



Chester Public Utility District

Manual of Policies

POLICY TITLE:	Adoption of Policies, Ordinances, and Resolutions
POLICY NUMBER:	1010
ADOPTED:	8-9-2016
LAST REVIEWED:	8-25-2026
NEXT REVIEW DUE:	As Required
REVIEWED BY:	General Manager
APPROVED BY:	Board of Directors

1010.05 Purpose. This policy explains how the Board adopts, changes, or cancels three kinds of District documents: Board policies, ordinances, and resolutions. Ordinances and resolutions are formal legal actions of the Board (Public Utilities Code §16072). Board policies are internal rules of the District. Each of the three has its own steps, listed below. The Brown Act (Government Code §54950 and following) applies to all Board meetings.

A. POLICIES

1010.10 Who may propose a policy. Any Director or the General Manager may propose a new policy, or a change to a policy the Board has already adopted. To start, that person gives the District office a written draft for each Director and the General Manager, and asks that it be placed on the agenda of a regular or special meeting.

1010.20 How a policy is adopted. It takes three of the five Board members voting yes to adopt or change a policy (see Section 1010.63). The Board may do this at a regular meeting or at a special meeting. If the Board acts at a special meeting, staff reports it at the next regular meeting under Section 1010.65.

1010.30 Readings and packets. The Board may adopt a policy after one reading. It may hold more than one reading if it wants to make edits. Section 1010.66 covers agenda notice and copies for Directors.

B. ORDINANCES

1010.40 When an ordinance is required. The Board uses an ordinance when state law says it must act “by ordinance.” One example is a tax levy of more than \$50,000 for a purpose other than interest or sinking fund payments (Public Utilities Code §16077). The Board may also choose to use an ordinance for permanent or regulatory matters, such as changes to the CPUD Code, cross-connection control rules, or a rate schedule. Ordinances are governed by Public Utilities Code §§16071–16084.

1010.41 Agenda notice. An ordinance must appear on a posted agenda. Section 1010.66 covers agenda notice and copies for Directors.

1010.42 Enacting clause, vote, and signatures. Every ordinance must begin with this sentence: "Be it enacted by the Board of Directors of Chester Public Utility District:" (Public Utilities Code §16073). It takes three of the five Board members voting yes to pass an ordinance, and the minutes must show how each member voted (Public Utilities Code §16072). The Board Chair signs the ordinance and the Board Clerk attests it. If the Chair is absent, the Vice Chair signs. Public Utilities Code §16074 calls these two officers the president and the secretary of the board.

1010.43 Effective date, posting, and publication. An ordinance cannot take effect sooner than 30 days after the Board passes it. At least one week before those 30 days run out, the District must post copies of the ordinance in three public places in the District (Public Utilities Code §16075). If a newspaper of general circulation is printed and published in the District, the District must also publish the ordinance in that newspaper (Government Code §6061). If there is no such newspaper, the District posts the ordinance on chesterpud.org. When the minutes record that an ordinance was posted and published, that record is proof of posting and publication unless someone shows otherwise (Public Utilities Code §16076).

1010.44 Referendum on a tax levy ordinance. This section applies only to an ordinance that authorizes a tax levy under Section 1010.40. Within 30 days after the Board passes that kind of ordinance, voters may file a protest petition. The petition must be signed by voters equal to 10 percent of the votes cast in the District at the last election for Governor. If that happens, the ordinance is put on hold until a referendum election is held (Public Utilities Code §§16078, 16081, and 16084). Staff must tell the General Manager and District Counsel right away if the District receives a petition.

C. RESOLUTIONS

1010.50 How a resolution is adopted. A resolution is the usual way the Board takes formal action when an ordinance is not required. Examples include approving contracts and agreements, setting rates or fees, adopting the budget, moving money between funds, personnel actions, and grant applications. Section 1010.66 covers agenda notice and copies for Directors. It takes three of the five Board members voting yes to adopt a resolution, and the minutes must show how each member voted (Public Utilities Code §16072). The Board Chair signs the resolution and the Board Clerk attests it (Public Utilities Code §16074). A resolution takes effect as soon as the Board adopts it, unless the resolution itself sets a later date. The 30-day delay that applies to ordinances does not apply to resolutions.

1010.51 Resolutions with extra legal steps. Some resolutions carry their own notice, hearing, or protest rules on top of this policy. The main example is a rate or fee resolution covered by Proposition 218 (Government Code §53750 and following). Those require mailed notice to property owners and customers of record, a public hearing, and a chance to file written protests. If a majority protest is filed, the Board cannot adopt the rate. Staff must flag any resolution like this in the agenda transmittal and must talk to District Counsel before going ahead.

D. MOTIONS

1010.55 Action by motion. The Board may act by motion on matters that do not require an ordinance or a resolution — for example, approving a routine contract, work order, or claim. It takes three of the five Board members voting yes to pass a motion, and the minutes must show how each member voted (Public Utilities Code §16072). Section 1010.63 describes the one exception.

E. RULES THAT APPLY TO POLICIES, ORDINANCES, AND RESOLUTIONS

1010.60 Open meetings and quorum. All Board meetings, regular and special, are open to the public. Three Board members are a quorum, which is the number needed to conduct business (Public Utilities Code §16071).

1010.61 Records. Every ordinance and resolution, and the vote on it, must be entered in the Board's minutes and journal of proceedings (Public Utilities Code §16072). The District keeps adopted policies, ordinances, and resolutions under Policy 2145 (Records and Retention).

1010.62 Legal review. The General Manager may send any proposed policy, ordinance, or resolution to District Counsel for review before it goes on an agenda. Anything carrying significant legal, financial, or regulatory risk should be reviewed.

