



Calleguas Municipal Water District Administrative Code

April 6, 2016

Disclaimer: This Administrative Code reflects the action of the Board of Directors of Calleguas Municipal Water District as of the date set forth above, and may not reflect the most current actions of the Board. In case of any discrepancy between this version and the official records of Calleguas Municipal Water District, the official records will prevail.

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PART 1 - GENERAL PROVISIONS

1.1 FORMATION AND GENERAL PURPOSE OF THE DISTRICT

Calleguas Municipal Water District (District) was formed on December 10, 1953 under the California Municipal Water District Act of 1911. The general purpose of the District is to provide its service area with a reliable supply of regional and locally developed water.

1.2 TITLE AND PURPOSE OF THE ADMINISTRATIVE CODE

This Administrative Code shall be known as the "CALLEGUAS MUNICIPAL WATER DISTRICT ADMINISTRATIVE CODE", and is sometimes referred to as the "Administrative Code" or the "Code". This Code contains certain operational policies of the District and supersedes and replaces Ordinance No. 13 (which was repealed by the District in 2002) and all previously adopted versions of the Code.

1.3 DEFINITIONS

As used in this Code, unless otherwise specifically provided or the context otherwise requires:

"Auditor" refers to the firm which performs an annual audit of the District's financial statements and internal financial controls.

"Board" refers to the Board of Directors of Calleguas Municipal Water District.

"Board Officers" or "officers" refers to the then serving officers appointed by the Board from among the Board members as provided in this Code.

"Director" refers to an elected or appointed member of the Board.

"District" refers to Calleguas Municipal Water District.

"District Counsel" refers to the then serving legal counsel to the Board.

"Employee" refers to a District employee.

"General Manager" refers to the then serving General Manager of the District.

"Metropolitan" or "MWD" refers to Metropolitan Water District of Southern California.

"Person" refers to any person, firm, or legal entity.

"President" refers to the Director then serving as President of the Board.

"Secretary of the Board" refers to the Director then serving as Secretary of the Board.

"Clerk of the Board" refers to the General Manager's Executive Secretary.

"State" shall mean the State of California.

"Treasurer" refers to the Director then serving as Treasurer of the Board.

"Vice President" refers to the Director then serving as Vice President of the Board.

1.4 INTERPRETATION

Wherever these policies and procedures refer to certain provisions of California law, including without limitation certain sections or provisions of the Brown Act, the Water Code, CEQA, and the Government Code, it is understood that the entire applicable law shall govern, and these policies and procedures shall not serve as a substitute for review of the entire applicable law then in effect. If reference is made to any portion of this Code, or to any ordinance or resolution of the District, the reference shall apply to all amendments and additions thereto.

1.5 MAINTENANCE

A copy of this Code shall be distributed to each Director and to such other persons as the General Manager or the Board deems appropriate. At least once every three years, and otherwise as needed as determined by the Board, the General Manager will review this Code and prepare and present amendments to the Board for consideration.

1.6 ACTS BY DEPUTIES

Whenever a power is granted to, or a duty is imposed upon, an officer or Employee of the District, whether by statute, ordinance, resolution, or order of the Board, the power may be exercised or the duty may be performed by a deputy, assistant, or Employee authorized by such officer or Employee

1.7 SEVERABILITY

If any part of this Code is, for any reason, held to be invalid or unenforceable, such decisions shall not affect the validity of the remaining portions of this Code.

1.8 AMENDMENT

This Code may be amended, modified, changed or repealed only by action of the Board, in its sole discretion.

1.9 GENDER, TENSES, AND NUMBER

As used in this Code, the present tense includes the past and future tenses, and the future tense includes the present tense; the masculine gender includes the feminine gender, and the feminine gender includes the masculine gender; and the singular includes the plural, and the plural, the singular.

PART 2 - BOARD OF DIRECTORS

2.1 ELECTION

Members of the Board are elected to office in accordance with applicable law including the provisions of the Municipal Water District Law of 1911. Each Director shall hold office for a term of four years from and after the date of taking office. A Director may be elected to multiple terms in accordance with applicable law.

2.2 APPOINTMENT

When a vacancy occurs on the Board, the remaining members of the Board may fill such vacancy by appointment in accordance with California Water Code Section 71254 and California Government Code Section 1780, or the corresponding provisions of any successor statute.

2.3 OATH OF OFFICE

Persons elected to the Board shall take office at noon on the first Friday in December after the general election as prescribed by California Elections Code Sections 10505 and 10554. Persons appointed to the Board shall take the required oath of office prior to assuming office. A Notary Public shall administer the oath.

2.4 DIVISIONS AND REAPPORTIONMENT

The District is divided into five Divisions as shown on the Official Map of Division Boundaries on file at the County of Ventura Elections Division. Each Division is represented by one Director who shall be a resident of the Division. Notwithstanding the foregoing, the District is subject to re-division in accordance with the procedures set forth in California Water Code Section 74450 et seq.

2.5 POWERS

All powers of the District shall be vested in the Board except for those powers delegated to the General Manager as set forth herein and in the Ordinances and Resolutions of the District or as hereafter delegated by the Board.

2.6 ELECTION OF BOARD OFFICERS

At the first Meeting in January of the year following any election at which any Director is qualified, the Board shall elect one of its members as its presiding officer, who shall have the title of "President of the Board". At the same time, the Board shall also select Directors to serve as Vice President, Treasurer, and Secretary of the Board. The Board may, at any time by majority vote, remove any Director from any

office to which he or she has been appointed and elect another Director to fill the office.

2.7 DESIGNATION OF METROPOLITAN BOARD REPRESENTATIVE

The District's representative(s) to the Metropolitan Water District of Southern California Board of Directors will be selected and shall serve as outlined in the Metropolitan Water District Act, Section 51.

2.8 GENERAL DUTIES

The Board of Directors shall:

- (a) Establish the District's policies, mission, and goals by majority vote at public meetings and hold the General Manager responsible if the policies, mission, and goals of the District are not implemented.
- (b) Assure that the District is responsive to the interests of those it represents.
- (c) Comply with the law and use District powers lawfully.
- (d) Insist that critical and strategic information from which to make decisions and exercise judgments is available in a timely manner.
- (e) Assist staff by assessing issues from a broader perspective, providing outside perspective and guidance.
- (f) Protect the assets of the District.
- (g) Assure that the District is well managed.
- (h) Select the District's officers, General Manager, District Counsel, and Auditor in accordance with California Water Code Section 71340.
- (i) Assure that the District's long-term plans are designed to meet the District's mission and purpose.
- (j) Review and assess long-term planning for the District.
- (k) Establish policies that will provide for the effective conduct of the Board's meetings.
- (l) Be prepared for the meetings of the Board.
- (m) Approve and adopt the annual budget and any amendments thereto.

- (n) Approve and adopt a salary schedule and positions set forth in the organization chart for District Employees and any amendments thereto.
- (o) File Form 700 Statements of Economic Interests as required by the District's Conflict of Interest Code.
- (p) Participate in two hours of sexual harassment prevention training every two years in accordance with Government Code Section 12950.1.
- (q) Participate in ethics training every two years in accordance with California Government Code Section 53235, including at least two hours of training in ethics principles and ethics laws relevant to his or her public service.

2.9 LEAVES OF ABSENCE

In accordance with California Government Code Section 1062, no Director shall absent himself from the State for more than 60 days, unless the absence is for District business or has been approved by the Board. In the case of illness or other urgent necessity, a quorum of the Board may approve an extension of a Director's absence from the State.

2.10 BOARD DIRECTION TO DISTRICT STAFF

- (a) The Board provides guidance and instruction to the General Manager. Individual Directors shall not instruct the General Manager in the execution of his or her powers and duties.
- (b) All general business of the District, including requests for information and instructions to Employees are to be conducted through the General Manager, or in the absence of the General Manager, the Acting General Manager. The exceptions to this limitation are: (1) coordination with the Clerk of the Board related to his or her duties described in Part 6 this Code, (2) coordination with the Manager of Personnel on a Director's District-provided benefits, and (3) coordination between the Board Treasurer and the Manager of Finance on District financial matters.
- (c) The General Manager shall promptly provide information requested by Directors as necessary to assist in decision making and policy direction. Routine requests by individual Directors for readily available written information, documents, reports, studies, analyses, or compilations shall not require formal Board approval. If requests for staff assistance or for such information or documents are estimated to require more than four hours of staff time or consulting time, or if they will require less than four hours but are of a recurring nature, these requests shall be submitted in advance to the

Board of Directors by the individual Director for formal approval.

2.11 COMPENSATION AND REIMBURSEMENT

2.11.1 GENERAL RULES

- (a) Compensation and reimbursement of expenses for Directors is authorized by, and subject to, California Water Code Sections 71255 et seq. and 20200 et seq., and California Government Code Section 53232.
- (b) The Board's compensation rules and rates are set forth in District Ordinance No. 15. Annually, the Board will review the compensation paid to Directors and may make changes to the established compensation rate by amending Ordinance No. 15 and setting a new compensation rate in accordance with applicable law.
- (c) Subject to Ordinance 15 and applicable law, Directors may be compensated for each day's attendance at meetings of the Board and for each day's service to the District rendered at the request of the Board or the General Manager not exceeding a total of 10 days in any calendar month. Any Director who represents the District on the Metropolitan Board is also entitled to receive compensation and expense reimbursement from the District with respect to such service for a total of 10 additional days in any calendar month.
- (d) Subject to the requirements of California Government Code Sections 53232.2 and 53232.3, a Director may be reimbursed for any actual and necessary expenses incurred in the performance of duties required or authorized by the Board, including without limitation reimbursement for authorized travel and other expenses when on official duty or when acting on behalf of the Board.
- (e) Board Members shall provide a brief oral report on each compensable meeting attended at the next regularly scheduled Board meeting.

2.11.2 AUTHORIZED ACTIVITIES AND EXPENSES

The guidelines set forth below are provided to clarify activities that are authorized for compensation and reimbursement to individual Directors. However, such guidelines at all times remain subject to applicable law including without limitation California Government Code Sections 53232 et seq. and California Water Code Sections 20201, 20202, 71255 and 71256, as may be amended from time to time:

- (a) Only one-day's compensation may be paid for activities performed within a calendar day. Example: If a Director attends a Board meeting and another authorized meeting on the same date, the Director shall only be entitled to compensation for one meeting. However, reimbursement for compensable mileage, meals, and other expenses may be paid for both meetings.
- (b) Directors are authorized to receive compensation and reimbursement for expenses for the following:
 - (1) Attending regular and special meetings of the Board.
 - (2) Performing necessary duties associated with, and required of, an elected official serving on the Board, including participation in required training, either in person or via remote means.
 - (3) Representing the District in any of their collateral assignments.
 - (4) Representing the District when requested by the Board, the President, or the General Manager, including attendance at other meetings or functions of government agencies (State, County, and City), purveyors, associations, committees, etc.
 - (5) Representing the District outside of the State with prior approval of the Board.
 - (6) Participation in activities related to the District's mission and purpose with prior approval of the President or Board.
 - (7) Participation in conference calls of more than one-half hour's duration which are for the purpose of any of the items listed above, subject to applicable approvals.
 - (8) Travel to or from an authorized activity when it is impractical to travel on the same day as the activity.
- (c) A Director may elect not to receive compensation and/or reimbursement for expenses for any authorized activity.
- (d) A Director may appeal to the Board any recommendation of the General Manager or decision by the President to deny authorization for compensation and reimbursement.
- (e) A Director shall secure prior approval of the Board before incurring expenses for hosting conferences, receptions, meetings, group meals, or other activities related to the duties of a Director, other than

activities paid for at the Director's personal expense.

