

# **AGENDA**

## **REMOTE MEETING NOTICE**

This meeting will be accessible by remote video conferencing. Please be advised that while the District will endeavor to ensure these remote participation methods are available, the District does not guarantee that they will be technically feasible or work all the time. Further, the District reserves the right to terminate these remote participation methods (Subject to Brown Act Restrictions) at any time and for whatever reason. The public may observe and participate in this meeting remotely via Zoom as set forth below.

### **INSTRUCTIONS FOR USING ZOOM**

- Join the meeting using the link below.
- You must have audio and microphone capabilities on the device you are using to join the meeting.
- When you join the meeting make sure that you join the meeting with audio and follow the prompts to test your speaker & microphone prior to joining the meeting.

### **TO SPEAK DURING PUBLIC COMMENT USING ZOOM**

- The Board President will announce when it is time for Public Comment.
- Click on the Raise Hand icon if you would like to speak during Public Comment.
- Your name will be called on when it's your turn to speak.
- When your name is called, you will be prompted to unmute yourself.
- You will have three (3) minutes to speak. When your time is up, you will be muted.

### **TO SPEAK ON AN ITEM USING ZOOM**

- The Board President will call the item and staff will begin the staff report.
- Click on the Raise Hand icon if you would like to speak on the item.
- Your name will be called on when it's your turn to speak.
- When your name is called, you will be prompted to unmute yourself.
- You will have three (3) minutes to speak. When your time is up, you will be muted.
- You will repeat this process for each item you want to speak on.

### **FOR OPEN SESSION PARTICIPATION**

Join Meeting Electronically at:

<https://us02web.zoom.us/j/83494286503?pwd=UdT6HiHXJOdif54TyAaNxXou8solmj.1>

**Meeting ID: 834 9428 6503**

**Passcode: 860568**

Please attend in person or by submitting your comment via email to:  
RMangus@GoletaSanitary.Org

**A G E N D A**  
REGULAR MEETING OF THE GOVERNING BOARD  
OF THE GOLETA SANITARY DISTRICT  
A PUBLIC AGENCY

One William Moffett Place  
Goleta, California 93117

December 15, 2025

**CALL TO ORDER:** 6:30 p.m.

## **ROLL CALL OF MEMBERS**

**BOARD MEMBERS:** Steven T. Majoevsky  
Dean Nevins  
Jonathan Frye  
Edward Fuller  
Joseph Glancy

## **CONSIDERATION OF THE MINUTES OF THE BOARD MEETING**

The Board will consider approval of the Minutes of the Regular Meeting of December 1, 2025.

**PUBLIC COMMENTS** - Members of the public may address the Board on items within the jurisdiction of the Board. Under provisions of the Brown Act, the Board is prohibited from taking action on items not listed on the agenda. Please limit your remarks to three (3) minutes and if you wish, state your name and address for the record.

**POSTING OF AGENDA** – The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District and on the District's web site 72 hours in advance of the meeting.

## BUSINESS:

1. CONSIDERATION AND ADOPTION OF RESOLUTION NO. 25-728  
AMENDING AND ADOPTING RECOMMENDED REVISIONS TO THE HUMAN  
RESOURCES PROCEDURE AND POLICY MANUAL  
(Board may take action on this item.)
2. CONSIDERATION OF A 2026 EMPLOYEE SALARY AND BENEFITS  
SURVEY  
(Board may take action on this item.)
3. UPDATE ON SEWER SERVICE RATE AND FEE STUDY AND REVIEW OF  
DRAFT FINANCIAL PLAN

4. GENERAL MANAGER'S REPORT
5. LEGAL COUNSEL'S REPORT
6. COMMITTEE/DIRECTOR'S REPORTS AND APPROVAL/RATIFICATION OF DIRECTOR'S ACTIVITIES
7. PRESIDENT'S REPORT
8. ITEMS FOR FUTURE MEETINGS
9. CORRESPONDENCE  
(The Board will consider correspondence received by and sent by the District since the last Board Meeting.)
10. APPROVAL OF BOARD COMPENSATION AND EXPENSES AND RATIFICATION OF CLAIMS PAID BY THE DISTRICT  
(The Board will be asked to ratify claims.)

## **ADJOURNMENT**

*Persons with a disability who require any disability-related modification or accommodation, including auxiliary aids or services, in order to participate in the meeting are asked to contact the District's Finance Director at least 3 hours prior to the meeting by telephone at (805) 967-4519 or by email at [info@goletasanitary.org](mailto:info@goletasanitary.org).*

*Any public records which are distributed less than 72 hours prior to this meeting to all, or a majority of all, of the District's Board members in connection with any agenda item (other than closed sessions) will be available for public inspection at the time of such distribution at the District's office located at One William Moffett Place, Goleta, California 93117.*

# **MINUTES**

**MINUTES**  
REGULAR MEETING OF THE GOVERNING BOARD  
GOLETA SANITARY DISTRICT  
A PUBLIC AGENCY  
DISTRICT OFFICE CONFERENCE ROOM  
ONE WILLIAM MOFFETT PLACE  
GOLETA, CALIFORNIA 93117

December 1, 2025

<b><u>CALL TO ORDER:</u></b>	President Majoewsky called the meeting to order at 6:30 p.m.
<b><u>BOARD MEMBERS PRESENT:</u></b>	Steven T. Majoewsky, Dean Nevins, Jonathan Frye, Edward Fuller, Joseph Glancy
<b><u>BOARD MEMBERS ABSENT:</u></b>	None
<b><u>STAFF MEMBERS PRESENT:</u></b>	Steve Wagner, General Manager/District Engineer, Vyto Adomaitis, Assistant General Manager, Rob Mangus, Finance Director/Board Secretary, Reese Wilson, Engineering Manager, Dylan Kitao, Engineering Assistant, and Jeff Ferre, General Counsel (via Zoom)
<b><u>OTHERS PRESENT:</u></b>	David Linville, Director, Goleta Water District (via Zoom) Craig Geyer, Director, Goleta West Sanitary District (via Zoom)
<b><u>APPROVAL OF MINUTES:</u></b>	Director Nevins made a motion, seconded by Director Frye, to approve the minutes of the Regular Board meeting of 11/17/2025. The motion carried by the following vote:  (25/12/2066)
	AYES: 4 Nevins, Frye, Fuller, Glancy NOES: None ABSENT: None ABSTAIN: 1 Majoewsky
<b><u>POSTING OF AGENDA:</u></b>	The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District and on the District's website 72 hours in advance of the meeting.
<b><u>PUBLIC COMMENTS:</u></b>	None

**BUSINESS:**

1. PUBLIC HEARING TO CONSIDER ADOPTING A MITIGATED NEGATIVE DECLARATION AND A MITIGATION MONITORING & REPORTING PROGRAM FOR THE SOLIDS HANDLING IMPROVEMENT PROJECT PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND APPROVING THE PROJECT

Mr. Wagner began the staff report and introduced Heather McDaniel McDevitt, Practice Director, Langan, who presented AB52 information to the Board. Sara Head, Principal Scientist, Yorke Engineering, presented information on the various permits. James Yorke, Senior Engineer, Yorke Engineering, was also present (Via Zoom).

