



Lane Transit District

Board Training
March 1, 2023



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Today's Topics

- About Special Districts
- District & Board Authority
- Board & Staff Expectations
- Public Meetings
- Additional Programs



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About Special Districts

- What is a Special District?
- About SDAO
- About SDAO Consulting Services Program
- About Mark Knudson



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About Special Districts What is a Special District?

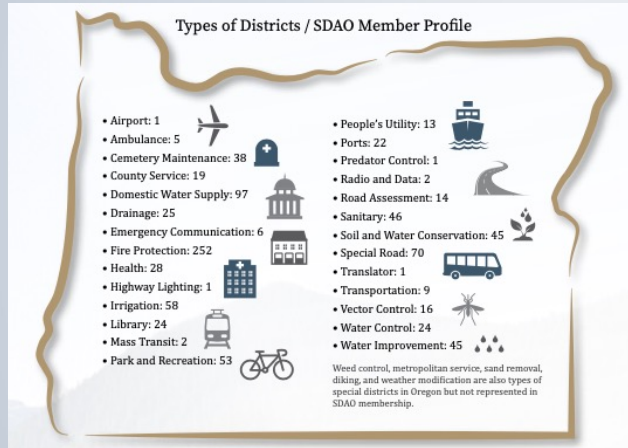
Local form of government created by community to meet specific needs

- Over 1,000 special districts in Oregon
- Currently 34 types of districts in Oregon
- Extend across city and county jurisdictional boundaries
- Statutory authority to ...
 - Sign contracts, employ staff, acquire real property
 - Issue bonds, impose taxes, levy assessments, charge fees
 - Sue and be sued

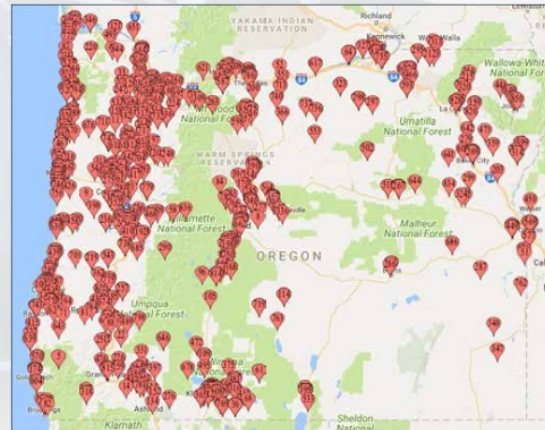
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About Special Districts What is a Special District?



OREGON SPECIAL DISTRICTS MAP



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About Special Districts About SDAO

Special Districts Association of Oregon

To assist special service districts in providing cost-effective and efficient public services to the people of Oregon

- Formed in 1979 to provide strong and united voice
- Provides advocacy at federal, state, and local levels
- Provides training, information resources, and support programs
- Operates as 501(c)(6) not-for-profit corporation
- Governed by 12-member board of directors
- Over 900 local government members
- Sister organization is Special Districts Insurance Services (SDIS)

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About Special Districts

About SDAO Consulting Services Program

- Experienced industry professionals
 - Range of experts and expertise
- Provides management advice, guidance, and support services
 - Does not include professional engineering, audit, or attorney services
- Provides guidance, oversight, training, and assessments
- Why?
 - To reduce risk, improve service, support future planning



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About Special Districts

About Mark Knudson



- Senior Consultant with SDAO Consulting Services
- Over 35 years of utility management experience
 - Retired CEO of Tualatin Valley Water District
 - Former Director of Operations & Maintenance for Portland Water Bureau
 - Professional Engineer (Civil & Environmental)
 - Certified Water Operator (WD4 & WT3)
- Former Board Member Business Oregon Infrastructure Finance Authority
- Former Board Member Oak Lodge Water Services

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District & Board Authority

- District Authority
- Board Authority
- Board Member Rights & Duties



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District & Board Authority District Authority

Expressed powers as provided by statute:

- Principal Act, ORS 267 – Mass Transit & Transportation Districts
 - Statutory powers of District – duties & powers of Board, officers
 - Directors – appointment & confirmation, term, vacancies, discharge
 - General Manager – appointment, removal, duties & powers
- Other applicable statutes such as:
 - Intergovernmental Agreements (ORS 190)
 - Ethics (ORS 244)
 - Contracts, Procurements, Public Improvements (ORS 279A, B, C)
 - Bonds (ORS 287A)
 - Budget (ORS 294)
 - And many more ...

