

# Board Process Policies

*Specification of how the board conceives, carries out, monitors, and ensures long-term competence in its own tasks.*



<b>Water Utility Board Policy</b>	
Title:	<b>Global Board Process Policy</b>
Policy Number: <b>BP - 1</b>	Adopted: Aug 24, 2010
Category: Board Process	Revision #/Date: 3 / July 22, 2014

The purpose of the board, on behalf of the ownership, is to see to it that the Madison Water Utility:

- Achieves appropriate results for appropriate persons for an appropriate cost (as specified in board Outcomes policies);
- Avoids unacceptable actions and situations (as prohibited in board Executive Limitations policies);
- And is prepared to continue to provide owner-centered, valued results into the future.

The board strives to gather input from the public and owners, respond to concerns, and explain and interpret the process and rationale by which the board and utility develop policies, plans and projects.

<b>Water Utility Board Policy</b>	
Title:	<b>Governing Style</b>
Policy Number:	<b>BP - 2A</b>
Category:	Board Process
Adopted:	Aug 24, 2010
Revision #/Date:	2/July 22, 2014

The board will strive for (a) outward vision, (b) free expression of viewpoints, (c) strategic leadership more than administrative detail, (d) clear distinction of board and General Manager roles, (e) collective rather than individual decisions, (f) future orientation, and (g) making things happen rather than reacting to events.

1. The board will adopt and hold to the highest standards of ethical conduct in all aspects of its leadership of the Madison Water Utility.
2. The board will cultivate a sense of group responsibility. The board will work in partnership with the General Manager. The board will initiate policy, not merely react to staff initiatives.
3. The board will lead the Madison Water Utility through policies that focus on long-term outcomes, not on administrative or programmatic means of attaining its goals.
4. The board will govern with excellence. This self-discipline will apply to matters such as attendance, preparation for meetings, policymaking principles, respect of roles, and ensuring the continuity of governance capacity.
5. Board development will include ongoing education regarding the board’s governance process, water resources, and rate making trends. The board periodically will discuss and evaluate its process and performance to assure continuous improvement.
6. The board will monitor its performance by comparing actual activity and discipline to policies in the Board Process and Board-Executive Delegation categories.

<b>Water Utility Board Policy</b>	
Title:	<b>Board Job Description</b>
Policy Number:	<b>BP - 2B</b>
Category:	Board Process
Adopted:	Aug 24, 2010
Revision #/Date:	

Specific job outputs of the board as an informed agent of the Madison Water Utility’s ownership are those that ensure appropriate performance of the Madison Water Utility. These are:

1. A credible and authoritative linkage between the ownership and the Madison Water Utility.
2. Written governing policies that realistically address the broadest levels of all organizational decisions and situations.
  - a. Outcomes: Expected organizational performance desired by owners framed in terms of benefits, recipients of those benefits, and their relative worth in cost or priority.
  - b. Executive Limitations: Constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place.
  - c. Board-Executive Delegation: How power is delegated and its proper use monitored; the General Manager’s role, authority, and accountability.
  - d. Board Process: Specification of how the board conceives, carries out, monitors, and ensures long-term competence in its own tasks.
3. Assurance of successful performance of the Madison Water Utility on Outcomes and Executive Limitations.

<b>Water Utility Board Policy</b>	
Title:	<b>Agenda Planning to Achieve Board Outputs</b>
Policy Number: <b>BP - 2C</b>	Adopted: Aug 24, 2010
Category: Board Process	Revision #/Date: 2/July 22, 2014

To accomplish its goals, the board will follow an annual agenda that (a) reviews all policies annually, (b) updates policies as needed, and (c) continually improves board performance through education, rich input, and deliberation.

1. The annual cycle will start each year in April with the board’s development of a [master agenda](#) intended to guide the board throughout the next year. This master agenda will include a provisional plan for gaining ownership input and a provisional schedule for governance education and education related to Outcomes determination (presentations by demographers, advocacy groups, staff, and so on). The Board President’s final adjustments to each meeting agenda before publication will provide flexibility to respond to emerging issues, requests from individual board members, and required public comment periods.
2. The cycle will conclude each year on the last day of March so administrative planning and budgeting can be based on accomplishing a one-year segment of the board’s most recent statement of long-term Outcomes. The board will establish its governance capacity budget for the next fiscal year during the month of April.
3. Throughout the year, the board will attend to consent agenda items as expeditiously as possible.
4. General Manager monitoring will be on the agenda if reports have been received since the previous meeting.
5. An annual review of the General Manager’s performance based on monitoring reports received in the last year will be conducted as soon as practical during the first quarter. The results of this review will be forwarded to the Mayor’s office for consideration.
6. Agendas will be planned so items of public interest or items with guest presenters, consultants, or special staff present are taken up early in the meeting.
7. Each agenda will provide the public with a link or other instruction on how to submit written comments prior to a board meeting.
8. The board chair will generally limit meetings to no more than two hours.
9. At the board’s discretion, major public comment items will be moved to the head of a meeting agenda.