- (f) If a Director chooses to receive Agenda packets by electronic means instead of delivery of paper copies, the District will pay for one of the following:
 - (1) The Director may use a District-owned electronic tablet device and case. The District will not pay for any charges associated with a data service plan. When the Director leaves office, he or she may either return the device to the District or reimburse the District for the depreciated value of the device.
 - (2) The Director may use a District-owned color ink jet printer or similar, paper, and ink cartridges so that the Director may print the packets at home. When the Director leaves office, he or she may either return the printer to the District or reimburse the District for the depreciated value of the printer.

2.11.3 TRAVEL

- (a) The District shall reimburse a Director for his or her actual and necessary expenses for approved travel as follows:
 - (1) All expenses must be ordinary and necessary for the conduct of District business.
 - (2) Authorized expenses while traveling overnight on District business may include, but are not limited to, meals, lodging, baggage handling, tips, transportation costs only to and from the destination required for business purposes and any other reasonable incidental expenses of the trip which are District related rather than personal in nature. Disallowed expenses include, but are not limited to, personal telephone calls, laundry service, and in-room movies. If a family member or guest accompanies the Director, lodging expense may only be reimbursed at the applicable rate for a single room to be occupied by only one person. Travel costs, meals and all other incidental expenses for a family member or guest are not authorized for payment from District funds.
 - (3) Directors have the option to select either reimbursement at the Government Per Diem Rate for Meals and Incidentals (www.gsa.gov/perdiem) or reimbursement for actual costs of meals. The method of reimbursement selected will apply for all days of the trip. If reimbursement for actual costs of meals

is selected, the reimbursement amount shall not exceed 1.5 times the M&I Rate.

- (i) The following guidelines apply to reimbursement at the Federal Per Diem Meals and Incidental (M&I) Rate.
 - a. Use of the M&I rate eliminates the need to substantiate the actual cost of meals while traveling. The M&I rate prorates a percentage of the daily rate to each meal. Breakfast is 20%, Lunch is 25%, and Dinner 55% of the daily M&I rate. These values apply only to days when fewer than three meals are reimbursed.
 - b. Per diem rates must be adjusted in the following circumstances:
 - On the first and last days of travel, the Director is entitled to per diem reimbursement for only those meals eaten while traveling.
 - When the conference attended provides meals as part of the registration fee, the per diem rate for that day will be reduced by the appropriate percentage for the meal provided.
 - (ii) Business meal expenses may include the cost of meals and non-alcoholic beverages. Under no circumstances will the District pay for or reimburse for any expenses associated with the purchase or consumption of alcoholic beverages.
- (4) Transportation shall be selected on the basis of the lowest overall cost to the District after all costs are considered. All airline travel shall only be by airplane coach or economy class except when coach or economy seats are unavailable at the time of ticketing, or where a physical problem, essential business, or exceptional circumstance warrants travel in a higher class.
 - (5) A Director who purchases airline tickets for the purpose of combining personal travel with District travel, or for travel with a family member, shall only be reimbursed for the cost of

the Director's ticket which is required for the work related purpose of the travel.

- (6) A Director shall not be reimbursed by the District for an expense reimbursed by another party.
- (b) Directors who incur expenses on behalf of the District, or who travel on or engage in District business which requires the expenditure of funds on their behalf, shall prepare an expense claim form to document, substantiate, and account for, all expenses.
 - (1) All reimbursement claims shall be submitted to the Clerk of the Board before reimbursement will be made.
 - (2) Receipts and itemized bills must be attached.
 - (3) When claiming expenses for business purposes for one or more guests, the original receipt and an itemized bill stating the amount of the meal, a description of the purpose of the meal and the names of the people present and their affiliations shall be provided.
 - (4) Requests for payment at M&I rates do not require documentation.
- (c) Individual expenses incurred by and for a Director and reimbursed by the District in excess of \$100.00 are reported in an annual report as required by law.

2.12 BENEFITS

This paragraph outlines the benefits that are either provided or available to Directors. Although the District may provide other benefits to its Employees, benefits not listed in this paragraph are not provided to the Directors.

- (a) The premiums for the following benefits are fully paid by the District:
 - (1) Workers Compensation
 - (2) Medical coverage (see Part 12 of this Code)
 - (i) Directors seated prior to December 1, 2012 (Director and family)

- (ii) Directors seated on or after December 1, 2012 (Director only)
- (3) Dental coverage (Director and family) (see Part 12 of this Code)
- (4) Vision Coverage (Director and family) (see Part 12 of this Code)
- (5) Group Life Insurance (Director only) (see Part 12 of this Code)
- (6) Retirement Program (as allowed by law)
- (b) Federal taxes associated with Medicare and Social Security are paid by the District and withheld from compensation for Board members who are not exempt from such taxes as required by law.
- (c) The following benefits are available to Directors; however, all costs associated with these benefits are the responsibility of the Director:
 - (1) Deferred Compensation (see Part 12 of this Code)
 - (2) Flexible Spending Account (IRS 125 Program for unreimbursed medical and dependent care expenses; see Part 12 of this Code)
 - (3) Medical coverage for family members of Directors seated on or after December 1, 2012 (see Part 12 of this Code)

2.13 MEETINGS AND MINUTES

2.13.1 GENERAL

- (a) All proceedings of the Board and any Advisory Body (as defined below) shall be held in accordance with the applicable provisions of the Ralph M. Brown Act (Government Code Section 54950 et seq.) as amended from time to time (the "Brown Act"). Should any of the following provisions conflict with any of the provisions of the Brown Act, the Brown Act shall be deemed controlling.
- (b) All meetings of the Board and any Advisory Body shall be open to the public, and all persons shall be permitted to attend except as otherwise provided in the Brown Act.
- (c) As used herein:

- (1) "Advisory Body" means a "legislative body" as defined in Section 54952(b) of the Brown Act including any decision-making or advisory body created by ordinance, resolution, or formal action of the Board. In accordance with Section 54952(b), an advisory committee composed solely of two or fewer members of the Board is an Advisory Body only if the committee has continuing subject matter jurisdiction or meets pursuant to a schedule fixed by ordinance, resolution, or formal action of the Board.
 - (2) "Meeting" means any congregation of a majority of the members of the Board or Advisory Body at the same time and location (including teleconference location as permitted by Section 54953 of the Brown Act) to hear, discuss, deliberate, or take action on any item that is within the subject matter jurisdiction of the Board or Advisory Body.
 - (3) "Member" means a Director or a member of an Advisory Body or any person elected or appointed to serve as a Director or member who has not yet assumed the duties of office.
- (d) A majority of the Members of the Board or Advisory Body shall not, outside a meeting authorized by the Brown Act, use a series of communications of any kind, directly or through intermediaries, to discuss, deliberate, or take action on any item of business that is within the subject matter jurisdiction of the Board or the Advisory Body.
- (e) Nothing contained herein shall be construed as preventing an Employee or official of the District from engaging in separate conversations or communications outside of a meeting with Members of the Board or the Advisory Body in order to answer questions or provide information regarding District business, as long as that Employee or official does not communicate to members of the Board or Advisory Body the comments or position of any other Member or Members of such body. Furthermore, the meeting requirements of the Brown Act shall not apply to any of the situations described in Section 54952.2(c) of the Brown Act including the following:
- (1) Individual contacts or conversations between a Member of the Board or Advisory Body and any other person that do not violate subsection (d) of this Section.
 - (2) The attendance of a majority of the Members of the Board or Advisory Body at a conference or similar gathering open to the

public that involves a discussion of issues of general interest to the public or to public agencies of the type represented by the Board or Advisory Body, provided that a majority of the members do not discuss among themselves, other than as part of the scheduled program, any business of a specified nature that is within the jurisdiction of the District.

(3) The attendance of a majority of the Members of the Board or Advisory Body at any of the following events or gatherings; provided that a majority of the Members do not discuss among themselves, other than as part of the scheduled meeting or program, business of a specific nature that is within the jurisdiction of the Board or Advisory Body:

(i) An open and publicized meeting organized to address a topic of local community concern by a person or organization other than the District;

(ii) An open and noticed meeting of another body of the District, or an open and noticed meeting of a legislative body of another local agency;

(iii) A purely social or ceremonial occasion.

(4) The attendance of a majority of the Members of the Board or Advisory Body at an open and noticed meeting of a standing committee of the Board or Advisory Body; provided that the Members of the Board or Advisory Body who are not Members of the standing committee attend only as observers.

(f) All regular meetings of the Board and all meetings of any Advisory Body shall be held within the boundaries of the District except as follows:

(1) To comply with State or Federal law or court order;

(2) To inspect real property or personal property that cannot be moved;

(3) To meet on a multi-agency matter at the facility of one of the participating agencies;

(4) To discuss legislative or regulatory matters with state or federal officials;

(5) To discuss matters relating to a District facility at the facility;

and

- (6) To consult with legal counsel at counsel's office if so doing will result in a reduction in cost to the District associated with the meeting.

2.13.2 REGULAR/SPECIAL/EMERGENCY MEETINGS

- (a) The Board shall hold regular meetings on the first and third Wednesday of each month at the hour of 5:00 p.m., unless otherwise noticed in accordance with applicable law, at the District's headquarters located at 2100 Olsen Road, Thousand Oaks, California. A regular meeting may be adjourned by the Board or by less than a quorum to another time. An adjourned regular meeting is a regular meeting for all purposes if held within five days of the regular meeting. If the adjourned meeting is held more than five days after the regular meeting, a new agenda shall be posted.
- (b) In accordance with Section 54956 of the Brown Act, special meetings may be called by the President (or, in the absence of the President, by the Vice President) or by a majority of the Board upon 24 hours' notice to each Director.
- (c) In accordance with Section 54956.5 of the Brown Act, in the event of an "emergency situation" the Board or Advisory Body may hold a special emergency meeting without complying with the 24 hour notice requirement or agenda posting required for special meetings, if prompt action is necessary due to disruption or threatened disruption of District facilities. An "emergency situation" includes both an "emergency" and a "dire emergency" as determined by a majority of the Board. An "emergency" is a work stoppage, crippling activity, or other activity that severely impairs public health or safety, and a "dire emergency" is a crippling disaster, mass destruction, terrorist act, or threatened terrorist activity that poses peril so immediate and significant that providing the one hour notice of meeting required for an emergency would endanger public health or safety. In accordance with Section 54956.5(b)(2) of the Brown Act, notice of the emergency meeting must be given to each local newspaper and radio and television station that has requested notice of special meetings at least one hour prior to the meeting in the case of an emergency meeting and at or near the time notice is given to the Board Members in the case of a dire emergency. The Board or Advisory Body may meet in closed session during any emergency meeting in accordance with the Brown Act if agreed to by at least two-thirds of the members of the Board or Advisory Body, or if less than two-thirds of the Members are

present, by unanimous consent of the Members present. Except as provided herein, all emergency meetings shall be held in accordance with all other special meeting requirements.

- (d) Each Advisory Body may establish a time and place for regular meetings and may call special meetings and emergency meetings in the same manner as the Board.