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District & Board Authority

District Authority

Implied powers to carry out expressed powers:

- Purchasing supplies
- Employing staff
- Entering contracts
- Incidental tasks relating to exercise of authority

Narrower authorities than cities or counties

- Do not have “home rule” charter authority

District & Board Authority

Board Authority

- Serves the best interests of community and constituents
- Sets policy and direction of District by Board Action
 - Must be at a properly called public meeting
 - Requires a quorum to be present
 - Requires approval by majority of the board
 - Votes taken publicly - no secret ballots
- Hires General Manager/Chief Executive Officer
- Operates within FTA & grant requirements



District & Board Authority

Board Authority – Legislative Authority

Authority to establish policy and direction of District

- Examples: establishing District budget, capital plan, bonds, taxing, rules & regulations, policies, inter-governmental agreements
- Ordinance = local law
 - Authority to enforce / formal adoption procedures
- Resolution = statement of policy
 - Governs internal operations / simple adoption procedure
- Board CAN NOT delegate Legislative Authority

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District & Board Authority

Board Authority – Administrative Authority

Authority to implement Board-established policies to guide day-to-day administration of District

- Examples: HR practices, staff position descriptions, purchasing procedures, financial procedures, operating standards, administrative procedures

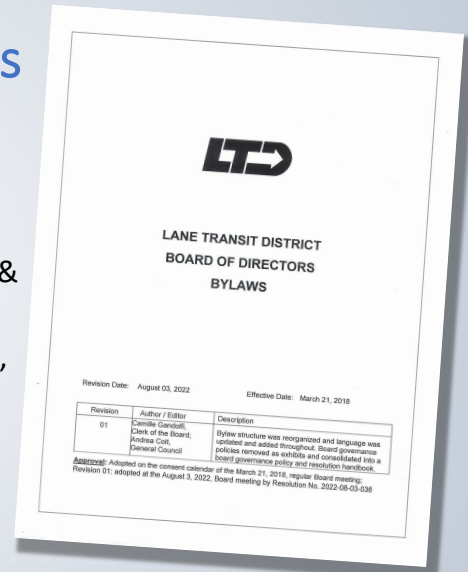
LTD Board has delegated Administrative Authority to staff

SDAO Recommendation: *“Board members should use caution in exercising administrative power because of the potential of liability, workers’ compensation issues, staff morale issues, and other considerations.”*

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District & Board Authority Board Member Rights & Duties

- Understand and adhere to District Bylaws
 - Board: purpose, composition, responsibilities, resignation & removal, compensation
 - Board officers: elections, vacancies, authorities & responsibilities of officers
 - Board meetings: types of meetings, preparation, compliance with public meeting laws, quorum
 - Committees



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District & Board Authority Board Member Rights & Duties

- Understand and adhere to Board Policies
 - Duties of Board Members
 - Duties of General Manager
 - Communication with public and staff
 - General Counsel – role & reporting relationship
 - Harassment, Discrimination & Retaliation Policy
 - Ethics & Conflicts of Interest Policy
 - Public Engagement Policy
 - Use of District Resources Policy
 - Public Contracting & Procurement Policies



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District & Board Authority

Board Member Rights & Duties

- Fiduciary responsibility rests with Board
- District administrative policies – established by Board resolution
 - Financial Management Policies
 - Accounting Systems, Accounting Policies & Procedures
 - Internal Controls Policies & Procedures
 - Audits / Financial Reports
 - Records Retention
 - Budget Process & Documents
- Supports effective planning & informed decision-making
- Board Members can be found personally liable for repayment of unlawful expenditure of public funds (ORS 294.100)

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District & Board Authority

Board Member Rights & Duties

- Indemnity
 - Entitled to indemnity under OTCA for claims of negligence against Board
 - NOT entitled if acting outside “course and scope” of position
- Can become ineligible for public office if “a member of, or affiliated with, any organization which teaches the doctrine of, or advocates, the overthrow of the Government of the United States by force or violence.” (ORS 236.030)

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District & Board Authority Board Member Rights & Duties

Office becomes vacant if board member ...