Public Hearing opened at 7:07 p.m. No public comment, written or oral was received.  
Public Hearing closed at 7:08 p.m.

Director Fuller made a motion, seconded by Director Frye to approve and adopt Resolution 25-727 Adopting a Mitigated Negative Declaration and a Mitigation Monitoring and Reporting Program for the Solids Handling Improvement Project pursuant to the California Environmental Quality Act and Approving The Project.

The motion carried by the following vote:

(25/12/2067)

AYES:	5	Majoewsky, Nevins, Frye, Fuller, Glancy
NOES:		None
ABSENT:		None
ABSTAIN:		None

2. CONSIDERATION OF PURCHASE AGREEMENTS FOR THE PROCUREMENT OF SOLAR PANEL EQUIPMENT AND BATTERY ENERGY STORAGE SYSTEM EQUIPMENT FOR THE ENERGY STORAGE PROJECT

Mr. Wagner gave the staff report.

Director Nevins made a motion, seconded by Director Fuller to authorize the General Manager to enter into a purchase agreement, subject to legal review, with the best-value solar panel vendor in an amount not to exceed \$590,812.

The motion carried by the following vote:

(25/12/2068)

AYES:	5	Majoewsky, Nevins, Frye, Fuller, Glancy
NOES:		None
ABSENT:		None
ABSTAIN:		None

Regular Meeting Minutes

December 1, 2025

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Director Nevins made a motion, seconded by Director Fuller to authorize the General Manager to enter into a purchase agreement, subject to legal review, with the best-value battery equipment vendor in an amount not to exceed \$1,290,000.

The motion carried by the following vote:

(25/12/2069)

AYES:	5	Majoewsky, Nevins, Frye, Fuller, Glancy
NOES:		None
ABSENT:		None
ABSTAIN:		None

3. CONSIDERATION OF A FOURTH CONTRACT AMENDMENT FOR ENGINEERING SERVICES DURING CONSTRUCTION BY HAZEN AND SAWYER FOR THE BIOSOLIDS AND ENERGY STRATEGIC PLAN PHASE 1 CONSTRUCTION PROJECT

Mr. Wagner gave the staff report, Rion Merlo, Associate Vice President & West Region Wastewater Practice Leader, Hazen and Sawyer was present (Via Zoom).

Director Frye made a motion, seconded by Director Nevins to authorize the General Manager to execute an amendment to the existing Design and Engineering Services Agreement with Hazen and Sawyer in the amount of \$97,823, bringing the total not-to-exceed contract amount from \$1,735,998 to \$1,833,821.

The motion carried by the following vote:

(25/12/2070)

AYES:	5	Majoewsky, Nevins, Frye, Fuller, Glancy
NOES:		None
ABSENT:		None
ABSTAIN:		None

4. GENERAL MANAGER'S REPORT

Mr. Wagner gave the report.

5. LEGAL COUNSEL'S REPORT

Mr. Ferre reported on AB 1319, effective January 1, 2026, that increases state-level protection for certain native species. It creates a provisional candidate status for species that lose federal protection under the Endangered Species Act (ESA), and it makes it illegal to traffic in fish, wildlife, or plants taken in violation of federal or state law.

6. COMMITTEE/DIRECTORS' REPORTS AND APPROVAL/RATIFICATION OF DIRECTORS' ACTIVITIES

Director Fuller – No report.

Director Frye – No report.

Director Nevins – Reported on the Goleta West Sanitary District meeting he attended.

Director Glancy – No report.

7. PRESIDENT'S REPORT

President Majoewsky – No report.

8. ITEMS FOR FUTURE MEETINGS

No Board action was taken to return with an item.

9. CORRESPONDENCE

The Board reviewed and discussed the list of correspondence to and from the District in the agenda.

10. APPROVAL OF BOARD COMPENSATION AND EXPENSES AND RATIFICATION OF CLAIMS PAID BY THE DISTRICT

Director Nevins made a motion, seconded by Director Fuller, to ratify and approve the claims, for the period 11/18/2025 to 12/01/2025 as follows:

Running Expense Fund #4640	\$	374,888.11
Capital Reserve Fund #4650	\$	317,848.30

The motion carried by the following vote:

(25/12/2071)

AYES:	5	Majoewsky, Nevins, Frye, Fuller, Glancy
NOES:		None
ABSENT:		None
ABSTAIN:		None

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 7:50 p.m.

ATTEST

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Steven T. Majoewsky  
Governing Board President

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Robert O. Mangus, Jr.  
Governing Board Secretary

# **AGENDA ITEM #1**

**AGENDA ITEM: 1**

**MEETING DATE: December 15, 2025**

**I. NATURE OF ITEM**

Consideration and Adoption of Resolution No. 25-728 Amending and Adopting Recommended Revisions to the Human Resources Procedure and Policy Manual

**II. BACKGROUND INFORMATION**

The District's Board of Directors adopted a Human Resources Procedure and Policy Manual (the "HR Manual") on October 4, 2005, and has adopted updates and revisions to the HR Manual from time to time as necessary. The attached resolution and amended HR policies have been developed in consultation with the District's legal counsel in order to reflect current District practices and policy changes. A combined redlined version of the proposed revised policies is attached to this report for Board consideration.

**III. COMMENTS AND RECOMMENDATIONS**

A summary of the proposed changes is attached to this report. Most of the changes are small corrections, or are updates to language and timing of previous regulations. There are several recommended changes to the HR Procedure and Policy Manual which are noteworthy:

- Policy #301 Regarding Floating Holidays; a change has been made to the accrual policy of floating holidays. Employees are no longer able to accrue more than four floating holidays at any one time.
- Policy #301; The language regarding observance of holidays over weekends for those working on specific days has been removed from Page 35.
- A change has been made to Policy #308 Other Benefits to remove the six-month's wait time for new employees to participate in the 457 deferred compensation plans (Section IV, pg. 61).
- Additional language has been added to the section in Policy #308 Family Medical Leave Act (FMLA) and addressing FMLA and California Family Rights Act (CFRA) coverage and expectations of staff to pay their own share of insurance premiums while using FMLA/CFRA and if accessing COBRA coverage (pgs. 49-52).

The Personnel Committee reviewed these proposed changes and recommends that the Board approve them, pending any additional changes it desires to make.

