their individual and joint obligations pertaining to the District's directive on reporting alleged improper governmental action, including actions required of the Board regarding employee complaints of alleged improper governmental actions and/or employee claims of retaliation for reporting alleged improper governmental actions.



6. Board Members understand that all documents, letters, memoranda and/or interactive computer or electronic information (including email and texts), the subject of which relates to the conduct of the District or the performance of any District function, are public records and are subject to the Washington Public Records Act. Each Board member has a continuing obligation to provide all such records to the Public Records Officer for inclusion in the District's records management system.
7. Board Members owe a fiduciary duty to MLIRD and its ratepayers. The fiduciary duty is the highest duty of loyalty under the law. This loyalty supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other Boards or staffs. It also supersedes the personal interest of any Board Member.
8. Board Members shall not attempt to exercise individual authority over Moses Lake Irrigation and Rehabilitation District personnel or property except as explicitly set forth and authorized in Board policies.
  - a. Individual Board members lack authority to supervise or direct with the Manager and/or other staff, except where explicitly authorized by this Governance Policy and Bylaws or as explicitly authorized by action of the Board.
  - b. The Chair or designee is responsible for communicating official district positions to the media. There will also be occasions when the board Chair communicates the Board or Districts position.
9. In accordance with Washington's Open Public Meetings Act, Board Members:
  - a. Shall not meet as a quorum outside of Board-called public meetings to hold discussions or make decisions as defined in RCW 42.30, regarding the business of the District.
  - b. Shall not meet as a quorum with staff outside of a Board-called public meeting for the purpose of gathering information.

- c. Understand that the requirements of the Washington Open Public Meetings Act applies to communications via telephone, email, instant messaging or other forms of electronic communications. Any exchange of communication between three or more Board members regarding MLIRD business constitutes an official meeting of the Board and be in violation of the Act.
  - d. Board Members may send information to other members of the Board on an informational basis; however, replies and/or exchanges of communications with more than one Board Member regarding District business must not occur outside of an official public meeting of the Board. Any such email sent for informational purposes as described above, by any member of the Board, shall be sent individually, not as group email, and shall be copied to the Manager and Public Records Officer. Board Members will not “reply” to any email received by all other members of the Board.
  - e. Board Members may not evade the requirements of the Open Public Meetings Act through use of “serial meetings”, that is a series of smaller gatherings or use of a go-between such that a majority of Board Members are not together but through the collection of other interactions the majority intend to take action. This includes but is not limited to: a series of telephone calls, multiple meetings between different groups of three Board Members and email communications between multiple Board members for the purpose of coordinating a decision.
10. Board Members will respect the confidentiality appropriate to issues regarding personnel, real estate transactions, proprietary matters, and attorney-client privileged communications, including those requirements listed under RCW 42.30.110, Executive Sessions and including any other confidential information gained by reason of the Board’s position.

## **17. Board Training, Orientation**

- A. The Board shall take reasonable steps to ensure that its skills are sufficient to assure excellence in governance of Moses Lake Irrigation and Rehabilitation District.

## **18. Board Review of District Public Records**

Moses Lake Irrigation and Rehabilitation District has a duty to comply with appropriate public records requests as prescribed in the Washington Public Records Act. Board Members do not give up their status as members of the public and therefore can request such information. However, unless the records are requested for matters then under consideration by the Board, Board members shall pay the same fees as required by a member of the public.

- A. Because of the special status conferred upon the Board Members as elected officials, each Member agrees that:
1. Board Member requests to inspect District documents that do not meet the criteria of a public record under the RCW 42.56 and/or which may be confidential in nature, shall be forwarded directly to the Manager or Designee, who will provide the requested files, as allowed by law, for review on District premises.
  2. No confidential or original documents shall be taken from District premises.
  3. Board Members shall adhere to the same confidentiality requirements applicable to employees when dealing with the District's records and other documents.
  4. District employee personnel files will not be subject to Board review pursuant to the District's policies relating to employee records confidentiality and access except this limitation shall not apply to Board appointees.
  5. Access to District public records may be achieved by providing a "Board Request for Public Records" to the Manager or designee.