- Dies or resigns
- No long meets qualification required for position to which he/she was elected or appointed
- Convicted of an infamous crime, or any offense involving the violation of the oath of the incumbent
- Has election or appointment declared void by a competent tribunal
- Is found to be a mentally diseased person by a competent tribunal
- Agrees to engage in, or does engage in, a duel, or “curry a challenge” to a duel to another person (Or. Const. Art. II, Section 9)



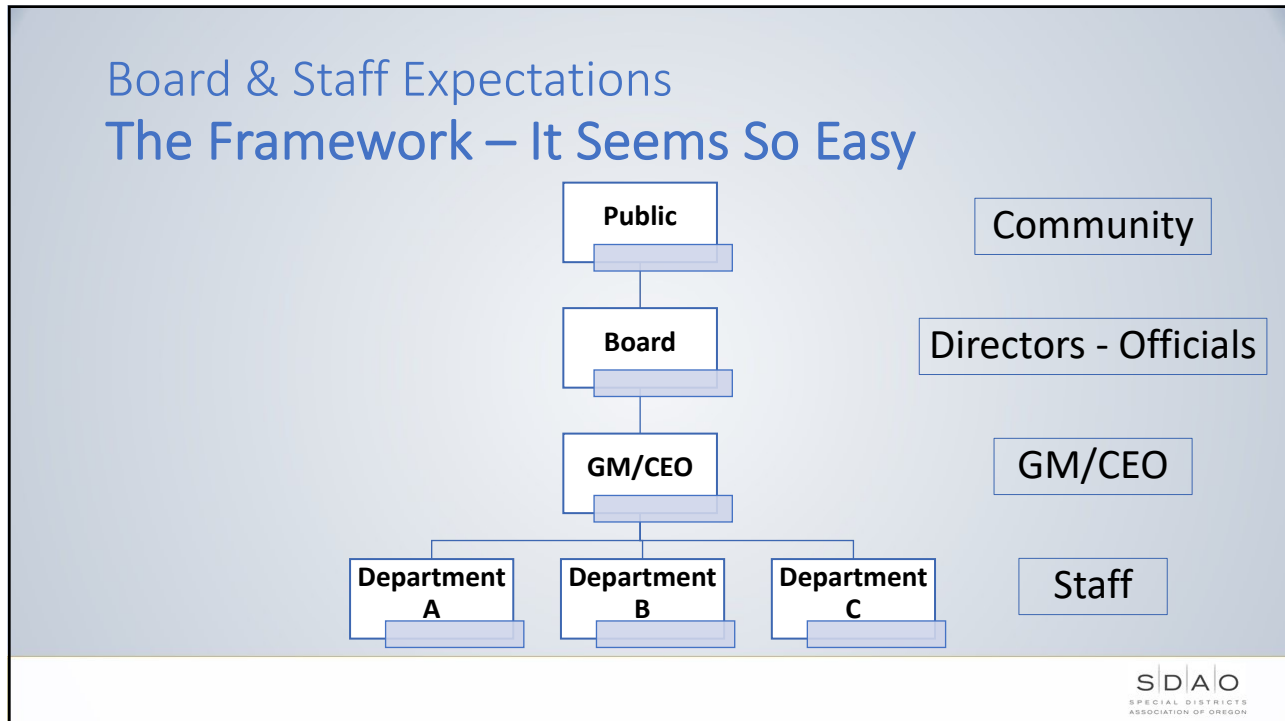
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Board & Staff Expectations

- The Framework
- Expectations of Board Members
- Expectations of GM/CEO
- Characteristics of Effective Boards



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Board & Staff Expectations The Framework – Why We Get Confused