<b>Water Utility Board Policy</b>	
Title:	<b>Board Members' Conduct</b>
Policy Number: <b>BP - 2D</b>	Adopted: Aug 24, 2010
Category: Board Process	Revision #/Date: 1/ Mar 25, 2013

The Board commits itself and its members to ethical, professional, and lawful conduct, including proper use of authority and appropriate decorum when acting as board members. The board shall have the authority and responsibility to interpret and apply these standards of conduct.

1. Members shall represent the interests of the ownership of the Madison Water Utility. This accountability supersedes any conflicting loyalty to other advocacy or interest groups, and membership on other boards or staffs. It also supersedes the personal interest of any board member who is also a Madison Water Utility customer or stakeholder. When their duty as alders has the potential to conflict with their loyalty to the ownership of the Madison Water Utility, alders will conduct themselves consistent with the section on Alders Serving on the Water Utility Board in the adopted Expectations of Board Members, retained as an attachment to these policies.
2. Members must avoid any conflict of interest with respect to their fiduciary responsibility.
3. Members shall not attempt to exercise individual authority over the Madison Water Utility except as explicitly set forth in board policies.
  - a. Members' interactions with the General Manager and staff must recognize the lack of authority vested in any individual board member to give direction or become involved in operational issues except when explicitly authorized by the board.
  - b. Members' interactions with the public, the press, or other entities must recognize this same limitation and the lack of authority of any board member to speak for the board except to repeat explicitly stated board decisions.
  - c. Members shall not publicly make or express individual judgments about General Manager or staff performance. Judgments of General Manager performance will be made only through board deliberation about whether the General Manager has achieved any reasonable interpretation of board policy.
4. Members will maintain the confidentiality of those issues of a sensitive nature, consistent with the open meeting statutes and ordinances.
5. Members will properly prepare themselves for board deliberation. Written statements regarding proposed policies and issues are encouraged.
6. Members will conduct themselves consistent with adopted [Expectations of Board Members](#), retained as an attachment to these policies.
7. Members will conduct board business openly, transparently, and with maximum opportunity for public involvement and participation. Consistent with this desire, at any board meeting with only four members present, if two members have discussed an agenda item outside of a publicly noticed meeting, that item should be referred for the next meeting.

8. Board members will use email principally to transmit information one-way to the entire body. Electronic mail is easily forwarded beyond the initial recipients, and such messages potentially create a situation of private debate and discussion on matters of interest to the public. Therefore,
  - a. Members will refrain from emailing a subset of board members.
  - b. When members are emailing the board, they will remind recipients to honor a “one-way” communication and refrain from forwarding, replying, or replying to all.
9. Nothing in this section is intended to limit board members’ freedom of expression and ability to serve as champions of the water utility and advocates for water quality.



<b>Water Utility Board Policy</b>			
Title:	<b>President's Role</b>		
Policy Number:	<b>BP - 2E</b>	Adopted:	Aug 24, 2010
Category:	Board Process	Revision #/Date:	

The President of the board is responsible for ensuring the integrity of the board's process and, secondarily, representing the board as needed to outside parties.

1. The President shall ensure that the board behaves consistently with the board's policies in the Board Process and Board-Executive Delegation categories and those rules legitimately imposed upon it from outside the organization.
2. The President will chair board meetings with the commonly accepted powers of that position (for example, preparing agendas, ruling, recognizing) and:
  - a. Ensure that meeting discussions consists solely of issues that, according to board policy, clearly belong to the board (not the General Manager) to decide or to monitor.
  - b. Ensure that deliberations are fair, open, and thorough, but also timely, orderly, and kept to the point.
  - c. Ensure that there is an opportunity for input from individuals and organizations, including staff and affiliated organizations, that have expertise and interests specifically related to board decisions and board policies.
3. The President represents the board to outside parties in announcing board-stated positions and in stating the President's decisions and interpretations in the area delegated to him or her.
4. The President has no authority to make decisions about policies created by the board within the Outcomes and Executive Limitations areas and, therefore, have no authority to supervise or direct the General Manager.
5. The President may use any reasonable interpretation of the provisions in these policies.
6. The President may delegate any part of this authority while remaining accountable for its use.

<b>Water Utility Board Policy</b>	
Title:	<b>Vice-President's Role</b>
Policy Number:	<b>BP - 2F</b>
Category:	Board Process
Adopted:	Aug 24, 2010
Revision #/Date:	

The Vice-President shall serve in the absence of the President and perform such other duties as may be assigned by the President or the board.