## **19. Board Committees**

- A. The Board may establish ad hoc advisory and standing committees.
- B. The Board will review the committees at least annually to determine whether they should continue.
- C. Specifically:
  - 1. Committees will ordinarily assist the Board by gaining education, considering alternatives and implications, and preparing policy alternatives
  - 2. Board committees may not speak or act for the Board, except when formally given such authority for specific and time-limited purposes.
  - 3. Board committees cannot exercise authority over staff nor interfere with the delegation from the Board to the Manager.
  - 4. Participation in committee meetings shall be in compliance with the provisions of the Open Public Meetings Act, in that if three or more Board Members are present, then the meeting must be properly noticed as a special public meeting.
  - 5. This policy applies to any group which is formed by Board action, whether or not it is called a committee.

## **20. Unity of Control**

- A. Only decisions of the Board acting as a body are binding upon the Manager, or the General Counsel.
- B. Specifically, in or out of Board meetings:
  - 1. Decisions or instructions of individual Board Members are not binding on the Manager or General Counsel except in instances when the Board has specifically authorized such exercise of authority.
  - 2. In the case of Board Members requesting information or assistance without Board authorization, the Manager or General Counsel must refuse such requests that require, in

their opinion, a material amount of staff time or funds, are disruptive to the District, or which may involve a conflict of interest between the District and the Board Member requesting the information or assistance.

3. The Board as a body and the Board Members will refrain from evaluating, either formally or informally, the job performance of any District employee other than the Manager or General Counsel.

## **21. Board-Manager Relationship**

- A. The Board governs Moses Lake Irrigation and Rehabilitation District and is the policy-making body of the District. The Board operates under the provisions of the Revised Code of Washington, Title 87, Title 42 in part, and all other applicable statutes and laws.
- B. The Board is responsible for the following;
  1. Identifying and defining the purposes, values and vision of the District, along with the results that the District is to achieve, and communicating them in the form of policy.
  2. Making certain operational decisions as designed by law.
  3. Hiring, evaluating, and terminating the Manager.
- C. The Manager is responsible for the following:
  1. All operations of the District as well as the business affairs of the District.
  2. Achieving the results established by the Board within the appropriate and ethical standards of business conduct set by the Board.
  3. Enforcing District resolutions, administering directives, staff policies and procedures, hiring and terminating all employees, attending meetings of the Board and reporting on the general affairs of the District, and keeping the Board advised as to the current and future business needs of the District.

4. Appointing a person to serve as the District's financial steward (the "Steward"). This will be a person with sufficient education and/or experience to fulfill the duties of the position and, together with the Manager, to ensure that, to the best of their knowledge and belief, financial affairs are accurate, complete and reliable in all material respects.
5. Interacting with the public and other inter-local governmental agencies, pursuant to policies and direction adopted by the Board.
6. At the direction and oversight of the Board, the Manager and Steward shall jointly serve as the chief liaison with all external audit agencies, shall coordinate the proper independent audit of annual financial statements, and shall ensure that the results and findings of such audits are reported to the Board. In acting in this capacity, the Manager does not relieve the Board of its oversight responsibility.
7. Perform other responsibilities as may be appropriately delegated by the Board.

## **22. Board – General Counsel Relationship**

- A. The General Counsel provides legal counsel to the District and to the Board. The General Counsel reports both to the Board and to the Manager.
- B. The Board is responsible for hiring and terminating the General Counsel.
- C. The General Counsel shall advise the Board regarding potential conflict of interest issues or ethical matters of the Board or Board Members. General Counsel shall provide assistance to individual Board Members in complying with applicable statutes and laws only when such advice does not conflict with the General Counsel's obligations to the District or to specific direction of the Board.
- D. The Board is responsible for evaluating the General Counsel's performance. The Board shall solicit the Manager's input in evaluating the performance of the General Counsel.



- E. With respect to the Board, the General Counsel shall:
1. Give his or her advice or opinion whenever he or she deems it necessary or when required by the Board.
  2. Inform the Board of material legal issues impacting the District or the Board.
  3. When necessary, act independently of the Manager.
  4. Provide counsel to the Board and individual Board Members with regard to conflict of interest issues.
  5. Provide counsel to the Board and individual Board Members with regard to other ethical matters.
  6. Assist the Board Members in complying with and interpretation of applicable statutes, laws, and regulations.
  7. The General Counsel shall not provide legal counsel to Board Members except as it relates to their role as a Director of the Moses Lake Irrigation and Rehabilitation District.