In order to formally approve these changes to the District's HR Manual, staff recommends the Board adopt Resolution No. 25-728 Amending and Adopting Recommended Revisions to the Human Resources Procedure and Policy Manual.

#### **IV. REFERENCE MATERIALS**

[Proposed Resolution No. 25-728 Amending and Adopting Recommended Revisions to the Human Resources Procedure and Policy Manual](#)

[Summary of Proposed Changes to the HR Procedure and Policy Manual](#)

[Redlined version of HR Procedure and Policy Manual Showing Proposed Revisions](#)

## **RESOLUTION NO. 25-728**

### **A RESOLUTION OF THE GOLETA SANITARY DISTRICT AMENDING AND ADOPTING RECOMMENDED REVISIONS TO THE HUMAN RESOURCE PROCEDURE AND POLICY MANUAL**

**WHEREAS**, the Goleta Sanitary District's Board adopted a Human Resources Procedure and Policy Manual (the "Manual") on October 4, 2005 and has adopted updates and revisions to the HR Manual from time to time as necessary; and

**WHEREAS**, the District's legal counsel, Best Best and Krieger has conducted a comprehensive review and made recommendations to update the Manual; and

**WHEREAS**, the Goleta Sanitary District must revise its Manual to comply with new legal requirements, and desires to adopt human resource manual best practices.

**NOW, THEREFORE**, the Goleta Sanitary District ("District") hereby resolves as follows:

The Governing Board of the District adopts all of the recommended revisions to the Manual and it will serve as the new Human Resource Procedure and Policy Manual in full force and effect until such time as the Governing Board decides to make further amendments.

**ADOPTED** this 15th day of December 2025.

**AYES:**

**NAYS:**

**ABSENT:**

**ABSTAIN:**

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Steven T. Majoewsky  
President of the Board of Directors

**ATTEST:**

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Robert O. Mangus  
Secretary of the Board of Directors

## **Summary of Recommended Edits, Additions and Changes to the Goleta Sanitary District Human Resources Procedure and Policy Manual**

The District's Human Resources Procedure and Policy Manual (the Manual) typically has been updated when new procedures have been added, or when there have been changes to policies internally, or mandated by law. These have been done on a case-by-case basis and have not impacted the entire Manual, only those sections within which the changes have occurred.

The District's legal counsel, Best Best and Krieger's (BBK) labor law division has reviewed the Manual's changes for legal compliance and best practices.

This summary contains an overview of changes recommended for adoption.

1. A change has been made to the accrual policy of floating holidays. Employees are no longer able to accrue more than four floating holidays at any one time. Policy #301 pg. 35.
2. The language regarding observance of holidays over weekends for those working them on specific days has been removed Pg. 35.
3. A change has been suggested to Policy #308 Other Benefits to remove the six-month's wait time for new employees to participate in the 457 deferred compensation plans (Section IV, pg. 61).
4. Most of the changes are minor edits, including the title of a staff member listed, Section II pgs. 22, 30, 32, and 43 and Section V pg. 74.
5. Some language has been changed regarding the California Family Rights Act to update language to include the Family Medical Leave Act (FMLA) on pages 48-53)
6. There are some corrections, Section I pg. 11, Section IV pg. 60, Section V pg. 66, and the wording regarding the amount of the boot allowance (Section V pg. 82), and wording on Section II pg. 29.
7. The acknowledgment page has removed the specific list of policies which were amended last year pg. 86.
8. Last year counsel from BBK requested that the District add an addendum to the Manual with a list of positions that are categorized as "at-will". It is included as an addendum.

A red-lined version of the Human Resources Procedure and Policy Manual is presented for your review.

If approved, employees will be given the new copy of the Manual and will have time to review it before being asked to sign an understanding and acknowledgment of the changes.

# Goleta Sanitary District



## Human Resources Procedure and Policy Manual

*Issued* \_\_\_\_\_, 20254

*Supersedes all previously issued Manuals and employee policies.*

## **DISCLAIMER**

THIS MANUAL IS NOT DESIGNED TO EXPLAIN EVERY EMPLOYMENT SITUATION OR OUTLINE EVERY RELEVANT POLICY OR PRACTICE. THIS MANUAL IS NOT INTENDED TO CONSTITUTE AN EMPLOYMENT CONTRACT OR A GUARANTY OF FUTURE EMPLOYMENT. THE DISTRICT RESERVES THE RIGHT TO REVISE, MODIFY, DELETE, OR ADD TO ANY AND ALL POLICIES, PROCEDURES, WORK RULES, OR BENEFITS STATED IN THIS MANUAL OR IN ANY OTHER DOCUMENT. ANY CHANGES TO THIS MANUAL WILL BE DISTRIBUTED IN WRITING TO ALL EMPLOYEES SO THAT EMPLOYEES MAY BE AWARE OF THE NEW POLICIES.

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## **I. INTRODUCTORY POLICIES**

### **A. Introduction.**

This Handbook is designed to acquaint employees with the Goleta Sanitary District (the “District”) and provide information about working conditions, employee benefits, and some of the policies affecting employment. All employees should read, understand, and comply with all provisions of the Handbook. The Handbook describes many employee responsibilities and summarizes employee benefits presently offered to eligible District employees.

Please understand that this Handbook cannot anticipate every situation or answer every question about your employment with the District. Circumstances may require that policies, practices and benefits described in this Handbook change from time to time. Accordingly, the District reserves the right to change, modify, supplement or rescind portions of this Handbook from time to time. Employees are responsible for knowing about and understanding those changes once they have been disseminated.

This Handbook supersedes and replaces all previously issued handbooks and any inconsistent policy statements, memoranda, or practices. Employees are expected to read this Handbook carefully and to know and understand its contents. The District reserves the right to interpret the provisions of this Handbook. For this reason, employees should check with the District’s General Manager, Human Resources Manager, or their immediate supervisor to obtain information regarding specific employment guidelines, practices, policies or procedures.

This Handbook is the property of the District and it is intended for the personal use and reference by employees of the District.

### **B. Equal Employment Opportunity (Policy # 101)**

The District is an Equal Opportunity Employer that does not discriminate on the basis of race (including but not limited to, hair texture and protective hairstyles such as braids, locks, and twists), color, religious creed (including religious dress and religious grooming practices), national origin, ancestry, citizenship status, age (40 years and older), sex (including pregnancy, perceived pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity and expression (including transgender identity and expression), because an individual has transitioned (to live as the gender with which they identify), is transitioning (or is perceived to be transitioning), sexual orientation, sex stereotyping, reproductive health decision making (protected under section 12920 of the Government Code in California) marital status, domestic partner status, military service and veteran status, physical and/or mental disability (including HIV and AIDS), legally protected medical condition or information (including genetic information,) protected medical leaves (requesting or approved), status as a victim of status as a victim of domestic violence, sexual assault or stalking, enrollment in a public assistance program, or any other basis protected by local, state or federal laws. Any such discrimination is unlawful and all persons involved in the operations of the District are prohibited from engaging in this type of conduct. Please contact the Human Resources Manager if you have any questions or concerns.