2.13.3 RECORD OF PROCEEDINGS

- (a) The Clerk of the Board shall record minutes showing action taken by the Board in open session and by each Advisory Body. The approved minutes shall be available for public inspection. If meetings are recorded on audiotape or digital file, the audiotape or digital file shall be available for public inspection for at least thirty days on a player provided by the District before the audiotape or digital file is erased.
- (b) Any person attending an open meeting of the Board may record the proceeding on audio or video media unless the Board finds the recording cannot continue without noise, illumination or obstruction of view constituting a persistent disruption of proceedings.

2.13.4 RULES OF CONDUCT

- (a) The affirmative vote of at least three Directors is necessary for the Board to take action. The Board shall take action by motion, resolution or ordinance. Motions and resolutions may be adopted on voice vote. Roll call shall be taken if requested by any Director or District Counsel. Ordinances shall be adopted on roll call vote.
- (b) Neither the Board nor any Advisory Body shall take action by secret ballot, whether preliminary or final.
- (c) Advisory Bodies shall adopt rules of order appropriate to their work.
- (d) If any meeting is willfully interrupted by a group or groups of persons so as to render the orderly conduct of such meeting unfeasible and order cannot be restored by the removal of individuals who are willfully interrupting the meeting, the Board may order the meeting room cleared and continue in session. Only matters appearing on the agenda may be considered in such a session. Representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend such a session. The Board may establish a procedure for readmitting individuals not responsible for willfully disturbing the orderly conduct of the meeting.

- (e) The Board shall not prohibit public criticism of the policies, procedures, programs or services of the District or of the acts or decisions of the Board. However, no privilege or protection is hereby conferred for expression beyond that otherwise provided by law.

2.13.5 AGENDA

- (a) The General Manager will determine the agenda for each Board meeting. In addition to those agenda items set by the General Manager, any Director or District Counsel may request an item be placed on a future Board meeting agenda during Board discussion of future agenda items. Agenda items must be provided to the Clerk of the Board at least six calendar days prior to the next scheduled regular Board meeting. For example, if a Board meeting is scheduled for 5 p.m. Wednesday, Agenda items must be submitted by 5 p.m. the preceding Thursday. Agenda items may be provided closer to the meeting date for a special or emergency meeting provided there is sufficient time to comply with noticing and posting requirements set forth in 2.13.2(b) and (c) of this Code.
- (b) At least 72 hours before a regular meeting or adjourned regular meeting, or at least 24 hours prior to a special meeting, the Clerk of the Board shall post an agenda specifying the time and location of the meeting. The agenda shall be posted in a location that is freely accessible to the public, and shall contain a general description of each item of business to be transacted or discussed at the meeting, including the items to be discussed in closed session.
- (c) The agenda for all meetings shall include the opportunity for the public to address the Board prior to taking action on any matter. The agenda for regular and adjourned regular meetings shall include the opportunity for the public to address the Board on matters within the jurisdiction of the District but not on the agenda.
- (d) Except as otherwise provided herein, no substantive discussion shall occur nor action shall be taken on matters not shown on the posted agenda. However, Directors may briefly respond to statements made or questions posed during public comment, request clarification, provide a reference to staff or other resources for factual information, request staff to report back to the Board at a subsequent meeting, or direct staff to place a matter of business on a future agenda. The Board may take action on items not appearing on the posted agenda under any of the following conditions, provided that prior to discussing such item the Board publicly identifies the item:

- (1) Upon a determination by a majority vote of the Board that an emergency situation exists, as defined in Section 54956.5 of the Brown Act.
 - (2) Upon a determination by a two-thirds vote of the Board present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the District subsequent to the agenda being posted.
 - (3) The item was posted for a prior meeting of the Board occurring not more than 5 calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.
- (e) The agenda shall describe matters to be discussed in closed session in substantially the form specified for such matter in Section 54954.5 of the Brown Act.
 - (f) Prior to adoption of any new or increased general tax or assessment the Board shall comply with the 45 day public notice and public meeting and hearing procedures specified in Section 54954.6 of the Brown Act.

2.13.6 CLOSED SESSIONS

- (a) The Board may conduct a closed session to discuss and consider those items authorized for closed session under the Brown Act. By way of example, but without limitation, the Board may conduct a closed session to:
 - (1) Consider property acquisition or disposition by eminent domain or otherwise;
 - (2) Consider pending or potential claims or litigation;
 - (3) Consider threats to public services or facilities;
 - (4) Consider the appointment, promotion or job performance of Employees;
 - (5) Consider charges levied against an Employee;
 - (6) Establish the District's position regarding Employee

negotiations; or

(7) Conduct any District business when public session is not possible due to riot or other interruption.

(b) If possible, the Board shall avoid taking action in closed session. Action taken in closed session and the vote, abstention, or absence of each member shall be reported in accordance with the Brown Act (California Government Code §54957.1).

2.13.7 MINUTES

(a) The Clerk of the Board shall prepare or delegate the preparation of written minutes of each meeting reflecting all official actions taken by the Board, the disposition of all items on the agenda, specific statements of Directors requested by them to be included when related to reasons for voting in a specific manner, and matters requested by a Director to be included as an agenda item for the meeting. The number and title of all ordinances and resolutions shall appear in the minutes.

(b) Written minutes must be approved by a majority of the Board and signed by the Secretary of the Board. Original copies of all minutes will be maintained in the District's minute books maintained by the Clerk of the Board.

PART 3 - BOARD OFFICERS

3.1 ELECTION

The Board Officers shall be elected as provided in Part 2 of this Code.

3.2 DUTIES

3.2.1 PRESIDENT OF THE BOARD

- (a) The President may make and second motions and shall have a voice and vote in all proceedings. The President shall be responsible for:
 - (1) Presiding over all meetings of the Board including:
 - (i) Opening the meeting at the appointed time, calling the meeting to order, and determining that a quorum is present;
 - (ii) Announcing each item of business on the agenda and the recommended motion;
 - (iii) Calling for motions;
 - (iv) Calling for public participation during meetings, when appropriate;
 - (v) Determining questions of order and enforcing rules of the Board;
 - (vi) Ensuring that all members of the Board have an equal opportunity during discussion of issues. The President may be involved in discussion on any matter, but his or her right to expression shall be not greater than that of any other Director;
 - (vii) Stating the motion and announcing passage or failure;
 - (viii) Opening, conducting, and closing public hearings;
 - (ix) Adjourning meetings of the Board.

- (x) Reviewing each report which he or she receives through the confidential employee hotline and taking the necessary action(s) to address the concerns raised.
- (2) Appointing members to committees of the Board and assigning chairperson responsibilities on an as-needed basis.
- (3) Developing the Board agenda in consultation with the General Manager.
- (4) Setting the time and place for any special meeting of the Board.
- (5) Representing the District in public ceremonies.
- (6) Serving as public spokesperson of the District and expressing the approved policy of the District when called upon to do so.

3.2.2 VICE PRESIDENT

- (a) During an absence of the President the Vice President shall perform all the duties of the President.
- (b) If for any reason the position of President is vacant, the Vice President shall act in the place of the President until a new President is elected.

3.2.3 SECRETARY OF THE BOARD

The Secretary of the Board shall:

- (a) Perform all the duties of the President during an absence of the President and Vice President.
- (b) Attest to the signature of the President of the Board on all ordinances, resolutions, and minutes.
- (c) Certify the Board meeting minutes.

3.2.4 TREASURER

The Treasurer shall:

- (a) Certify that checks presented for Board approval in payment of obligations of the District are correct and that supporting documents are available.

- (b) Review monthly investment and disbursement reports, budget documents, and financial reports made to the Board.
- (c) Have authority to co-sign disbursement vouchers and wire transfers.

PART 4 - GENERAL MANAGER

4.1 GENERAL POWERS

The General Manager is the chief executive officer of the District. Subject to applicable law, the General Manager's general powers and authority are as set forth by the Board in the form of ordinances, resolutions, motions and this Code. The General Manager shall be responsible to the Board for, and have jurisdiction over, the proper administration of all affairs of the District, as established by the Board, including those matters specified herein and in California Water Code Sections 71362 and 71363.

4.2 SIGNATURE AUTHORITY

In addition to the documents signed by the General Manager in the ordinary course of administering the affairs of the District, the General Manager is specifically authorized by Ordinance No. 18, as may be amended by the Board from time to time, to enter into and sign certain documents and instruments for and on behalf of the District, either alone or together with certain officers as specified in Ordinance No. 18.

4.3 COMPENSATION

The General Manager shall be paid a salary commensurate with his or her responsibilities, which salary shall be established by contract and any adjustments subject to approval by the Board. Under the terms of the contract with the District, the General Manager serves at the discretion of the Board.

4.4 EMERGENCY POWERS

- (a) The General Manager has the authority to declare an emergency which allows the General Manager to take the actions described herein if the General Manager determines that the District's ability to provide services is jeopardized by unanticipated events. If an emergency has been declared, and is continuing as provided herein, the General Manager is empowered to take those actions authorized under California Public Contracts Code Section 22050, including the authority to repair or replace public facilities, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts. The General Manager shall maintain good and accurate records of all purchases made under the authority of this Section.
- (b) If an emergency is declared as provided in subsection (a), the Board shall

review the need for continuation of the emergency, and the actions taken by the General Manager, in accordance with applicable law including California Government Code Section 8630. At each Board meeting at which the emergency is considered, the General Manager shall report to the Board justifying why the emergency will not permit a delay resulting from a competitive solicitation for bids and why the action is necessary to respond to the emergency. The Board shall declare the termination of the emergency at the earliest possible date that conditions warrant.

4.5 GENERAL DUTIES

- (a) The General Manager shall have the full power and authority to employ and discharge all Employees (other than those officers appointed by the Board in accordance with California Water Code Section 71340) at his or her pleasure and prescribe their duties and fix their compensation, subject to salary ranges and numbers and types of positions approved by the Board. Salaries will be identified on the salary schedule adopted and amended by the Board.
- (b) Additionally, the General Manager is authorized to employ additional assistance as may be required from time to time as determined by the General Manager:
 - (1) To provide substitutes for Employees on leave;
 - (2) To fill a position in advance of termination or retirement of an Employee currently occupying that position; or
 - (3) To perform emergency work.
- (c) The General Manager shall maintain the operation of a confidential employee hotline. Reports submitted through the hotline are to be provided to the President and General Manager unless the complaint is about the General Manager, in which case reports are to be provided to the President and District Counsel. The General Manager shall review each report on its merits and take the necessary action(s) to bring the matter to a satisfactory resolution.
- (d) The General Manager will provide the Board with the following summary information:
 - (1) In January and July of each year:
 - (i) A list of each Employee hired, promoted or terminated during the preceding six-month period. As appropriate, the list will include: the date of hiring, promotion, or termination, and the

present and former job title and present and former salary.

- (ii) A summary of all changes made to the Employee Handbook, as defined in Code Section 12.1, during the preceding six-month period.

(2) In January of each year:

- (i) A current salary schedule, schedule of rates for on-call, special duty incentive pay, and tuition reimbursement maximum contribution.

- (ii) A current organization chart.

- (iii) A listing of the current Internal Revenue Service mileage rate and the Government Meals and Incidental rate for the cities to which the Directors and District staff are expected to travel in the next 12 months.

(3) In January, April, July and October of each year:

- (i) A summary of all reports submitted through the confidential employee hotline.

4.6 DELEGATION OF AUTHORITY BY GENERAL MANAGER

The powers and duties of the General Manager may be delegated as follows:

- (a) Under the direction of the General Manager, District staff shall perform duties assigned by the General Manager with like effect as though such duties were performed or rendered by the General Manager. The General Manager shall also delegate authority in his or her stead in the event the General Manager is absent or unable to act in person.