**23. Delegation to the Manager**

- A. The Manager is the chief administrative officer of the District, in control of all administrative functions and shall be responsible to the Board for the efficient administration of the affairs of the District placed in his or her charge. In the absence or temporary disability of the Manager, the Manager shall, with the approval of the Chair of the Board of Directors, designate some competent person as Acting Manager.

The Manager shall attend all meetings of the Board and its committees unless excused or an emergency has arisen, and take part in the discussion of any matters pertaining to the duties of his or her department, but shall have no vote.

The Manager shall comply with the terms of the Manager's employment contract with MLIRD, shall carry out the orders of the Board, and see that the laws pertaining to matters within the functions of his or her department are enforced; keep the Board fully advised as to the financial condition and needs of the District; prepare an annual estimate for the ensuing fiscal

year of the probable expenses of the District, and recommend to the Board what development work should be undertaken and what extensions and additions, if any, should be made during the fiscal year, with an estimate of the costs of the development work, extensions, and additions; certify to the Board all bills, allowances, and payrolls, including claims due contractors of public works; recommend to the Board compensation of the employees of his or her office, and a scale of compensation to be paid for the different classes of service required by the District; hire and discharge employees under his or her direction; and perform such other duties as may be imposed upon the manager by resolution of the Board.

The Manager is authorized to establish all further policies, make all decisions, take all actions, establish all practices, and develop all activities to achieve the goals set forth by the Board for the District.

The Board shall develop policies that define the delegation to the Manager with regard to the Manager's authority.

The Manager must bring to the Board's attention circumstances that affect the goals established by the Board and may request the Board to take appropriate actions.

#### **24. Budget & Procurement Authority**

- A. The Board shall approve the District's budget prior to the start of each fiscal year.
- B. By resolution, the Board shall set forth the authority of the Manager to manage and expend District funds in accordance with financial goals and budgetary limits. Procurement of goods and services shall take place in accordance with applicable legal requirements in a fair, competitive and inclusive manner to maximize the benefit to the District's ratepayers.
- C. The Manager shall establish procurement controls that provide reasonable assurance that the procurement of goods and services are made for a valid business purpose and within authorized budget levels.

- D. Procurement decisions shall be made free from actual or perceived conflicts of interest and due diligence and prudent judgment be exercised in the making of procurement decisions, including conducting a risk assessment.

If the Manager reasonably determines that a procurement activity presents, regardless of the size of the financial commitment, either (i) a unique and significant operational risk to the District; or (ii) a significant impact to ratepayers, the Manager shall inform the Board.

## **25. Financial Policies**

- A. The Board, by resolution, shall adopt financial policies that provide guidance to the Manager and Steward in managing the finances of the District and in developing budgets and financial plans. At a minimum, these policies shall; 1) provide for sufficient liquidity relative to the District's risk profile, 2) provide for adequate coverage to meet debt covenants, 3) establish criteria for debt, 4) require that budgets be developed based on conservative and prudent assumptions consistent with standard practice, and 5) establish budgetary and procurement controls over expenditures.

## **26. Amendment to These Rules**

- A. These rules may be amended or new rules adopted by a majority vote of the Board, provided that the proposed amendments or new rules have been introduced into the record at a prior Board meeting.

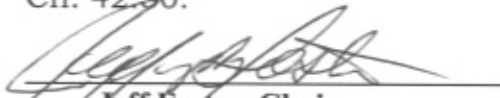



Effective Date Below; Prior Bylaws and Governance Policies Rescinded and Superseded.


A. This Governance Policy and Bylaws shall be effective upon adoption by a majority of the Board of Directors.

B. Upon adoption of this Governance Policy and Bylaws, all previous Governance Policies and/or Bylaws are rescinded and superseded.


Adopted by majority vote of the Board of Directors of the Moses Lake Irrigation and Rehabilitation District at its August 11, 2015 regular meeting, which meeting was also noticed in the same manner as required for a special meeting under the Open Public Meetings Act, RCW Ch. 42.30.

  
Jeff Foster, Chair

  
Bill Bailey, Vice Chair

  
Mary Perry, Director

  
Kris Dexter, Director

  
Richard Teals, Director