The District’s management team is dedicated to this policy with respect to recruitment, hiring, placement, promotion, transfer, training, compensation, benefits, employee activities, access to facilities and programs and general treatment during employment.

Any employees with questions or concerns about equal employment opportunities in the workplace are encouraged to bring these issues to the attention of the General Manager or Human Resources Manager. To ensure our workplace is free of artificial barriers, violation of this policy including any improper retaliatory conduct will

lead to discipline, up to and including discharge. All employees must cooperate with all investigations conducted pursuant to this policy.

The District utilizes the same complaint procedures for complaints of discrimination as it does for complaints of harassment. Please see the separate policy prohibiting employee harassment. California law and the District also prohibit retaliation against any employee for making a good faith complaint of discrimination or for cooperating, assisting, testifying, or participating in any of the discrimination complaint procedures in the separate policy prohibiting employee harassment.

### **C. Reasonable Accommodations**

To carry out the District's commitment to providing equal opportunity for all applicants and employees, the District will provide reasonable accommodations, including as required under applicable laws, in accordance with this policy.

**Reasonable Accommodations Related to Disability and Religion:** The District will provide reasonable accommodations for applicants and employees with disabilities in accordance with the Americans with Disabilities Act (the "ADA") and California law, and for applicants and employees based on their sincerely-held religious beliefs, practices, or observance under state and federal law. An applicant or employee who seeks a reasonable accommodation in order to perform essential job functions should make such a request in writing to the General Manager. The request must identify (a) the job-related functions at issue; and (b) the desired accommodation(s). Following receipt of the request, the General Manager, or their designee, may require additional information, such as reasonable documentation of the existence of a disability or additional explanation as to the effect of the disability on the employee's ability to perform their essential functions (or the applicant's ability to perform the essential functions of a desired position), but will not require disclosure of diagnosis or genetic history.

The District will engage in the interactive process, as defined by the FEHA and ADA, to determine whether an applicant or employee is able to perform the essential functions of their position. During this process, the District will examine potential reasonable accommodations that will make it possible for the employee or applicant to so perform. Such interactive process will include a meeting with the employee or applicant, the District's designated representative(s), and, if necessary, the employee or applicant's health care provider. The District will determine, in its sole discretion, whether reasonable accommodation(s) can be made, and the type of reasonable accommodation(s) to provide. The District will not provide an accommodation that would impose an undue hardship upon the District or that is not required by law. The District will inform the employee or applicant of any decisions made under this section in writing.

**Reasonable Accommodations Relating to Pregnancy:** The District will provide reasonable accommodations to employees who are affected by a pregnancy, childbirth, or related medical conditions, as medically advisable. Such accommodations may consist of:

- Modified work duties or a modified schedule to permit earlier or later hours or more frequent breaks; stools, chairs or other furniture; modified or acquired equipment or devices; reduced work hours; or other accommodations,
- Temporary transfers to a less strenuous or less hazardous position, if such transfer can be reasonably accommodated, or

- A “Pregnancy-Related Disability Leave” if the employee is disabled by pregnancy, as described in the District’s leave of absence policy.

Employees seeking a pregnancy-related accommodation, including transfer under this policy, should notify the District’s Human Resources Department. This notice must be timely and be provided by employees in advance when the need for reasonable accommodation is foreseeable; in all other circumstances, notice must be provided as soon as practicable. Failure to give advance notice when the need is foreseeable may delay the reasonable accommodation or transfer until 30 days after the date the employee provides notice (unless such delay would endanger the health of the employee, her pregnancy or her coworkers).

**Reasonable Accommodations for Victims of Domestic Violence, Stalking, or Sexual Assault:** The District will also provide reasonable accommodations for an employee who is the victim of domestic violence, stalking or sexual assault if: (i) the employee has disclosed that status to the District, and (ii) the employee requests an accommodation for the employee’s safety while at work.

In such circumstances, the District will engage, in good faith, in a timely and interactive process with the employee to determine an effective reasonable accommodation. In this process, the employee may be asked to provide: (i) a written statement, signed by the employee or someone acting on the employee’s behalf, certifying that the accommodation is for the purposes stated above, and (ii) a certification confirming the employee’s status as a victim of domestic violence, sexual assault or stalking. Six months after the date of each previous certification, the District may request a recertification of such status. The District will maintain any such certification as confidential if it identifies the employee as a victim of domestic violence, sexual assault or stalking, disclosing such information only as required by law, or as needed to protect the employee’s workplace safety, and with prior notice of such disclosure to the employee.

**Retaliation and Discrimination Prohibited:** The District prohibits discrimination, discharge, retaliation, or any other unlawful acts against an individual because such person requests or receives an accommodation under this (or another applicable) policy, or because such individual engaged in any other conduct protected by the law. Additionally, as addressed in the District’s separate policy on harassment, discrimination and retaliation, the District prohibits unlawful harassment, discrimination or retaliation against any employee on the basis of an individual’s disability, religion, religious creed, sex (including pregnancy, childbirth and related medical conditions), status as a victim of domestic violence, sexual assault or stalking, or any other status as protected by law.

#### **D. Lactation Policy**

The District provides accommodations to lactating employees who need to express breastmilk during work hours in accordance with applicable law. The District will provide a room or other location (not a bathroom) for employees to express breastmilk in private. The District will ensure that the lactation room or location will:

- Be in close proximity to the employee’s work area, shielded from view, and free from intrusion while the employee is expressing milk;
- Be clean, safe and free of hazardous materials;
- Contain a surface to place a breast pump and other personal items;
- Contain a place to sit; and

- Have access to electricity or alternative devices, including, but not limited to, extension cords or charging stations, needed to operate an electric or battery powered breast pump.

In addition, the District will provide access to a sink with running water and a refrigerator suitable for storing milk (or other cooling device suitable for storing milk) in close proximity to an employee's workspace. In the event that more than one employee needs use of the lactation room, the District will discuss alternative options with the employees to determine what arrangement addresses their needs, such as finding an alternative space or creating a schedule for such use.

The District shall also provide a reasonable amount of break time for an employee to express any breast milk each time that she needs to do so. The break time, if possible, should run concurrently with any break time already provided to the employee. Break time for a nonexempt employee that does not run concurrently with rest time already authorized for the employee is unpaid. However, if the employee performs any work during such break, she must accurately record all time worked and the District will compensate her for such time.