- Organizations with unique governance frameworks
 - Charter authority of Mayor, Commissioners, Council, Board, Chair, or Commission
- Differences in authority of positions
 - Chair vs Commission / Mayor vs Council / Board Chair vs Board Members
- Individual motivations
 - “I am just trying to help” (or “... save us some money” or “... offer my expertise”)
- Encouraged by the staff
 - “A staff member (or the manager) suggested I look into this”
- “We’ve always done it this way”

Board Members’ authority comes through the Board

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Board & Staff Expectations

The Framework – Guiding Principles

1. The Board's authority comes from statute
 - *The Board is accountable to the public*
2. Board Members' authority comes through the Board
 - *Board Members generally do not have authority to act alone*
3. The Board has one employee ... the GM/CEO
 - *The GM/CEO is accountable to the Board*
4. The Staff works for the GM/CEO
 - *Staff is accountable to the GM/CEO*

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Board & Staff Expectations

The Framework – Key Roles

1. **Public**
 - *Governor appoints Board Members, holds Board accountable for performance*
 - *Provides input and feedback on Board-established policies*
2. **Board**
 - *Establishes policy and direction of District by Board action*
 - *Hires GM/CEO, oversees GM/CEO's performance, holds GM/CEO accountable*
3. **GM/CEO**
 - *Implements Board-established policy*
 - *Collaborates with Board; provides information to support Board decisions*
 - *Hires staff, oversees staff's performance, holds staff accountable*
4. **Staff**
 - *Implements GM/CEO's direction, collaborates with GM/COE*

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Board & Staff Expectations

Expectations of Board Members

- Get Oriented ... understand the organization and policies
- Be Prepared and Informed ... for every meeting
- Be Honest, Courteous & On Time ... all the time
- Be Respectful ... of other Board Members, staff, and the organization
- Represent Board Positions and Board Actions
- Understand Roles and Responsibilities ... work through the GM/CEO

Board & Staff Expectations

Expectations of GM/CEO

- Be Prepared and Informed ... for every meeting
- Provide Options ... not direction
- Provide Recommendations ... not decisions
- Support the Board ... provide timely information & meeting packets
- Communicate ... no secrets, no surprises
- Be Honest, Courteous & On Time ... all the time
- Represent Board Positions and Board Actions
- Understand Roles and Responsibilities ... work with the Board

Board & Staff Expectations Characteristics of Effective Boards

- Clarity and alignment of District vision, mission and values
- Creative and collaborative partners
- Mutual respect; all members as equals
- Respect for roles of Board & staff
- Collective responsibility and accountability
 - Board conduct
 - District performance
- Commitment to communicate; no secrets, no surprises

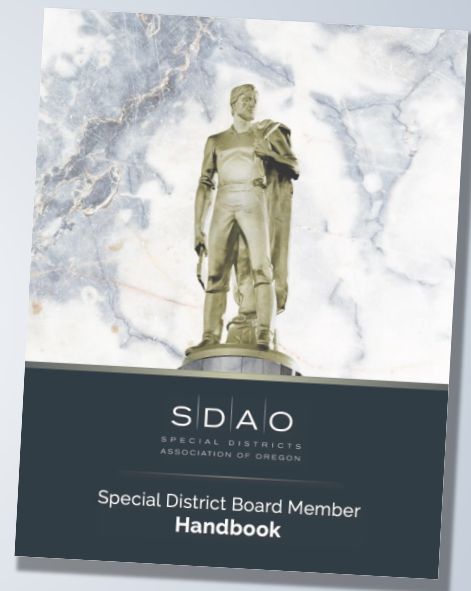


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Public Meetings

- Application of the Law
- Executive Sessions
- Tips for Success



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Public Meetings

Application of the Law

Purposes of Public Meetings Law:

- To open meetings of governing bodies to the public
- To give notice of the time and place of meetings
- To make meetings accessible to those wishing to attend

A Public Meeting is:

- Any meeting where a quorum of the decision-making body is present and is discussing or “deliberating toward decision” on a matter of business
- Any meeting of a body formed to advise a public body is a public meeting