- (1) The Board shall establish in advance by resolution the person who is to assume the position of "Acting General Manager" in the absence of the General Manager. The individual who serves as Acting General Manager shall report to the General Manager when the General Manager is present, but in the absence of the General Manager, he/she shall have the authority and powers of the General Manager, and will serve until the General Manager is again available and able to serve, or until the Board appoints a successor.

- (2) If both the General Manager and the person designated as Acting General Manager are unavailable or unable to serve, the Board shall

designate another Employee to serve as Acting General Manager.

- (3) The General Manager shall inform the Board in advance of planned absences longer than one day in duration.
- (b) Each duly authorized delegate under this Section shall act in the name of the General Manager, except when empowered by law or in writing by the Board to act in his or her own name, and his or her acts shall be equally effective whether done in his or her own name or, if so empowered by the Board, in the name of the General Manager.

4.7 TRAVEL AND EXPENSE REIMBURSEMENT

- (a) All travel by the General Manager must be approved in advance by the Board President and is subject to the rules applicable to Board members as set for in Section 2.11.3 of this Code.
- (b) All expenses incurred by the General Manager must be approved in writing by the Board Treasurer or Board President before he or she is reimbursed.

PART 5 - DISTRICT COUNSEL

5.1 POSITION AUTHORIZED

By contract approved by the Board, the District shall engage an attorney to serve as General Counsel to the District ("District Counsel"). By approval of the Board, the District may also retain such other legal counsel as the Board deems necessary to advise the District. The contracts for all legal counsel retained by the District shall be based upon an agreed fee schedule.

5.2 GENERAL DUTIES

District Counsel shall be responsible for:

- (a) Representing the District, the Board, and any officer of the District, in all legal actions brought by or against the District, the Board, or any officer of District, in his or her official capacity.
- (b) Submitting advice or opinions to the Board when requested to do so by the Board.
- (c) Submitting advice or opinions on District-related matters to the General Manager when requested to do so by him/her.
- (d) Reviewing and making appropriate comment on matters or recommendations presented in written or oral form.
- (e) Reviewing notices, resolutions, ordinances, minutes, agreements, contracts, and supporting materials in advance of meetings.
- (f) Attending each meeting of the Board, unless excused in advance or during a meeting by the President of the Board.
- (g) Attending meetings involving the District as requested by the General Manager or, in the case of a meeting of an Advisory Body of the District, upon request of the General Manager or the Advisory Body's Chairperson.
- (h) Reviewing each report which he or she receives through the confidential employee hotline and taking the necessary action(s) to address the concerns raised.
- (i) Testing the functionality of the confidential employee hotline at least once each calendar year to confirm that claims about the General Manager are being delivered directly to the Board President and District Counsel. The test is to be performed at different dates in different years and without advance

coordination with the General Manager.

- (j) Submitting a quarterly summary report of legal activities.

5.3 TRAVEL AND EXPENSE REIMBURSEMENT

- (a) All travel by District Counsel must be approved in advance by the Board President and is subject to the rules applicable to Board members as set for in Section 2.11.3 of this Code.
- (b) All expenses incurred by District Counsel must be approved in writing by the Board Treasurer or Board President before he or she is reimbursed.

PART 6 - CLERK OF THE BOARD

The duties of the Clerk of the Board include, without limitation:

- (a) Attending to all administrative support needs of the Directors including coordinating schedules, transportation, meals, and lodging, as needed, in support of meetings involving District business (MWD, Member Agencies, ACWA, AWA, etc.);
- (b) Attending to the administrative requirements of the Brown Act with respect to scheduling and preparing for all regular, special, and emergency Board meetings and Advisory Body meetings, including without limitation:
 - (1) Preparing the agenda and supporting documents for each meeting, and arranging for distribution of agenda packets.
 - (2) Publishing and posting notices required by the Brown Act.
 - (3) During meetings, recording the actions of the Board.
- (c) Making certified copies of official correspondence.
- (d) Maintaining the records and documents of the Board (minute books, resolutions, ordinances, policies).
- (e) Receiving documents addressed to the Board including acceptance of service of process for the District.
- (f) Administering the District's Conflict of Interest Code as follows:
 - (1) Notifying Directors, staff, and consultants of filing deadlines related to annual Form 700s and Statements of Assuming or Leaving Office and providing them with the necessary forms.
 - (2) Maintaining required documents at the District and filing required documents with the County of Ventura.
- (g) Administering the Oath of Office to members of the Board as a Notary Public.
- (h) Coordinating with the County of Ventura concerning Division elections.
- (i) Coordinating with the President of the Board, the designated Metropolitan Water District Director representative, and guests for all inspection or information tours.
- (j) Maintaining custody of the District seal.

- (k) Providing Directors and specified Employees with information annually on required ethics and sexual harassment prevention training, arranging for such training, and maintaining records indicating the dates the Directors and Employees satisfied the training requirements.

PART 7 - RECORDS REQUESTS AND MAINTENANCE

7.1 GENERALLY

All public records requests, oral or in writing, received by the District shall be promptly forwarded to the Clerk of the Board for consideration and processing. All such requests shall be handled in accordance with the applicable requirements of the California Public Records Act ("PRA") and the federal Freedom of Information Act ("FOIA"). The General Manager, in consultation with legal counsel, will make all final decisions on any questions regarding compliance with these acts. The District may charge for the cost of mailing and copying costs not to exceed the maximum allowable statutory fee under the PRA, as may be amended from time to time.

7.2 AGENDA PACKETS

Subject to Section 7.1, above, the following specific procedures will apply to requests for copies of the District's Board meeting agenda packets (the "Packet"):

- (a) A standing request for a copy of the Packet made in accordance with Government Code Section 54954.1 shall be valid for the calendar year in which made. All requests will expire on December 31 of the year in which submitted. If an individual or group wishes to continue to receive information after a request has expired, a new request must be submitted. The request must specify the address to which the response is to be transmitted.
- (b) All other requests for a copy of a Packet shall be processed in accordance with Section 7.1, above.

7.3 RECORDS RETENTION

- (a) The District has adopted a records retention program establishing orderly procedures for retaining District records in active files and in inactive files and for disposing of records when they are no longer needed for administrative, fiscal, historical, or legal purposes.
- (b) The procedures will promote the efficient and cost-effective conduct of the District's business by reducing the number of records in the active file areas, eliminating unnecessary retention of duplicate or obsolete documents, and providing for timely transfer of inactive records. The result will enable the District to function efficiently with a minimum of file equipment, will facilitate the retrieval of records, and will establish a tradition of good records management for the District. In addition, the records management

program will ensure that records with long-term value are retained and protected.

- (c) The records of all District departments are covered by the records retention program. That is, the records retention program covers all papers, maps, and other documentary records made or received by the District in connection with its business, and preserved by the District as evidence of its functions, policies, decisions, operations, or other activities, or because of the value of the information they contain.

PART 8 - ANNEXATIONS

8.1 MEMBERSHIP IN METROPOLITAN WATER DISTRICT

Any annexation to the District shall also be a concurrent annexation to Metropolitan Water District of Southern California.

8.2 GOVERNING LAW

Any annexation to the District shall be accomplished in accordance with this Code, Division III of the Metropolitan Administrative Code, and applicable law including the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code Section 56000 et seq.).

8.3 CRITERIA

- (a) An area proposed for annexation shall not, after annexation, leave an unannexed area entirely surrounded by an area annexed to the District (a "window") unless the Board finds that the District's interests will not be adversely affected by the existence of such a window.
- (b) An area proposed for annexation shall neither create an island by including land that does not share a common border with the existing District service area nor include a narrow, meandering path of land for the express purpose of linking properties proposed for annexation unless the Board finds that the District's interests will not be adversely affected by the existence of such an island or annexed land.
- (c) Proposed annexations shall include the entirety of all legal parcels which are the subject of the proposed annexation unless the Board determines that the District's interests will not be adversely affected by a proposed partial annexation.
- (d) Annexations will be considered only when the subject property is located where it is physically and economically practical for a District Member Agency to provide water service, as determined by the District.
- (e) Any area proposed for annexation to a member municipality or water district, or joining the service area of a purveyor delivering water supplied by the District, and not already within the District, shall be annexed to the District concurrently.

8.4 MANDATORY CONDITIONS

All terms and conditions of annexation shall contain the following provisions:

- (a) The sale and delivery of all water by the District, regardless of the nature and time of use of such water, shall be subject to regulations promulgated by the District.
- (b) Except upon terms and conditions specifically approved by the Board, water sold and delivered by the District shall not be used in any manner which intentionally or avoidably results in the direct or indirect benefit of areas outside the District including use of such water outside the District or use thereof within the District in substitution for other water used outside the District.
- (c) The District shall not be obligated to provide or pay for any additional works or facilities necessitated by the annexation.

8.5 PROCEDURE

8.5.1 BOARD APPROVAL

The Board will consider and may approve annexations in a three-step process as summarized below:

- (a) The Board adopts a resolution initiating the annexation;
- (b) If Metropolitan approves “Informal Terms and Conditions” of the proposed annexation, the District Board adopts a resolution requesting that Metropolitan approve “Formal Terms and Conditions” and requesting approval by the Ventura County Local Agency Formation Commission (“LAFCO”);
- (c) After the District receives the Metropolitan and LAFCO resolutions granting the approvals described in subparagraph (b), above, the Board adopts a final resolution accepting Metropolitan’s Formal Terms and approving the annexation.

8.5.2 REQUEST FOR ANNEXATION

A request for annexation shall be made in writing by the owner of the land to be annexed, or the owner’s authorized agent (the “Applicant”).

8.5.3 INITIATION OF ANNEXATION

For initiation of annexation, the request shall include:

- (a) A legal description and a detailed map of the area proposed to be annexed, showing existing District and Metropolitan annexation boundaries, and clearly indicating the metes and bounds of the area and the gross and net acreage for the area with sufficient documentation to support the gross and net acreage specified;
- (b) The Assessor's Parcel Numbers of all parcels included in the area proposed to be annexed;
- (c) The present vesting and legal descriptions of each parcel in the area proposed to be annexed;
- (d) A description of:
 - (1) Present use of each of the parcels included within the area proposed to be annexed;
 - (2) Existing or proposed development plans for such parcels;
- (e) A plan for implementing the water use efficiency guidelines set forth in Section 3107 of the Metropolitan Administrative Code;
- (f) A signed Landowners' Request to Annex and Approval of Parcel Charges for every parcel in the area proposed to be annexed;
- (g) A deposit against administrative annexation expenses in accordance with this Code; and
- (h) Any other information and documentation requested by the District.

8.5.4 APPROVAL BY METROPOLITAN AND LAFCO

Prior to the Board's consideration of a resolution requesting approval by Metropolitan and LAFCO, the Applicant shall submit to the District:

- (a) Any changes to the annexation documentation submitted previously.
- (b) Documents demonstrating project compliance with the California Environmental Quality Act ("CEQA") including reference to the District and Metropolitan as suppliers of potable water, and which address the necessity of annexation to the District.

- (c) An agreement signed by the Applicant indemnifying the District against liability related to the District's actions in the annexation.