Employees who are nursing have a right to request a lactation accommodation. Such requests may be made by email or via other written communication, should indicate the need for an accommodation in order to express breastmilk at work, and should be directed to the District's Human Resources Department. The District shall respond to such requests in a reasonable manner, not exceeding five business days. If the District cannot provide break time, location, or other reasonable accommodations in accordance with this policy, it will inform the requesting employee in writing. Because lactation accommodation needs may change over time, employees may request changes to existing accommodations by a written request to the District's Human Resources Department that describes the nature of the change that is requested.

The District prohibits any form of retaliation or discrimination against an employee for exercising or attempting to exercise any rights provided under the above policies. Any such conduct or violations of the above-referenced policies should be reported to the Human Resources Department. Employees also have the right to file a complaint with the California Labor Commissioner for violation of a lactation accommodation right described in the policy above.

#### **E. Unlawful Harassment (Policy # 102)**

The District is committed to providing a professional workplace in which individuals are treated with respect and in a manner consistent with the District's high expectations of ethical conduct. This necessarily means that the District prohibits unlawful harassment, discrimination, and retaliation in accordance with applicable laws. This includes harassment based on sex (which includes harassment based on sex, pregnancy, perceived pregnancy, childbirth, breastfeeding, and related medical conditions), as well as harassment, discrimination, and retaliation based on such factors as race (including hair texture, protective hairstyles, and other traits historically associated with race), color, religion and religious creed (including religious dress and religious grooming practices), national origin, ancestry, citizenship, age (40 years and older), mental disability and physical disability (including HIV and AIDS), legally-protected medical condition or information (including genetic information), protected medical leaves (requesting or approved for leave under the Family and Medical Leave Act or the California Family Rights Act), military and/or veteran status, service, or obligation, reserve status, national guard status, marital status, domestic partner status, gender, gender identity (including transgender identity), gender expression (including transgender expression), because an individual has transitioned or is (or is perceived to be) transitioning, sex stereotyping, sexual orientation, status as a victim of domestic violence, sexual assault or stalking, enrollment in a public assistance program, engaging in protected communications regarding employee wages or otherwise exercising rights protected under the National Labor Relations Act or California Fair Pay Act,

requesting a reasonable accommodation on a protected basis such as disability or sincerely-held religious belief, practice, or observance, or any other characteristic protected by federal, state, or local laws.

The District strongly disapproves of and will not tolerate harassment, discrimination, or retaliation against applicants, employees, unpaid interns, or volunteers by managers, supervisors, co-workers or third parties with whom employees come into contact, consistent with applicable law. Similarly, the District will not tolerate harassment, discrimination, or retaliation by its employees directed toward non-employees with whom the District employees have a business, service, or professional relationship (such as independent contractors, vendors, clients, volunteers, or interns).

Harassment is generally defined as verbal, physical, or visual conduct that creates an intimidating, offensive, or hostile working environment, or that interferes with an employee's work performance, and that is based on a protected status. Such conduct constitutes harassment when (1) submission to the conduct is made either an explicit or implicit condition of employment; (2) submission or rejection of the conduct is used as the basis for an employment decision; or (3) the harassment interferes with an employee's work performance or creates an intimidating, hostile, or offensive work environment.

As the definition above shows, harassing conduct can take many forms and may include, but is not limited to, the following (when based upon an employee's protected status as noted above): slurs, jokes, statements, gestures, assault, impeding or blocking another's movement or otherwise physically interfering with normal work, pictures, drawings, or cartoons, violating someone's "personal space," foul or obscene language, leering, stalking, staring, noises, unwanted or offensive letters or poems, offensive emails, texts, gifs, memes, or voicemail messages.

Sexually harassing conduct in particular may include all of these prohibited actions, as well as other unwelcome conduct, such as requests for sexual favors, conversation containing sexual comments, and other unwelcome sexual advances. For example, sexual harassment can be:

- Verbal: sexual innuendoes, sexually suggestive or degrading comments, text messages, gifs, memes, sexual jokes or slurs, graphic commentaries about a person's body, or repeated sexual advances or invitations.
- Nonverbal: displaying sexually suggestive objects, pictures, cartoons, magazines, calendars or posters, or making suggestive or insulting sounds, leering, whistling, or obscene gestures.
- Physical: offensive touching, brushing against a person's body, unwanted hugging or kissing, or impeding or blocking a person's normal movement. Sexually harassing conduct may arise if a reasonable person subjected to the conduct would find that the harassment so altered working conditions as to make it more difficult to do that person's job. Sexually harassing conduct can occur regardless of the sex, sexual orientation, or gender identity of the harasser or of the person being harassed. Sexually harassing conduct need not be motivated by sexual desire to be violate of this policy.

### **Internal Reporting**

All employees, independent contractors, interns, and volunteers of the District must promptly report any incidents of harassment, discrimination, and retaliation so that the District can take appropriate action. It is the responsibility of all of us to contribute to a work environment that is free of unlawful bias, discrimination, harassment, and retaliation. Failure to bring forth a complaint prevents the District from having the opportunity to correct the situation.

Any incidents of discrimination, harassment, or retaliation, including work-related harassment by any the District personnel or any other person, or any conduct believed to violate this policy, must be reported immediately to the District's Human Resources Manager or General Manager of the misconduct. Supervisors must similarly report any complaint of harassment they receive to the District's Human Resources Manager or General Manager, who is responsible for investigating harassment complaints.

Managers and supervisors have a special responsibility under this policy. All levels of management and all supervisors are responsible for compliance with this Policy Against Harassment, Discrimination, and Retaliation and for ensuring that everyone in their department is aware of, understands and adheres to this policy. Supervisors and managers who receive complaints or who observe or learn of discriminatory, harassing, or retaliatory conduct must immediately inform the District's Human Resources Manager or General Manager of the misconduct so that an investigation may be initiated.

Individuals making such complaints must report the facts as accurately and as completely as possible. Every reported complaint of harassment, discrimination, and retaliation is taken seriously by the District. Every reported complaint, including allegations of misconduct, will be investigated thoroughly and promptly by impartial and qualified personnel. Typically, the investigation will include the following steps: an interview of the employee who lodged the complaint to obtain complete details regarding the alleged harassment, discrimination, or retaliation; interviews of anyone who is alleged to have engaged in such conduct to respond to the claims; and interview of any employees who may have witnessed, or who may have knowledge of, the alleged conduct. The Human Resources Manager or other official of the District whom is responsible for the investigation, will notify the employee who lodged the complaint of progress during the investigation, including documentation where applicable, and timely notification of the results of the investigation. The investigation will be handled in as confidential a manner as possible consistent with a fair, timely, and thorough investigation (e.g., parties will receive appropriate due process, the District will reach reasonable conclusions based on the evidence collected, etc.). Employees (or other complainants) making complaints are expected to cooperate fully with the person or persons designated to investigate the complaint.