Public Meetings

Board Meetings

- Public Meetings must be appropriately noticed
 - At least 24 hours before meeting: must include topics to be discussed (agenda)
 - Public posting: at building entrance, website, bulletin boards, press releases
 - Interested Persons: mailing lists
 - Paid advertising is NOT required
- Limitations on communications between Board Members
 - No decisions or deliberations leading to decision outside of public forum
 - No serial meetings
 - Limitations and risks of email

Public Meetings Executive Sessions

Executive sessions can be called only for topics defined in ORS 192.660:

- To discuss employment of individual employees or agents
- To conduct employee performance evaluations; discuss discipline or discharge
- To consult with the District's labor negotiator or conduct labor negotiations
- To consult regarding specific real estate transaction for the District
- To discuss a public record exempt from disclosure
- To meet with legal counsel to discuss litigation filed or likely to be filed
- To conduct negotiations with private persons or businesses
- To discuss information relating to security programs

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Public Meetings Executive Sessions

- Must be noticed, notice must identify applicable statutory authority – ORS 192.660 (2)(xx)
- Cite the authority into the minutes when calling the executive session
- Announce if / when regular public session will reconvene
- Media is entitled to attend (exceptions include labor negotiations); can instruct media
- No decisions are made in executive session; all decisions must be made in public meeting
- Take minutes

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Public Meetings

Tips for Success: Plan for the Meeting

- Plan the agenda ...
 - Develop the agenda and organize the content
 - Coordination between Board President and GM/CEO to plan agenda
- Know and follow public meetings law ...
 - Meeting notice appropriately posted / published
 - Remote access available
 - No meetings or deliberations outside of the public forum
- Be prepared ...
 - Review the material in advance
 - Ask clarifying questions of GM/CEO in advance if possible

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Public Meetings

Tips for Success: Manage the Meeting

- Board President conducts the meeting
 - Everyone follows the agenda / all Board Members participate
- Formalize all decisions
 - Motions & seconds for all Board Actions / publicly discuss & deliberate
 - Publicly state your vote
 - Once a decision has been made ... move on
- Treat members of public, Board Members & staff with respect
 - Limit “public debate” with members of public
 - Avoid “public squabbles” between Board Members and/or staff
- GM/CEO and staff provide essential support roles
- Keep accurate minutes

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Additional Programs

- Training & Additional Resources
- SDAO Annual Conference



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Additional Programs Training & Additional Resources

- **SDAO Regional Training:** Full-day training for board members and management staff – includes comprehensive review of laws and regulations governing Oregon’s special districts and public officials
- **SDAO Online Training & Webinars:** Online Risk Management Training Series / First Thursday 20-minute webinars (safety, regulations, HR, goal-setting, COVID, etc.)
- **Best Practices Training Credits:** SDIS 2% credit if Board Member or staff attend training (incident response, preparedness, technology, security)
- **SDAO Board Practices Assessment:** Facilitated self-assessment of Board Practices to identify potential risks of District governance & administration

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Additional Programs SDAO Annual Conference

2024 SDAO Annual Conference
February 8-11, 2024
Seaside, Oregon

- *20 Training & Education Sessions*
- *Caucus Meetings & SDAO Board Member Nominations*
- *Exhibitor Trade Show*
- *Annual Business Meeting & Board Member Elections*

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Summary



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Summary

Make the Most of Your Opportunity

- **Follow the Guiding Principles**
 - District and Board's authority are established by statute
 - Decisions and policy are made by the Board ... not individuals
 - The Board has one employee ... the GM/CEO
- **Take the time to get oriented and be prepared**
 - Understand and respect the legal framework, District Bylaws & Board Policies
 - Understand and respect the roles and responsibilities of each member of the "team"
 - Be prepared for every meeting ... review the material and ask questions
- **Develop strategic alliances ... with other Board members and outside groups**
- **Practice preventative maintenance ... invest in Board members and staff**
- **Maintain a commitment to accountability ... by Board members and staff**
- **Communicate, communicate, communicate ... with Board, GM/CEO, citizens**

Q&A Discussion