8.5.5 FINAL APPROVAL

Prior to the Board's consideration of a resolution of final approval of an annexation, the District must have received all of the following:

- (a) A certified resolution of the Metropolitan Board of Directors fixing Formal Terms and Conditions for the annexation;
- (b) A certified resolution from LAFCO approving the annexation;
- (c) Payment by the Applicant of all annexation fees required by Metropolitan and the District in accordance with this Code; and
- (d) All other documents and information required by the District as provided herein.

8.5.6 NOTICE OF COMPLETION TO LAFCO

Within 5 business days of the final approval of an annexation by the Board, the District shall send a Request for Notice of Completion to LAFCO.

8.6 FINANCIAL POLICIES

8.6.1 DIRECT ADMINISTRATIVE COSTS

The Applicant shall pay all direct administrative costs incurred as a result of annexation investigation, evaluation and proceedings.

- (a) Before annexation is initiated or District funds expended on a given annexation, the Applicant shall deliver a deposit sufficient to pay for all routine costs of annexation as calculated and requested in writing by the District after preliminary review of the annexation proposal.
- (b) In the event annexation is commenced but not completed and funds are advanced by the Applicant, but not expended, such funds shall be refunded to the Applicant.

8.6.2 CALLEGUAS ANNEXATION FEE

In addition to the expenses listed in this Section 8, Applicants for areas annexing to the District shall pay to the District a per acre annexation fee based on the net present value of property taxes due to the District. :

8.6.3 METROPOLITAN ANNEXATION FEE

The District shall collect from the Applicant the Metropolitan Annexation Processing Fee and the Metropolitan Annexation Fee in accordance with Metropolitan's Administrative Code (Sections 3100 (b) 7 and 3300), as may be amended from time to time.

- (a) The Metropolitan Annexation Processing Fee shall be transferred to Metropolitan with the Request for Approval of Informal Terms and Conditions.
- (b) The Metropolitan Annexation Fee shall be transferred to Metropolitan before recordation of the annexation.

8.6.4 PAYMENT REQUIREMENTS

The Applicant shall pay all administrative annexation expenses, Metropolitan Annexation Fees and District Annexation fees in full prior to completion of the annexation.

8.6.5 DISCRETIONARY WAIVER OF CHARGE AND FEE

The processing fee and the annexation charge may be waived in cases where the Board requests a small annexation to prevent or close a "window" in an existing member public agency or as otherwise specified in this Code.

8.6.6 ANNUAL REVIEW OF CALLEGUAS ANNEXATION FEE

The Per-Acre Fee and the Back Tax Computation shall be recalculated by the District annually and the adjusted fee shall become effective as of the first day of each calendar year, or on another date selected by the Board.

PART 9 - CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

9.1 ADOPTION OF CEQA GUIDELINES

Section 15022(d) of the State CEQA Guidelines (the “Guidelines”) allows agencies to adopt the Guidelines by reference in order to comply with certain CEQA provisions relating to public agency implementing procedures. The Board has determined that adoption of the Guidelines as the District’s implementing procedures will result in increased administrative efficiency by avoiding the need to continually review and update District-developed implementing procedures. Accordingly, the Guidelines, as amended from time to time, are adopted as the District’s CEQA Implementing Procedures.

9.2 DELEGATION OF RESPONSIBILITY FOR CEQA COMPLIANCE

9.2.1 RESPONSIBILITY OF BOARD OF DIRECTORS

The Board shall have responsibility for administering CEQA as follows:

- (a) Reviewing and considering or, as applicable, certifying a final Environmental Impact Report (EIR) or approving or, as applicable, adopting a Negative Declaration prior to approving a project.
- (b) Making all findings required by Sections 15091 and 15093 of the Guidelines.
- (c) Taking such other actions as CEQA requires of the Board.

9.2.2 RESPONSIBILITY OF THE GENERAL MANAGER

The General Manager or, under the General Manager’s direction, District staff, shall have responsibility for administering CEQA as follows:

- (a) Determining whether a project is exempt from compliance with CEQA, including without limitation determining whether a particular project satisfies one of the exemptions specified in Section 9.2.3, below.
- (b) Conducting an Initial Study and deciding whether to prepare a draft EIR or Negative Declaration.
- (c) Preparing an EIR or Negative Declaration.
- (d) Determining that a Negative Declaration has been completed within the statutory time period.

- (e) Preparing responses to comments on environmental documents.
- (f) Preparing comments and responding to requests for comments related to environmental documents of other agencies.
- (g) Filing applicable notices required by CEQA.
- (h) Taking such other actions as CEQA allows or requires the staff of an agency to take.

9.2.3 EXEMPTIONS

The District has determined that the following specific District activities are within the exemptions established by the CEQA Guidelines and by statute:

- (a) Annexations to the District of areas containing existing public or private structures developed to the density allowed by the current zoning of the gaining or losing governmental agency whichever is more restrictive, provided, however, that the extension of utility services to the existing facilities would have a capacity to serve only the existing facilities. (Guidelines Section 15319)
- (b) Annexation of individual small parcels of the minimum size for facilities exempted by Section 15303 of the Guidelines. (Guidelines Section 15319)
- (c) Emergency repairs to District facilities, pipelines and appurtenances necessary to maintain service. (Public Resources Code 21089(b)(2))
- (d) Sales of District surplus property except that if real property is located in an area of statewide, regional or area wide concern pursuant to Section 5206(b)(4) of the Guidelines in which case such sale would be exempt only if:
 - (1) The property does not have significant values for wildlife habitat or other environmental purposes, and
 - (2) Any of the following conditions exist:
 - (i) The property is of such size, shape, or inaccessibility that it is incapable of independent development or use; or
 - (ii) The property to be sold would qualify for an exemption

under any other class of categorical exemption in the Guidelines; or

- (iii) The use of the property and adjacent property has not changed since the time of purchase by the public agency.
- (e) Basic data collection, research, experimental management, and resource evaluation activities of the District which do not result in a serious or major disturbance to an environmental resource either for information gathering purposes, or as part of a study leading to an action which the District has not yet approved, adopted, or funded.
- (f) Inspections by the District or its consultants to check for performance of a District operation, or quality, health, or safety of a District project. (Guidelines 15309)
- (g) Operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing District structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use. (Guidelines 15301)
- (h) Replacement, relocation or reconstruction of existing District structures, pipelines or facilities on the same site with structures, pipelines or appurtenant facilities serving substantially the same purpose and with substantially the same capacity as the existing structure, pipeline or facility. (Guidelines 15302)
- (i) The normal operations of District headquarters for public gatherings including but not limited to Board meetings, public meetings on water related issues, watershed group or stakeholder meetings and the like. (Guidelines 15323)
- (j) Minor alterations in the conditions of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees including but not limited to minor grading, gardening, landscaping, trenching and backfilling, maintenance dredging and fuel management activities of the type set forth in Guidelines Section 15304.
- (k) Construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure such as installation of new piping, instrumentation, pumps, valves, air compressors, rectifiers or power

supplies.

- (l) Changes in the organization of the District as long as the changes do not change the geographical area in which previously existing powers are exercised. Examples include the establishment of a subsidiary district or the consolidation of the District with another district having identical powers.
- (m) Determination of Capital Construction Charges to be assessed on annexed property and assessment thereof pursuant to District Ordinance No. 14 (Ministerial acts/projects - Public Resources Code 21080(b)(1)).
- (n) Actions necessary to prevent or mitigate an emergency involving the District's facilities or threatening the District's facilities (not including long term projects with a low probability of short-term occurrence).
- (o) Projects of less than one mile in length within a public street or highway or any other public right-of-way for the installation of a new pipeline or the maintenance, repair, restoration, reconditioning, relocation, replacement, removal, or demolition of an existing pipeline. For purpose of this section, "pipeline" includes subsurface facilities but does not include any surface facility related to the operation of the underground facility. (Public Resources Code 21080.21)
- (p) Rejected or disapproved projects.

This listing of exemptions is not intended to be exclusive and the availability of each exemption must be determined based on the particular facts. Without limiting the foregoing, the categorical exemptions listed above shall not apply where: (1) a reasonable possibility exists that the activity may have a significant environmental impact because of unusual circumstances; (2) project cumulative impacts would be considerable and therefore significant; (3) the project occurs in certain sensitive environments (as specified in the Guidelines); (4) a project affects scenic resources within official state scenic highways; (5) a project is located on a toxic site listed by the California Environmental Protection Agency; (6) a project causes substantial adverse changes in significant historic resources.

PART 10 - PROCUREMENT POLICY

The District will procure goods and services in support of its administrative, operational, and capital improvement requirements. It is the intent of the District to engage in procurements that ensure it will receive goods and services of the appropriate quantity, of a satisfactory level of quality, delivered in a timely manner, and at a price that represents the best value to the District and its ratepayers.

All purchases of materials, supplies, equipment and services required by the District shall be made in accordance with the following policy and applicable law:

10.1 PROCUREMENT OF MATERIALS, CONSTRUCTION SERVICES, OPERATIONS SERVICES, AND MAINTENANCE SERVICES

10.1.1 BIDDING AND DOCUMENTATION

The procurement of materials and services for the construction of public works projects and performance of operations and maintenance services shall be governed by the provisions of the California Public Contract Code. The District may procure or lease materials, construction services, operations services, or maintenance services as authorized below:

- (a) Any procurement up to and including \$2,499:
 - (1) No bid solicitation process is required;
 - (2) No purchase order is required.
- (b) Any procurement over \$2,499 and up to and including \$34,999:
 - (1) Requires an informal solicitation process with at least two competitive price quotations or documentation that at least two have been solicited or written justification approved by the Manager of Finance as to why quotations should not be solicited; and
 - (2) Requires a purchase order executed by an Employee with proper authorization as set forth herein in the section entitled "Approval and Signatory Authority".
- (c) Any procurement over \$34,999 is subject to the competitive bidding requirements under California Public Contracts Code §20642 et seq., as applicable, and the following:
 - (1) The following bid solicitation process:

- (i) A call for public bids shall be made by the Board of Directors.
 - (ii) At least one bid solicitation notice (and more than one if so directed by the Board) shall be advertised in a local newspaper of general circulation.
 - (iii) Sealed bids will be publicly opened at a pre-determined date, time and location.
 - (iv) Contracts will be awarded to the lowest responsive and responsible bidder, except that the District always reserves the right to reject all bids.
 - (v) Consideration shall be given not only to the bid price, but also to the general competency of the contractor for the performance of the work. A contractor must submit evidence that he or she is competent to manage the proposed project and carry it forward to a successful conclusion, has professional integrity and honesty of purpose, and has sufficient financial resources to complete the project.
 - (vi) Contracts shall not be awarded to any contractor listed by the California Labor Commissioner as ineligible to bid, work on, or be awarded a public works project.
- (2) Requires a purchase order or contract executed by the authorized officers specified in the District's Ordinance No. 18.
- (d) Any change to contract or purchase order is subject to the thresholds established in this policy based on the total cost after the change is incorporated.
 - (e) Expenditures shall not be broken down or divided into sub-groups for purposes of avoiding the above guidelines.
 - (f) Competitive solicitation is not required for construction work that costs less than \$35,000 and involves:
 - (i) pipe or appurtenance installation, rehabilitation, relocation, protection, or repair and related activities such as excavation, backfill, traffic control, or paving;
 - (ii) Building construction or modification;

- (iii) Reinforced concrete or masonry construction; and/or
- (iv) Installation, repair, or replacement of paved or gravel surfaces.