The District prohibits conduct severe enough to be unlawful. Yet even more, the District's workplace conduct standards also prohibit conduct and comments which are not severe enough to violate state or local or federal law—but which are still inappropriate in the workplace. For example, the District prohibits abusive conduct in the workplace—whether or not it is based on a protected category. As a result, the District will take prompt, appropriate, and effective corrective action (e.g., remedial measures) any time it is established that discrimination, harassment, or retaliation in violation of this policy has occurred—whether or not such violation also violates the law.

Corrective action may include, for example: training, referral to counseling, or disciplinary action ranging from a verbal or written warning to termination of employment, depending on the circumstances.

### **External Reporting Procedure**

In addition to the District's internal complaint procedure, an employee may file a complaint by contacting the following:

Department of Civil Rights (CRD) at 800-884-1684 or visiting <https://calcivilrights.ca.gov/complaintprocess/>

Equal Employment Opportunity Commission (EEOC) at 800-669-4000 or visiting <https://www.eeoc.gov/federal-sector/filing-formal-complaint>.

The District will not tolerate retaliation against an individual for good faith reports of harassment, discrimination, or retaliation; assisting another in making a report; cooperating in an investigation; filing an administrative complaint with a government agency; or engaging in other protected activity. Such retaliation is a separate violation of the law and of the District policy, and is subject to disciplinary action up to employment termination. Individuals who believe they have experienced or been threatened with such retaliation, and any manager or supervisor who learns of possible retaliation, must immediately report it using the same Complaint Reporting Process above.

#### **F. Sexual Harassment Training**

All non-managerial employees must attend a one-hour Sexual Harassment Prevention Training, and all managerial employees must attend a two-hour Sexual Harassment Prevent Training. All District employees will be required to attend a sexual harassment training every two years as assigned by Administration. Managers will receive two hours of training every two years as assigned by Administration. Staff may be required to attend additional anti-harassment or other sensitivity trainings in regards to any protected class. The District's employees may refer to the Civil Rights Department ~~of Civil Rights~~ (CRD) sexual harassment prevention online training course appropriate for their position. You may also visit <https://calcivilrights.ca.gov> to access the online training courses.

## **II. EMPLOYMENT**

### **A. Employment Categories (Policy # 201)**

The District employs people in one of five (5) categories: Probationary; Regular Full-time; Regular Part-time; Temporary; and At-Will.

#### **1. EMPLOYMENT CATEGORIES**

##### **a. Probationary Employee**

All new employees are subject to a probationary period, which shall be regarded as a part of the testing process and shall be utilized for closely observing the employees' work. Probationary employees may be terminated, with or without cause, during the probationary period and the employees have no recourse to the District's termination appeal/hearing procedures. *See Policy # 202 for additional information about the Probationary Period.*

##### **b. Regular Full-time Employee**

Employees in this category are those non-At-Will employees who regularly work a minimum of forty (40) hours per week on a continuous scheduled basis and have successfully completed their probationary period. Regular Full-time employees are generally eligible for all District benefits. If, over any rolling six (6) month period, an employee is on leave of absence without pay for a cumulative period exceeding 20% of the working hours the employee would normally have worked during such six months, the District will change the employee's status from full-time to part-time. This may affect the employee's eligibility for certain benefits generally available only to full-time employees.

##### **c. Regular Part-time Employees**

Occasionally the General Manager may determine that a position best meets District needs on less than a full-time basis. Regular part-time employees are those non-At-Will employees who are scheduled to work more than twenty (20) but less than forty (40) hours per week and have successfully completed their probationary period. Regular part-time employees do not qualify for any District benefits and will be employed on an as needed basis.

##### **d. Temporary Employees**

Temporary employees are employees who hold jobs of limited or specified duration arising out of special projects or other reasons established by the District. Temporary employees of the District are and shall be at all times on an at-will basis at all phases of employment. That means that either the District or an employee may terminate an employee's employment at any time, for any reason, with or without cause or advance notice. Nothing in this Manual or other document or statement shall limit the right to terminate employment at-will. Temporary employees can be terminated at any time, with or without cause and with or without prior notice, and have no recourse to the District's termination appeal/hearing procedures.

Temporary employees do not accrue any form of service credit or seniority and are not eligible to use the District's termination appeal/hearing process. Temporary employee status is not considered for seniority or benefit longevity purposes if the temporary employee is hired as a regular District employee.

##### **e. At-Will Employees**

At-Will employees include the department managers, supervisors, and other staff as designated by the General Manager.

At-Will status means that either the District or an employee may terminate an employee's employment at any time, for any reason, with or without cause or advance notice. Nothing in this Manual or other document or statement shall limit the right to terminate employment at-will. No manager, supervisor, or employee of the District has the authority to enter into an agreement for employment for any specific period of time or to make an agreement for employment other than at-will. Such employees are not eligible to use the District's termination appeal/hearing process.

For the purposes of defining eligibility for benefits, the following standards shall apply:

- i. Temporary employees are eligible only for federal and state-mandated benefits and are not eligible to receive District-sponsored benefits (except possibly retirement plan benefits if they actually work 1,000 hours or more in a fiscal year).
- ii. Non-Temporary employees regularly scheduled to work at least thirty (30) hours per week accrue all District benefits on a pro-rated basis based on the ratio the number of hours they are normally scheduled to work each week bears to 40 hours.
- iii. Non-Temporary Part-time employees regularly scheduled to work less than thirty (30) hours per week participate only in federal and state mandated benefits as well as the District's retirement program (if they work 1,000 hours or more in a fiscal year). No other District benefits are available to part-time employees.

## 2. Exempt/Non-Exempt Classifications

For purposes of establishing eligibility for overtime compensation and related wage and hour matters, all District positions are classified as either "exempt" or "non-exempt."

Non-exempt employees include all employees who are covered by the overtime provisions of the Federal Fair Labor Standards Act and applicable state laws. Employees in this category are eligible for overtime compensation for hours worked in excess of forty (40) hours in a workweek. Such employees include hourly and clerical staff.

Exempt employees are employees who are exempt from the overtime provisions of the Federal Fair Labor Standards Act and applicable state laws. Such employees include management staff that qualify as exempt administrative, executive or professional employees. Exempt employees receive a salary intended to compensate them for all hours worked, and accordingly are not eligible for overtime compensation.

## B. Probationary Period (Policy # 202)

All new and promotional appointments will be subject to a probationary period of one year and may be extended at the discretion of the General Manager.

The probationary period is regarded as part of the testing process and shall be utilized for closely observing the employee's performance and adjustment to their position. Informal performance evaluations shall be conducted

during this timeframe to provide feedback to the employee. At the conclusion of the probationary period, inclusive of any extensions, a written performance evaluation will be completed.