<b>Water Utility Board Policy</b>	
Title:	<b>Secretary's Role</b>
Policy Number:	<b>BP - 2G</b>
Category:	Board Process
Adopted:	Aug 24, 2010
Revision #/Date:	1/ Mar 25, 2013

The Secretary's purpose is to ensure the integrity of the board's documents, serve in the absence of the President and Vice-President, and perform such other duties as may be assigned by the President or the board.

<b>Water Utility Board Policy</b>	
Title:	<b>Board Committee Principles</b>
Policy Number: <b>BP - 2H</b>	Adopted: Aug 24, 2010
Category: Board Process	Revision #/Date: 2/ July 22, 2014

Board subcommittees, when used, will be assigned so as to reinforce the wholeness of the board’s job, not to interfere with delegation from board to General Manager.

1. Board subcommittees are to help the board do its job, never to direct staff. Committees ordinarily will assist the board by preparing policy alternatives and implications for board deliberation. In keeping with the board’s broader focus, board committees normally will not be involved with staff operations.
2. Board subcommittees may not speak or act for the board except when formally given such authority for specific and time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the General Manager.
3. Board subcommittees cannot exercise authority over staff. Because the General Manager works for the full board, she or he will not be required to obtain approval of a board committee before an executive action.
4. Board subcommittees will not be used to monitor organizational performance.
5. Board subcommittees will be used sparingly and ordinarily in an ad hoc capacity.
6. This policy applies to any group that is formed by board action, whether it is called a committee or not and whether the group includes board members or not. It does not apply to committees formed under the authority of the General Manager.

<b>Water Utility Board Policy</b>	
Title:	<b>Board Committee Structure</b>
Policy Number: <b>BP - 2I</b>	Adopted: Aug 24, 2010
Category: Board Process	Revision #/Date: 1/July 22, 2014

At this time the board authorizes no standing subcommittees. Should the board create subcommittees in the future, the board will create policies for each subcommittee specifying the product(s) each subcommittee is to produce and the authority (in terms of organizational resources) each subcommittee is granted.

<b>Water Utility Board Policy</b>	
Title:	<b>Governance Capacity</b>
Policy Number: <b>BP - 2J</b>	Adopted: Aug 24, 2010
Category: Board Process	Revision #/Date:

Because poor governance costs more than learning to govern well, the board will invest sufficient resources in leadership development for its members and fulfillment of its governance charge. The board will regularly plan and monitor the participation of board members in self-education, outreach, and other activities associated with governance, including the cost of such activities.

<b>Water Utility Board Policy</b>			
Title:	<b>Linking with Ownership</b>		
Policy Number:	BP-2K	Adopted:	July 26, 2011
Category:	Board Process	Revision #/Date:	2/ July 22, 2014

The board will pursue input from Madison residents (the ownership) on an affirmative basis, not waiting for input to be initiated by owners.

Accordingly:

1. The board periodically use a survey designed to determine what the values of the ownership are with respect to utility outcomes.<sup>1</sup>
2. Board members will be expected to annually attend, present, and listen at one service organization and/or neighborhood association meeting outside their own neighborhood. The General Manager (or his/her designee) will maintain a calendar of meetings and attendance opportunities. The purpose of the meeting is to:
  - a. Educate owners about how the board functions.
  - b. Educate residents that they are owners of the utility as well as consumers, and what the responsibilities of that ownership and rights of consumers are (want owner input, not consumer input).
  - c. Discuss what benefits for whom have what relative and absolute worth.
3. For each policy or ordinance change, the board will review the impact through the lens of the owner in terms of relative and absolute worth.
4. The board will establish “board-to-board” communication, which could include communication with:
  - a. City Council
  - b. Public Health of Madison and Dane County
  - c. City Engineering/Public Works
  - d. Committee on the Environment
  - e. Other boards
5. The board will submit an annual report, per MGO 13.01(3), to the Mayor and City Council and post it on the utility web page for the entire ownership to see. The board will incorporate Citizen Advisory Panel (CAP) discussions as an opportunity for owner input. CAPs will report their findings and recommendations at board meetings at the conclusion of each CAP.
6. The board will hold public hearings at key decision points for policies and projects that fall under the purview of the utility’s Citizen Advisory Process. These hearings will take place during each of the following phases:

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<sup>1</sup> Note 3/25/2013: A survey will be administered at the conclusion of the Advanced Metering Infrastructure project.

- a. PHASE 1 – Establish Public Outreach Budget, Public Notification, and Project Plan
  - b. PHASE 2 – Site Selection (if applicable)
  - c. PHASE 3 – Facility Design (if applicable)
7. To assure full and adequate participation and decision making, the board may choose to deliberate over certain policies or projects for more than one meeting before taking action.