10.1.2 EXCEPTIONS TO COMPETITIVE PROCUREMENT REQUIREMENTS

- (a) The following procurements are exempt from the competitive solicitation process: books, periodicals, advertising, seminars, conferences, travel, subscriptions, postage, utilities, bank charges, memberships, permits and land.
- (b) The competitive solicitation process is waived for procurements where the required good or service is available from only one viable source. Negotiations shall be conducted with the provider of the good or service to achieve the most favorable pricing and terms of sale.
- (c) Competitive solicitation may be performed through cooperative procurement processes as set forth in the Public Contract Code sections 10298 and 10299.
- (d) The competitive solicitation process is not required when materials or services are necessary to respond to an emergency in accordance with Public Contracts Code Section 20645 and the requirements of Section 22050 of the California Public Contract Code.
- (e) Competitive solicitation is not required for construction or maintenance work costing less than \$35,000 when it is not possible to clearly define the work scope in advance.

10.2 PROCUREMENT OF PROFESSIONAL SERVICES

- (a) Professional services contracts shall be awarded to consultants demonstrating expertise and experience in the type of work to be performed and a proven history of high quality work. Contracts will typically be for a “not-to-exceed” fee associated with a particular scope of work. Work for which it is not possible to define a scope in advance may be performed on a time and materials basis.
- (b) The following criteria shall be used to qualify candidates for consultants and professional services:
 - (1) Specialized experience and technical competence of the proposer and its personnel considering the type of services required and the

complexity of the project.

- (2) The consultant's familiarity with types of problems applicable to the project.
- (3) Past record of performance on projects with the District, other governmental agencies or public bodies and with private industry, including such factors as control of costs, quality of work and ability to meet schedules.
- (4) The consultant's capacity to perform the work (including any specialized services) within the time limitations and with proposed staff, considering the firm's current and planned workload.
- (5) The consultant's level of financial responsibility.
- (6) Fee proposal for the proposed services.
- (7) Other key factors as appropriate for the type of service.

10.3 APPROVAL AND SIGNATORY AUTHORITY

- (a) In accordance with Ordinance No. 18, the General Manager has the authority to approve the following procurement-related contracts. All procurement contracts not listed below must be approved by the Board of Directors.
 - (1) Professional services contracts for engineering services, engineering studies, land surveying, project permitting, environmental compliance, construction related services, computer programming, or groundwater that are paid for on a time and materials basis and where the estimated value of the services does not exceed \$100,000 in any fiscal year, or that are paid for at a fixed scope and fee where the contracted fee does not exceed \$100,000;
 - (2) Professional services contracts for any services not described in 10.3(1) that are paid for on a time and materials basis and where the estimated value of the services is less than \$35,000 in any fiscal year, or that are paid for at a fixed scope and fee where the contracted fee is less than \$35,000;
 - (3) General construction and materials procurement contracts in amounts less than \$35,000;
 - (4) Contracts for procurement of utility service such as electricity, telephone, natural gas, sewer, and water;

- (5) All construction change orders in which each individual change to the work is both less than \$100,000 and less than 25% of the original construction contract amount; and
 - (6) Contracts necessary to respond to an emergency in accordance with the requirements of Section 22050 of the California Public Contract Code.
- (b) The following Employees have the authority to make purchases and sign purchase orders, contracts, and notice-to-proceed letters up to the limits shown in the following table.

Managers of Operations and Maintenance, Resources, and Engineering	\$34,999
Other Managers	\$10,000
Operations and Maintenance Supervisors, Project Managers, Warehouse Worker, and Executive Secretary	\$2,500

- (c) The following Employees have the authority to sign construction change orders in which each individual change to the work is below the limits shown in the following table and is less than 25% of the original construction contract amount.

Manager of Engineering	\$34,999
Groundwater Manager	\$10,000
Project Managers	\$2,500

- (d) Expenditures shall not be broken down or divided into sub-groups for purposes of avoiding the above guidelines.

10.4 DISBURSEMENT OF FUNDS

Once per month the Board will receive a monthly disbursement report and be asked to approve outstanding bills for payment. In order to be placed on the report, an invoice must have been approved by a department manager, the Executive Secretary, or the General Manager. Funds will be disbursed after the Board approves the bills for payment except when the timing of the disbursement does not allow for such prior approval. In such cases, the requests for disbursement will be signed by the General Manager and reported to the Board in a separate section of the subsequent monthly disbursement report.

10.5 CODE OF CONDUCT

- (a) No Director or Employee shall participate in the selection, award or administration of a contract if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when the Employee or Board member, any member of his or her immediate family, his or her partner, or an organization which employs, or is about to employ any of the above, has a financial or other interest in the firm selected for award.
- (b) Directors and Employees will neither solicit nor accept gratuities, favors or anything of value from contractors or consultants or potential contractors or consultants who might in any way benefit from a decision made or action taken by that Board member or Employee in the course of his or her duties. Although the District discourages contractors and consultants from donating gifts, if an Employee or Director receives an unsolicited gift, it shall be donated to the Employee holiday party to be raffled off to Employees who do not take part in procurement decisions.

10.6 PETTY CASH FUND

A petty cash fund of no more than \$1,400 shall be maintained in the Finance Department vault for the purpose of providing ready cash for small expenditures. Petty cash shall be disbursed in accordance with the District's procedure for expense reimbursements. Petty cash requests should be limited to less than \$100. The Manager of Finance or General Manager can authorize expenditure reimbursements above \$100. The petty cash fund will be reconciled and replenished on a monthly basis.

10.7 CREDIT CARDS

- (a) The District may acquire credit cards for use by Employees. The Manager of Finance will maintain a written log of credit cards. Employees who have credit cards will sign for these cards and be responsible for them.
- (b) Credit cards may be used to charge necessary supplies, equipment, services and authorized travel, food and lodging for the person in possession of the credit card and any/or another District Employee or Board Member.
- (c) Credit cards may not be used for personal benefit or non-District purposes.
- (d) Receipts for all credit card expenditures must be promptly submitted to the Finance Department monthly with the credit card statement, including any documentation stating the purpose of the expenditure.

- (e) The following table sets for the limits on credits cards assigned to specific Employees and that may only be used by the designated Employee. Issuance of credit cards is subject to the approval of the General Manager on a case-by-case basis. All of these are general purpose cards such as VISA or American Express:

Employee	Limit
General Manager, Manager of Resources, and System Maintenance Supervisor	\$10,000
Resource Specialist	\$5,000
Managers	\$2,000

- (f) The following table sets forth the limits on credit cards for general use by Employees. Issuance of credit cards is subject to the approval of the General Manager on a case-by-case basis. These cards may only be used with the approval of the “Responsible Employee” as designated below and that Responsible Employee is also responsible for collecting receipts.

Type of credit card	Limit	Responsible Employee
General purpose card(s) for travel, meetings, and miscellaneous supplies	\$15,000	Executive Secretary
Card for a home improvement store	\$5,000	System Maintenance Supervisor
Card for an office supply store	\$5,000	Manager of Finance

- (g) All invoices for general purpose credit cards shall be reviewed and approved by the General Manager. All invoices for credits cards from a home improvement or office supply store shall be reviewed and approved by a Department Manager and must comply with the procurement guidelines established above. In addition, the General Manager’s credit card shall be reviewed and approved by the Board Treasurer, or in the absence of the Board Treasurer, by the Board President. Board approvals may be obtained by email or fax.

10.8 NO COMMITMENT OF FUNDS FOR NON-DISTRICT PURPOSES

Neither Directors nor Employees shall obligate or commit District funds for the purchase of goods or services for personal or non-District related use, even if the Board Member or Employee reimburses the District for the incurred cost.

10.9 PREVAILING WAGES

All entities that contract with the District are required to comply with the provisions of the California Labor Code, including those relating to the payment of prevailing wage rates.

10.10 GRANT COMPLIANCE

For procurements involving state or federal grant funding, all grant-required procedures shall be implemented and all grant-required language will be incorporated into bid documents, professional services agreements, equipment supply contracts and construction contracts as needed.

PART 11 - SIGNING AUTHORITY

The authority to enter into and sign contracts and instruments for and on behalf of the District is delegated as provided in Ordinance No. 18 adopted by the District, as may be amended from time to time by the Board. The express authority delegated thereunder shall not restrict or otherwise limit the general authority of the Board to bind the District by contract or instrument as provided under applicable law, including, without limitation California Water Code Section 71300.

PART 12 - PERSONNEL MATTERS

12.1 EMPLOYEE HANDBOOK

The District's employment policies and procedures, including without limitation a description of certain Employee benefits and plans maintained by the District, are described in the District's Employee Handbook. Every Employee of the District shall be provided with a copy of the most recent version of the Employee Handbook. Subject to applicable law, and any limitations contained in this Code or any ordinance or resolution adopted by the Board, the Employee Handbook may be modified or amended from time to time by the General Manager.

12.2 EQUAL OPPORTUNITY EMPLOYER

The District is an equal opportunity employer. The District does not discriminate against qualified Employees or applicants because of race, color, religion, sex, sexual preference, sexual identity, pregnancy, national origin, ancestry, citizenship, age, marital status, physical disability, mental disability, medical condition, military status, marital status, religion, or any other characteristic protected by federal or state law or local ordinance.

12.3 HIRING AUTHORITY

The General Manager has the authority to employ, terminate, assign duties to, and direct the day-to-day activities of District Employees, except that the Board retains the authority to employ, terminate, and assign duties to the General Manager and District Counsel.

- (a) The General Manager has the authority to establish Employee job classifications and descriptions, subject to periodic review of overall personnel utilization by the Board.
- (b) To ensure fair and impartial Employee selection, supervision, promotion, and evaluation, the District reserves the right to reasonably regulate the employment of relatives in the same department or in the same chain of command. The Board reserves the right to approve in advance the hiring, promotion, or transfer of any person who is a relative of a current Employee and would work in the same department or within the chain of command of that Employee. If the Board determines that the marital or familial relationship between Employees creates difficulties for supervision, security, safety, or morale, the person shall not be hired, promoted, or transferred.
- (c) For purposes of this Section 12.3, a "relative" includes any of the following:

- (i) spouse,
- (ii) domestic partner
- (iii) brother, step-brother, brother-in-law,
- (iv) sister, step-sister, sister-in-law
- (v) parents, step-parents, parents-in-law
- (vi) children, step-children, son-in-law, daughter-in-law
- (vii) any other member of the Employee's household.

12.4 EMPLOYEE CLASSIFICATION, COMPENSATION, AND NON-ELECTIVE BENEFITS

12.4.1 EMPLOYEE CLASSIFICATIONS AND DEFINITIONS

The District classifies Employees as follows:

“Temporary”. Temporary Employees are Employees hired on a temporary basis and paid on an hourly basis. Temporary Employees are not eligible for Employee benefits beyond the statutory benefits required by law. Examples of Temporary Employees include student interns, seasonal and summer Employees, and persons needed to fill-in for a temporary (i.e., less than six months) staffing need.

“Hourly”. Hourly Employees are Employees who are not Temporary Employees and are scheduled to work less than 40 hours per week. Hourly Employees are not eligible for Employee benefits beyond the statutory benefits required by law, except that they receive pay for Holidays as set forth herein.

“Regular”. Regular Employees are Employees scheduled to work an average of 40 hours per week on a continuing, indefinite basis. Regular Employees are entitled to the benefits as set forth herein, subject to eligibility under the applicable plan and applicable law.