An employee promoted to a higher-level position is required to complete a new probationary period. In the event that the employee is unsuccessful in the new position, the employee shall be reinstated to the position from which promoted, if such position remains vacant, unless the employee is dismissed for cause. If the original position has been filled, the employee may be subject to termination.

With General Manager approval, a probationary employee may be terminated, with or without cause, at any time during the probationary period and probationary employees are not eligible to use the District's termination appeal/hearing process.

New hire employees generally may not use vacation time during their first six months of the probationary period.

The granting of any approved leave of absence during the probationary period shall cause the employee's probationary period to be extended by the length of the leave of absence.

### **C. Classification Administration (Policy #203)**

The goal of the District's Classification Plan is to develop a system that encourages employee development, provides opportunities for career advancement and creates an understanding of the roles, responsibilities and relationships of each classification within the District.

Class descriptions identify the essential duties, responsibilities, level of authority, knowledge, skills, education, experience, licenses and certifications required to meet the minimum performance standards for each classification at the District. More than one position can be allocated to the same classification if the primary scope, level, duties and responsibilities of each position assigned to the class are similar (but not identical); and that the same core knowledge, skills and other requirements are appropriate for all positions; and that the same salary range is equitable for all positions.

The General Manager is responsible for determining staffing levels and administering the Job Classification Plan.

#### **PROCEDURE**

1. The District is responsible for conducting periodic reviews of the Job Classification Plan to ensure that classifications are current and that positions continue to be appropriately classified.

2. Positions will be evaluated for reclassification when significant changes occur in the essential duties, responsibilities or work assignments.

3. Each classification is assigned to a salary range based on the complexity of the position responsibilities relative to other internal positions and external market salary conditions.

### **D. Compensation Administration (Policy #204)**

The Governing Board is responsible for establishing a compensation program and the General Manager is responsible for administering that program.

#### **PROCEDURE**

## 1. Compensation Plan

The District is responsible for administering a Compensation Plan for all position classifications. The plan shall consist of a salary range and/or hourly wage rate for each separate class of employment. The General Manager shall regularly review the program and, if appropriate, make recommendations for Board review and consideration.

## 2. Salary Ranges and Increases

All District positions are assigned to a salary range that has a minimum and maximum rate of pay and five intervening rates within a five-step range, plus a probationary "AA" range. An employee must demonstrate satisfactory performance to move from one step to the next within the range. An employee, after successfully completing the probationary period, may advance to the next step and is thereafter reviewed annually. If the employee is successfully performing the position responsibilities and has received the supervisor's recommendation, the employee may advance to the next higher-level step until the employee reaches the maximum established pay level for that position. At the discretion of the General Manager, salary adjustments may be less or more than a full step.

## 3. Salary Schedule Adjustment

The salary schedule shall be periodically reviewed and adjusted, if required, to maintain the District's compensation at a market competitive level and to take into consideration such factors as cost-of-living increases and labor market differentials.

Such adjustment shall normally be reviewed during the annual budget cycle.

## 4. Hiring Rate

All new employees shall be advised at the time of hire as to their starting rate of pay. Employees are normally hired at the starting salary level. New employees may, however, be hired at a pay rate greater than the minimum, in consideration of such factors as advanced or specialized education or training, level of experience, possession of highly developed technical skills, demonstrated achievements, or labor market competitiveness. An applicant that is recommended for hiring above the starting salary rate shall receive advance approval of the General Manager.

## 5. Night Shift Differential

Employees who work shifts between 5 p.m. and 6 a.m. or weekend hours may be eligible for shift differential pay.

## 6. Promotions

An employee who receives a promotion to a higher classification shall receive a minimum 5% pay increase in their pre-promotion base compensation. An employee hired into an In-Training position who becomes certified can immediately move into the regular classification and pay grade.

## 7. Transfers

Employees transferring from one department to another will stay at the current monthly step until they obtain the required certification. At that time, the employee will be eligible for a minimum of a 5% increase within the

salary range he/she is transferred to. However, in no case shall the transfer result in the employee's new salary exceeding the highest step in the new pay range.

#### 8. Pay Period and Pay Day

The District pays its employees biweekly with paydays on every other Friday. If the payday occurs on a holiday, payday will be the workday preceding the holiday.

Paychecks cover the 80-hour, two-week period of time beginning on Sunday and ending on the Saturday that precedes the payday. Overtime pay earned after the payroll processing date will be paid the following pay period. Each paycheck shall reflect the base hourly rate of pay, overtime, holiday pay or premium pay received during that pay period.

#### 9. Direct Deposit

The District provides employees with the convenience of having their paycheck directly deposited to any financial institution. Direct Deposit Authorization Forms are available from the Finance Director. A single pay period term may be required to process the direct deposit arrangement before the direct deposit may begin.

Employees may also have another person pick up their paycheck if a current written authorization is provided.

### **E. Hours of Work (Policy # 205)**

The District establishes working hours that are consistent with the operating requirements and responsibilities of the District. The District's administrative office shall be open for business from 8:00 a.m. to 5:00 p.m. Monday through Friday. The administrative office is closed on weekends and holidays.

Work shifts, days, hours and periods can be established and modified by the District within the limits prescribed by law, based on operating conditions and requirements of the District. The District has the right to require employees to work overtime, which may occur any time before or after standard work schedules, including weekends, evenings and/or holidays. Employees who refuse to work overtime shall be subject to corrective action, up to and potentially including termination.

All employees shall be assigned work schedules with regular starting and ending times. Employees may not change their own work schedules without the express approval of the General Manager/designee. In the event the District needs to change an employee's regular schedule, the employee will normally receive a reasonable notice before the new schedule becomes effective, except in cases of emergency and/or unusual workloads as determined by the General Manager/designee.

## **PROCEDURE**

1. Presently, the District's non-exempt employees may be scheduled to work one of the following schedules:

- An 8-hour per day, five (5) days per week schedule;
- A 10-hour per day, four (4) days per week schedule; or

A "9/80 schedule" consisting of four 9-hour days and one 4-hour day in the one workweek and one four-hour day and four 9-hour days in the ensuing workweek, with the two four-hour workdays split over one calendar day. The

District presently uses four 9/80 schedules, and employees working 9/80 schedules will be assigned to one of the following:

- “9/80 Schedule A”: Employees assigned to 9/80 Schedule A are scheduled to work four 9-hour days each workweek, and an 8-hour day every other Monday.
- “9/80 Schedule B”: Employees assigned to 9/80 Schedule B are scheduled to work four 9-hour days each workweek, and an 8-hour day every other Tuesday.
- “9/80 Schedule C”: Employees assigned to 9/80 Schedule C are scheduled to work four 9-hour days each workweek, and an 8-hour day every other Thursday.
- “9/80 Schedule D”: Employees assigned to 9/80 Schedule D are scheduled to work four 9-hour days each workweek, and an 8-hour day every other Friday.