1010.63 What “majority” means. In this policy and in Public Utilities Code §16072, “a majority of the Board” means three of the five Board members voting yes. That number does not change if a seat is vacant or a member is absent. A majority of only the members present is not enough. There is one exception: members present may adjourn a meeting to another date and time even if fewer than three are present (Government Code §54955).

1010.64 Adjourned regular meetings. If a regular meeting is adjourned to a later date and time, that later meeting is still a regular meeting under this policy, and the Board may take any action there that it could take at a regular meeting (Government Code §54955.1).

1010.65 Report after a special meeting. If the Board adopts, changes, or cancels a policy, ordinance, or resolution at a special meeting, the General Manager puts an information item on the agenda of the next regular meeting. The item states what the Board did, the date of the special meeting, and the vote. It is for information only and needs no Board action. The Board's action takes effect as described in Section 1010.20, 1010.43, or 1010.50. This report does not delay or change that, and neither does a late report or a missed one. For an ordinance, this report is separate from the posting and publication required by Section 1010.43 and does not replace it.

1010.66 Agenda notice and packets. The agenda must be posted at least 72 hours before a regular meeting (Government Code §54954.2) and at least 24 hours before a special meeting (Government Code §54956). Directors must receive copies of the proposed policy, ordinance, or resolution at least three days before a regular meeting. For a special meeting, Directors receive those copies with the notice and call of the meeting, at least 24 hours before it starts.

1010.67 Errors in an adopted document. If the General Manager or the Board Clerk finds that an adopted policy, ordinance, or resolution, or the minutes recording it, does not match the action the Board actually took, the General Manager places the item on the agenda of the next regular meeting. The Board corrects the record by resolution and decides whether the item must be adopted again. If the record does not show the affirmative votes required by Public Utilities Code §16072, no action was adopted, and the item must return to the Board for a new vote.

1010.68 Check before filing. Before a policy, ordinance, or resolution is signed and filed, the Board Clerk confirms that the document and the recorded vote match the action the Board took at the meeting.

F. SPECIAL MEETINGS

1010.70 What the Board may do at a special meeting. The Board may take any action at a special meeting that it could take at a regular meeting, except for the items listed in Section 1010.71. The special meeting must be called and noticed under Government Code §54956. The Board may handle only the business listed in the notice and call for that meeting (see Policy 5010.24).

1010.71 What the Board may not do at a special meeting. The following may not be placed on a special meeting agenda or acted on at a special meeting:

- (a) Board member and executive pay. Anything that sets or changes the salary, salary schedule, or fringe benefits of the Board of Directors or of a local agency executive. A local agency executive is a person who is not covered by the Meyers-Milias-Brown Act and who is also the General Manager, a department head, or someone whose position is held under an employment contract (Government Code §§3511.1(d) and 54956(b)). This does not apply to the District budget.
- (b) Labor agreements and salary schedules for represented positions. A memorandum of understanding with a recognized employee organization, and a salary schedule covering represented positions, must be considered and approved at a regular meeting.
- (c) Rates and fees covered by Proposition 218. A rate or fee covered by Article XIII D of the California Constitution may be considered and adopted only at the meeting named in the

mailed notice, at the date, time, and place given in that notice. A special meeting cannot take the place of that hearing. See Section 1010.51.

- (d) General public comment. A special meeting does not include public comment on topics that are not on the agenda. The public may comment only on the items in the notice and call (Government Code §54954.3(a); Policy 5020.42).
- (e) Anything that a law or regulation says must be handled at a regular meeting.

1010.72 Examples of what the Board may do at a special meeting. Subject to Sections 1010.70 and 1010.71, and if the item is listed in the notice and call, the Board may:

- (a) Approve the minutes of an earlier meeting.
- (b) Review and approve financial reports, check and warrant registers, investment reports, and claims against the District.
- (c) Adopt the Preliminary Budget, the Final Budget, or a budget amendment. State law allows a special meeting on the District budget (Government Code §54956(b)).
- (d) Adopt or change a policy, and report it under Section 1010.65.
- (e) Adopt an ordinance, following Sections 1010.41 through 1010.43, and report it under Section 1010.65.
- (f) Adopt a resolution that is not limited by Section 1010.71 — for example, contracts and agreements, grant applications and grant agreements, transfers between funds, and personnel actions other than executive pay — and report it under Section 1010.65.
- (g) Hold closed session items that are properly described and noticed (Government Code §§54956.8, 54956.9, 54957, and 54957.6).
- (h) Act by motion under Section 1010.55.

1010.73 Regular meetings are preferred. Even when a special meeting is allowed, a matter of significant public interest should normally be scheduled for a regular meeting, where the public may speak on topics that are not on the agenda. The General Manager should tell the Board Chair when this applies.

ADOPTION

Policy #1010 was originally adopted by the Board of Directors on August 9, 2016. The amendments reflected in this version were adopted by the Board of Directors of the Chester Public Utility District at a duly noticed regular meeting held August 25, 2026, by the following vote: 5 ayes, 0 noes, 0 absent, 0 abstaining (Directors Graffweg, Green, Bottini, Paulsen, and Tharpe).

Date: _____
Stephen Graffweg, Board Chair

Attested: _____
Kelley Cote, Acting Secretary/Clerk to the Board

REVISION HISTORY

Date	Action	Meeting / Reference	Vote
08-09-2016	Adopted (original)	Regular Meeting	—
10-28-2025	Amended	Regular Meeting	—
08-25-2026	Amended	Regular Meeting — Agenda Item 14	5–0

Maintained by the District Clerk; mirrors the CPUD Policy & Governance Registry.