“Operators”. Employees assigned 1) on a permanent or temporary basis to work in the Operations Division, and 2) to work regular shifts exceeding eight hours.

“Exempt and Non-Exempt”. With the exceptions noted herein, all Employees are non-exempt. The District is subject to the federal Fair Labor

Standards Act (“FLSA”). As a municipal corporation the District is exempt from the provisions of the California Industrial Welfare Commission Wage Orders, to the maximum extent provided by law. The Employees with “Manager” in their job title who report directly to the General Manager are “exempt” pursuant to the FLSA and will be paid on a salary basis and not accrue overtime.

“Regularly Scheduled Workdays” are Monday through Friday except as follows:

- (a) A supervisor may assign an Employee to work on Saturday and/or Sunday as regularly scheduled workdays if the Employee is allowed to take off an equivalent number of days from Monday to Friday. This action requires the Employee to work five, eight -hour, days within the defined seven-day workweek.
- (b) For Operators assigned to a 12-hour day or night shift, “Regularly Scheduled Workdays” are those days on which the Employee is assigned to work, as listed on the published monthly schedule.
- (c) For all employees except Operators, start and stop times may be changed by a supervisor with 12 hours notice in order to meet District needs. Regular pay will apply to the first 8 hours and any overtime will be calculated as described in 12.4.2.1 Overtime.

12.4.2 EMPLOYEE COMPENSATION

- (a) Salary ranges for positions will be adopted by the Board (“Salary Schedule”). Any changes to the Salary Schedule must be approved in advance by the Board.
- (b) In December of each year, the General Manager shall recommend to the Board a percentage cost-of-living adjustment (COLA) based on the Federal Consumer Price Index Report for the 12 month period ending in November for the urban area in closest proximity to the District. Any COLA approved by the Board shall become effective January 1 and apply to salaries, tuition reimbursement amounts, special duty incentive pay, and daily standby pay. The COLA does not apply to the salaries of the General Manager and District Counsel.
- (c) Each Employee’s salary is subject to adjustment in accordance with their assigned salary increment in the range assigned to their

position. At no time may an Employee's salary exceed the ranges established for their position in the Salary Schedule.

- (d) Because of the substantial responsibilities of the General Manager position, it is intended that the Acting General Manager be compensated for his or her duties serving as General Manager at an appropriate salary. The amount is to be calculated based on the assumption that the General Manager is absent from the office an average of one month per year. The amount is calculated as follows:

$$(GM\ Salary - Regular\ Salary) / 12$$

Where: "GM Salary" is the General Manager's salary

"Regular Salary" is the salary of the position held by the employee designated as Acting General Manager

This amount shall be adjusted January 1 of each year based on the then-current GM Salary and Regular Salary as defined above and shall be paid in 24 equal payments through the course of the subsequent calendar year.

12.4.2.1 OVERTIME

The District will voluntarily pay daily overtime to certain non-exempt Employees as follows:

- (a) For Temporary, Hourly and Regular Employees, overtime of time and one-half of regular rate of pay will be paid for all time worked that is more than eight and not more than 12 hours on any Regularly Scheduled Workday or when the number of hours paid at the regular rate exceeds forty in a workweek. Overtime of time and one-half will be paid for all hours worked up to eight on any day which is not one of the Regularly Scheduled Workdays. Double-time is paid for all hours worked over 12 in a Regularly Scheduled Workday. In addition, double-time will be paid for all hours worked in excess of eight hours on any day which is not one of the Regularly Scheduled Workdays.
- (b) For Temporary, Hourly and Regular Employees, in instances when approved work hours are continuous into the next workday, the calculation for overtime or double-time will continue to the advantage of the Employee.

- (c) For Operations, overtime will be paid only when the number of hours paid at the regular rate exceeds 40 in a workweek. Double-time will be paid when the Operator works in excess of 12 hours in one shift.
- (d) No Employee will be paid both daily and weekly (or pay period) overtime for the same overtime hours worked.
- (e) Overtime compensation shall not be included in calculating the Employee's regular rate of pay.

12.4.2.2 COMPENSATORY TIME OFF

Compensatory time off ("Comp Time") for non-exempt Employees is allowed in lieu of a cash payment for overtime work as long as it is provided or paid at a rate no less than one and one-half hours for each overtime hour worked.

- (a) Employees may not accrue combined Comp Time and annual leave in excess of the amounts set forth in the section of this Code entitled "Annual Leave".
- (b) An Employee who has reached the maximum accrual amount will be paid overtime compensation for any additional overtime work at the applicable overtime rate when it is incurred.
- (c) Upon termination of employment, Employees shall be entitled to cash payment for unused Comp Time credit accumulated prior to the separation date.
- (d) Exempt Employees do not accrue Comp Time. In order to calculate sick or Annual Leave time used by an Exempt Employee, the sick time and/or Annual Leave time used will be the difference between total hours in a pay period and total hours worked in that pay period.

12.4.2.3 HOLIDAY PAY

The District shall pay holiday pay for District Holidays (as defined in this Code) as follows:

- (a) Regular Employees who do not work on the District Holiday will receive eight hours of regular pay. Regular Employees who

work on the District Holiday will be paid at the applicable overtime rate for any hours worked up to eight and double-time for hours in excess of eight hours worked on the District Holiday.

- (b) With exception of District Counsel, hourly Employees who do not work on the District Holiday will receive four hours of regular pay. Hourly Employees who work on the District Holiday will be paid at the applicable overtime rate.
- (c) Operators who do not work on the District Holiday will receive eight hours of regular pay. Operators who work on the District Holiday will be paid at the applicable overtime rate.
- (d) Temporary Employees who do not work on the District Holiday will not receive any pay for that District Holiday. Temporary Employees who work on a District Holiday shall be paid their regular rate of pay.
- (e) When a holiday falls on a weekend and the day off is scheduled for a Friday or Monday, an Employee will receive pay for one but not both days as described above.

12.4.2.4 STANDBY STATUS

The Manager of Operations and Maintenance may assign any Employee standby status outside of his or her regular duty schedule. Standby status does not restrict the Employee other than to require Employee to respond by telephone to a telephone/beeper notice within 20 minutes and to arrive at the site of the emergency within one hour of the original time notified. Employees will receive a per diem payment for each day they are assigned on-call duty.

12.4.2.5 CALL-BACK PAY

Employees may occasionally be requested to dispatch to a District facility before or after their regularly scheduled hours. The responding Employee will receive a minimum of 2 hours of overtime pay each time the Employee is dispatched. The Employee's call-back paid time begins when he or she leaves home to perform the work and the paid time stops when he or she returns home, excluding any time for personal errands. For call-backs that flow continuously into a regularly-scheduled shift, the call-back is measured from the time the Employee leaves home until the time his or her regular shift begins. All time worked as part of a call-back period will be paid at the overtime rate unless, with supervisor approval, the

Employee uses the call-out hours to complete his or her Regularly Scheduled Workday.

12.4.2.6 SHIFT DIFFERENTIAL PAY

In addition to his or her regular compensation, an Employee will be entitled to receive a shift differential payment of ten percent of the Employee's regular rate of pay if (a) he works between the hours of 7 p.m. and 7 a.m., (b) is being paid at the regular rate, and (c) the schedule was requested by a supervisor or manager and not by the Employee or for the Employee's convenience. Shift differential pay will be calculated on the Employee's Hourly Rate and only in increments of 15 minutes. Shift differential pay will apply only to pay (not benefits) for actual hours worked and will not apply to the use of earned compensatory time, leave, or holidays not worked.

12.4.2.7 DISCRETIONARY BONUS

- (a) The General Manager has the sole discretion to approve or disapprove a discretionary, performance based bonus of up to 3% of an Employee's total compensation during the year preceding his or her annual performance review. An Employee is only eligible for a bonus after he or she has attained the highest proficiency level at his or her position on the Salary Schedule.
- (b) At the Employee's request, and subject to accrual limits described herein, the bonus may be converted to Annual Leave. The conversion shall be calculated at the Employee's current salary rate, that is, the amount an Employee is paid for one hour of work shall be converted to one hour of Annual Leave.

12.4.2.8 SPECIAL DUTY INCENTIVE PAY

Employees assigned to serve on the Hazardous Materials or Decontamination Team or to drive vehicles requiring a Class "A" Driver License are eligible to receive special duty incentive pay at the time of his or her annual performance review if the Employee served in this capacity for 12 months prior to his or her review. Selection for these assignments must be voluntary, a vacancy must exist, and the Employee must be approved by the General Manager.

12.4.3 RETIREMENT BENEFITS

- (a) The Board has approved retirement benefits by contract with the California Public Employees' Retirement System (CalPERS).
 - (1) For Employees who were hired prior to January 1, 2013 or employees hired after January 1, 2013 who would qualify under the CalPERS definition of a "Classic" employee, the contract provides a benefit of 2% of salary at age 55 with the final average compensation period of 36 months.
 - (2) For Employees who were hired after January 1, 2013 and do not qualify under the CalPERS definition of a "Classic" employee, the contract provides a benefit of 2% of salary at age 62 with the final average compensation period of 36 months.
- (b) Where the law allows, the District provides that the normal member contributions are paid by the District to PERS on behalf of the Employee. These contributions are reported as additional compensation under the provisions of the Government Code Section 20691.
- (c) Retirement benefits are subject to laws governing the CalPERS system.

12.5 ELECTIVE BENEFITS

Elective benefits apply only to Regular Employees. Where "Employee" or "Employees" are referenced in this section, it shall mean "Regular Employee" or "Regular Employees."

Notwithstanding anything to the contrary provided herein, the Board, in its discretion, may change, modify, or discontinue altogether one or all of the elective benefits described herein or otherwise provided by the District.

12.5.1 MEDICAL PLANS

12.5.1.1 GENERALLY

The District will maintain membership in at least one group health plan (hereinafter "group plan"), as selected and approved from time-to-time by the Board. Each eligible Employee may participate in a group plan upon completion of the minimum amount of service established by the group plan.

12.5.1.2 DEFINITIONS

For the purposes of Section 12.5.1:

“**CalPERS**” means California Public Employees Retirement System.

“**Eligible Member**” or “**Member**” means a Regular Employee, retired Employee, and their dependents. It may also include present and past Board Members within the limits of prevailing law.

“**Dependent**” means the spouse and all unmarried dependent children eligible for coverage under the group plan.

“**Hourly Rate**” means the Employee’s annual salary divided by 2,080 hours.

“**Retiree**” means an Eligible Member at least fifty years of age who has met the eligibility requirements of the District’s retirement system and is receiving or is eligible to receive a retirement stipend.

“**Level of Enrollment**” shall mean the appropriate level of health insurance coverage: single-party, two-party or family.

“**Style of Coverage**” shall refer to the type of coverage either Health Maintenance Organization (HMO) or Preferred Provider Organization (PPO).

12.5.1.3 MEDICAL BENEFITS FOR ACTIVE EMPLOYEES

It is the intent of the District to ensure that medical benefits are available to all Eligible Members. To that end, the following guidelines are provided:

- (a) For Employees, the District will pay the full cost of medical insurance up to the annual cost of the maximum HMO or PERS Choice premium of the health plans available to the District through CalPERS. The coverage will include the Employee and all dependents allowed by the CalPERS Health Benefit program. Employees may change the Level of Enrollment and Style of Coverage as allowed by the enrollment rules published by CalPERS. If a change in Level of Enrollment or Style of Coverage increases the cost of the health plan above the cost of the maximum of HMO or PERS Choice, for an equal Level of Enrollment, the Employee must reimburse the District for the

amount that the selected plan exceeds the maximum allowed HMO or PERS Choice cost. The reimbursement will be made through a deduction from the Employee's paycheck based on a semi-monthly amount.

- (b) The following exception to the cost limitation above applies only to Employees hired by the District before July 1, 1995. If these Employees were enrolled in health benefit plans on June 30, 1995, that exceed the maximum HMO or PERS Choice premium, the cost of continued enrollment for the same Level of Enrollment and Style of Coverage will continue to be paid by the District.

12.5.1.4 MEDICAL BENEFITS FOR RETIRED EMPLOYEES

The District provides the following medical benefits for Retirees:

- (a) Continuing medical insurance coverage after retirement for Employees and their dependents is subject to the laws governing the CalPERS medical program. Employees must meet the requirements established by CalPERS to be eligible to receive this coverage under the District's health insurance plan.
- (b) Regardless of date of hire, if a Retiree or his or her dependent chooses to participate in the District's CalPERS medical insurance coverage and such Retiree or dependent is qualified to do so, the District pays the Minimum Employer Contribution as defined in Section 22892 of the Public Employee Medical and Hospital Care Act directly to CalPERS. It is the responsibility of the Retiree or dependent to pay CalPERS directly for the remainder of the cost of the medical insurance.
- (c) Coverage for Retirees is subject to the following added condition: when a Retiree attains Medicare eligible age, he must enroll in and retain both Parts A and B of Medicare in order to continue coverage in a Medicare Supplement group plan offered by a District-authorized carrier.
- (d) If a Retiree or his or her dependents choose to participate in the District's CalPERS health insurance coverage and are qualified to do so, the District will reimburse them for the cost of health insurance as follows.
 - (1) For Retirees hired as Employees by the District before

July 1, 1995 who have worked at the District for five contiguous years, the District will reimburse them for the total cost of health insurance for the Retiree and any qualified dependents. If these Retirees were enrolled (as Employees or Retirees) in health benefit plans on June 30, 1995 that exceed the maximum HMO or PERS Choice premium, the cost of continued enrollment for the same Level of Enrollment and Style of Coverage will continue to be paid by the District.

- (2) For Retirees hired as Employees by the District on or after July 1, 1995 and before January 1, 2013 who have worked at the District for 12 contiguous years, the District will reimburse them for the total cost of health insurance for the Retiree only (no dependents) up to the maximum HMO or PERS Choice premium.
 - (3) For Retirees hired as Employees by the District on or after January 1, 2013, the District will provide no direct reimbursement for the cost of health insurance.
- (e) Employees hired on or after January 1, 2013 shall participate in a Health Savings Account Plan (HSA) designed to provide reimbursement of Qualified Medical Expenses upon retirement. "Qualified Medical Expenses" are those expenses authorized under the provisions of Section 213(d) of the Internal Revenue Service Tax Code.

- (1) The District's monthly contribution to an Employee's HSA plan will be revised annually on January 1st and will be based on the following calculation:

50% of the then-current maximum monthly premium for a single party HMO available from CalPERS

Minus

the then-current CalPERS health insurance plan Minimum Employer Contribution.

- (2) Employees shall be fully vested for all District contributions made on their behalf after one year of employment at the District. If an Employee works for the District for less than one year, the funds in his or her HSA Plan shall revert to the District.

12.5.2 DENTAL AND VISION PLANS

The District will maintain membership in a group dental and vision plan, as selected and approved by the Board, subject to the following:

- (a) For Employees, the District will pay the full cost of dental and vision insurance. The coverage will include the Employee and all dependents allowed by the insurance plan.
- (b) Each Eligible Member may participate in these plans upon completion of the minimum amount of service established by the group plan.
- (c) The District does not pay for either dental or vision benefits for any Retiree. Retirees are eligible under the provisions established through Consolidated Omnibus Budget Reconciliation Act (COBRA) to continue their coverage.

12.5.3 DEFERRED COMPENSATION PLAN

Employees of the District may defer portions of their compensation pursuant to the provisions of Section 457 of the Internal Revenue Code. Deferred compensation plans shall be approved by the Board by resolution or contract.

12.5.4 FLEXIBLE SPENDING ACCOUNTS

Employees may annually contribute to flexible spending accounts (IRS 125 Plan) maintained by the District. An Employee may contribute the maximum allowed by law in any plan year to a “Dependent Daycare Account” and/or an “Unreimbursed Medical Expense Account”. Flexible spending accounts are subject to the provisions of prevailing tax law regarding limitations, administration and disbursements.

12.5.5 EMPLOYEE ASSISTANCE PROGRAM (EAP)

In order to help maintain the well-being of its Employees, the District has established an Employee Assistance Program (EAP) that provides assessment and referral when problems of a personal nature affect the Employee’s life and work. Participation in the Program shall be confidential and shall not be grounds for discipline.

12.5.6 LIFE INSURANCE PROGRAM

The District provides each Employee with limited Life Insurance and

Accidental Death and Dismemberment Coverage in the amount of \$100,000. This coverage is provided at no cost to the Employee. Additionally, Employees have the option to, at their own expense, purchase additional insurance for themselves and their dependents.

12.5.7 HOLIDAY TIME

- (a) Employees are entitled to leave of absence without loss of pay on the following designated holidays (“District Holidays”): January 1st; Martin Luther King, Jr.’s Birthday; President’s Day; Memorial Day; July 4th; Labor Day; Veteran’s Day; Thanksgiving Day; the day following Thanksgiving Day; and December 25th.
- (b) If a District Holiday falls on Sunday, the following Monday is a holiday. If a holiday falls on Saturday, the preceding Friday is a holiday.
- (c) As determined by the General Manager, department managers and supervisors, if December 25th falls on a Tuesday, one-half of the Employees shall have the preceding Monday as a holiday; the other half of the Employees shall have December 31st as a holiday. If December 25th falls on a Thursday, one-half of the Employees shall have the following Friday as a holiday; the other half of the Employees shall have January 2nd (the Friday of the following week) as a holiday.

12.5.8 FLOATING TIME OFF

- (a) Employees shall be credited with 16 hours of floating time off each calendar year. The time will be credited in January each year.
- (b) Floating time off must be used during the calendar year in which it is credited. Unused floating time off will not be carried forward to the next calendar year.
- (c) New Employees are credited with eight hours of floating time off if hired on or after July 1st and credited with 16 hours of floating time off if hired before July 1st.
- (d) Any accrued but unused floating time off is paid to the Employee upon termination of employment.

12.5.9 ANNUAL LEAVE

- (a) Employees begin to accrue annual leave from the date of hire. Thereafter, for continuous service, annual leave credit shall be earned at the following rates:
 - (1) Employment start through year four, eight hours per month,
 - (2) Five through nine years, 10 hours per month,
 - (3) 10 through 14 years, 12 hours per month,
 - (4) 15 through 19 years, 14 hours per month,
 - (5) Over 20 years, 14.66 hours per month.
- (b) In order to attract experienced candidates for key positions, the General Manager may, for the purposes of calculating annual leave only, credit a new Employee with additional years of employment at the District commensurate with that Employee's relevant work experience.
- (c) Unused leave credit shall be accumulated and carried forward from month-to-month. An Employee may accrue up to 480 hours of annual leave and Comp Time combined. Once an Employee's accrual balance reaches that limit, the Employee will no longer accrue additional leave.
 - (1) Employees whose accrual exceeds 480 hours on December 31, 2012, must reduce their accrued annual leave by either use or cash payment as described in Code Section 12.5.9(d) so that it does not exceed 480 hours as of December 31, 2015. Applicable Employees are not subject the requirements of Code Section 12.5.9(d)(2)(i)
- (d) Twice each year the District will offer Employees an option to convert annual leave and earned Comp Time into a cash payment. In the case of financial hardship, the conversion may be done at other times with the approval of the General Manager.

- (1) For each hour of time converted, the Employee will receive cash in the amount of his or her current Hourly Rate of pay, less applicable taxes.
- (2) In order to qualify for this conversion, the Employee must:
 - (i) have taken at least 80 hours of annual leave time and/or Comp Time off during the preceding 12 months, and
 - (ii) have at least 80 hours of combined annual leave and Comp Time remaining in his or her accrual after the conversion has been completed.
- (e) Upon termination of employment, Employees shall be entitled to cash payment for unused annual leave credit accumulated prior to the separation date.
- (f) The District reserves the right to deny annual leave time if it would result in a payment beyond the normal salary payment for any pay period.

12.5.10 PAID SICK LEAVE

- (a) Sick leave for pay credit shall be accumulated at the rate of one day's leave for each calendar month of employment.
- (b) Sick leave credit shall be accumulated and carried forward from month to month.
- (c) If an Employee retires from the District, unused accumulated sick leave may be converted to additional PERS service credit based on the guidelines established under the District's PERS contract. Unused sick leave is not otherwise compensable.
- (d) There is no limitation on the number of accumulated sick leave hours.
- (e) The purpose of sick leave is to allow an Employee to fill in the hours needed to receive a full salary payment for any pay period. The District reserves the right to deny the payment of sick time if the payment would increase the amount of pay received beyond the normal salary payment for any pay period. "Denial of use" means that the Employees' sick leave account would not be reduced and the time requested would not be paid.

- (f) Upon termination of employment, Employees are not entitled to cash payment for unused sick leave.
- (g) To provide assistance to an Employee when he or she or a family member has a serious or catastrophic illness or injury, sick leave may be transferred from one or more Employees to the affected Employee, subject to the following conditions.
 - (1) The illness must qualify the receiving Employee for time off in accordance with the Family and Medical Leave Act (FMLA) and California Family Rights Act (CFRA).
 - (2) Sick leave shall be transferred on an hour for hour basis, and the transferring Employee must have at least 240 hours of sick leave remaining after the transfer has been completed.
 - (3) The transfer may not be made from any Employee to an Employee who signs his or her annual performance reviews.
 - (4) The donation request must be made in writing by the transferring Employee.
 - (5) The donation is subject to the approval of the General Manager and may be denied at his or her sole discretion.

12.5.11 DISTRICT HOUSING

The District may lease District-owned residences at Lake Bard to certain Employees subject to certain duties as specified in the lease.

12.5.12 PROFESSIONAL DUES

The District will pay for the renewal of professional dues for Employees when such dues are related to their fulfillment of duties for the District pursuant to authorization by the General Manager.

12.5.13 TUITION REIMBURSEMENT

To encourage training and professional career advancement, the District may reimburse the costs of tuition, registration, books, laboratory and parking fees subject to the following terms and conditions.

- (a) Coursework must be related to the Employee's present position with the District or will provide the District with future benefit. Notwithstanding the foregoing, courses not related to the Employee's

present position with the District or which do not provide the District with future benefit, but are required to complete an approved degree, may qualify for reimbursement provided such courses are approved in advance by the General Manager.

- (b) The maximum rate of reimbursement for tuition costs will be limited to \$400 per quarter unit or \$600 per semester unit. Starting January 1, 2014, the rate of reimbursement will be adjusted annually in accordance with the procedure described herein in Code Section 12.4.2(b).
- (c) Coursework is limited to 12 units per quarter or semester, as applicable.
- (d) In order to be eligible for reimbursement, the Employee must successfully complete all coursework for which reimbursement is to be paid with a grade of "C" or better or a passing grade if students are graded only on a "pass or fail" basis.