2. Any other work schedule requires Department Head recommendation and the approval of the General Manager.

3. The Department Head has the authority to temporarily change work schedules that are required to effectively maintain plant operations or due to unusual workloads or emergencies.

4. The term “workday” means a consecutive 24-hour period beginning at the same time each calendar day. The term “workweek” means a fixed and regularly recurring period of 168 hours. Workweeks and workdays are used in conjunction with tracking hours worked to determine if non-exempt employees have worked more than 40 hours in their workweek and become entitled to overtime premium pay. Employees’ designated workweeks and workdays will vary based upon their assigned schedules as follows:

a. Employees not assigned to a 9/80 Schedule have a workweek that begins at 00:00 hours Sunday morning and ends the following Saturday night at 24:00 hours.

b. Workweeks for employees working 9/80 schedules are as follows:

- i. 9/80 Schedule A: Workweek begins at 11:30 a.m. on Monday and ends at 11:30 a.m. the following Monday.
- ii. 9/80 Schedule B: Workweek begins at 11:30 a.m. on Tuesday and ends at 11:30 a.m. the following Tuesday.
- iii. 9/80 Schedule A: Workweek begins at 11:30 a.m. on Thursday and ends at 11:30 a.m. the following Thursday.
- iv. 9/80 Schedule A: Workweek begins at 11:30 a.m. on Friday and ends at 11:30 a.m. the following Friday.

5. Employees who work more than five hours in any one workday are afforded an unpaid duty-free meal period upon or prior to completing five hours worked. Employees on the 8-hour per day/five day per week schedule will have an hour lunch break. Employees on 9/80 or 4/10 schedules will have a one-half hour lunch break. Lunch is to be taken approximately in the middle of the workday. Employees may leave District premises during their lunch break. Department supervisors may change scheduled lunch breaks for any employee as necessary to accommodate District business.

6. Two paid rest breaks of fifteen (15) minutes each are provided during each work day, usually one during the first four (4) hours of the work day and the second during the last four (4) hours of the day. Break periods shall not be taken at the end of the workday or saved for use at another time. The Department Head shall determine the time of break. It is employees' responsibility to take their rest breaks.

7. Employees whose jobs require uniforms or special clothing for health and safety are expected to arrive at work early enough to change clothes before their shift begins in order to be at their assigned work locations at their designated starting time.

8. Employees will be permitted up to fifteen (15) minutes of paid time at the end of a work shift to perform such activities as personal wash-up and changing clothes.

9. Bathroom breaks should be limited to five (5) minutes. If you have a medical condition or some other problem which requires more time, you should inform the General Manager or the Human Resources Manager of the need for accommodation and you may be requested to furnish a doctor's note.

#### **F. Overtime/Compensatory Time (Policy # 206)**

From time to time, the workload may require the District to request employees to work overtime. The District will make an effort to evenly distribute overtime based on business necessity among the employees with the necessary skills, knowledge, and abilities. When possible, advance notification will be provided. Employees who refuse to work overtime shall be subject to corrective action, up to and potentially including termination.

All employees who are classified as "non-exempt employees," as defined under applicable laws or regulations, will be eligible for overtime pay. Exempt employees receive a salary intended to compensate them for all hours worked, therefore, exempt employees are not entitled to overtime pay. Non-exempt employees are eligible to earn overtime compensation and/or compensatory time off at overtime rates.

#### **PROCEDURE**

##### **1. Non-Exempt Positions**

###### **a. Approval**

The District's policy is that all overtime should be pre-approved whenever possible. The District will pay any overtime worked, regardless if pre-approved. However, the working of overtime that has not been approved may be grounds for discipline, up to and including termination of employment. Overtime requires advance approval by the Department Head except under the following circumstances:

- i. When overtime is necessary to cope with emergencies such as those resulting from accidents, natural disasters, breakdowns of production equipment, or occasional production bottlenecks of a sporadic nature.
- ii. When overtime is necessary for the performance of tests, industrial processes, laboratory procedures, loading or unloading of transportation media, which are continuous in nature and cannot reasonably be interrupted or otherwise completed.

###### **b. Overtime Hours**

- i. Overtime is typically defined under federal law as hours worked by non-exempt employees in excess of forty (40) hours in a workweek. In California, overtime is also typically applied to hours worked over eight (8) in a standard work day; though alternate work weeks allow variance. The District follows the applicable state and federal laws when calculating overtime.
- ii. Only time actually worked counts towards hours worked for overtime purposes. For example, paid sick leave hours, vacation time, paid holidays, etc., do not count towards hours worked. Similarly, for employees who are “on-call,” only the time actually spent responding to a call constitutes hours worked for overtime purposes even though employees may be paid for a guaranteed minimum number of hours regardless of how much time they actually work in response to their call-back.
- iii. Hours worked are tracked to the nearest quarter hour.
- iv. No employee shall be required to work more than sixteen (16) total hours during a twenty-four (24) hour period.

c. Overtime Compensation

- i. Unless an employee requests compensatory time off in lieu of overtime pay, compensation for hours in excess of 40 in a workweek will be at one-and-one-half times the employee's regular rate of pay.
- ii. Holiday premium pay (as defined below) paid to an employee will be credited towards any overtime premium pay owed to that employee for overtime worked during the same workweek. Similarly, the portion of any call-back premium pay (as defined below) allocable to hours actually worked in response to a call-back will be credited towards any overtime premium pay owed to that employee for overtime worked during the same workweek.
- iii. Non-exempt employees may elect, by so stating in writing on the appropriate time card, a preference to earn compensatory time off (CTO) in lieu of overtime pay. Eligible employees will earn one and one-half hours of CTO for each hour of overtime worked. Non-exempt employees may accumulate up to a maximum of forty (40) hours of CTO. An employee who has reached the maximum balance shall be paid overtime until such time that the accrual is below the stated ceiling. An employee shall be permitted to use CTO within a reasonable period after making the request, provided supervisor approval is obtained, and provided further that such use will not unduly disrupt the District's operations (which includes, but is not limited to, the use of the CTO necessitating scheduling that would cause one or more other employees to earn overtime for the same period). Compensation for Holidays worked is subject to CalPERS retirement benefits (contributions), and therefore cannot be banked as CTO.

- iv. Overtime that is worked as a result of an extension for an assigned day shift does not qualify employees for shift differential pay.
- v. The procedure for requesting approval to use CTO is the same as that required to schedule vacation time.
- vi. Employees may, upon submitting a written request, receive a cash payout for accumulated CTO. Approval and timing of cash payment is subject to General Manager's approval. Accrued but unused CTO will also be paid for at time at time of separation from employment with the District.

## 2. Exempt Positions

As noted, Exempt employees receive a salary intended to fully compensate them for all hours worked, and accordingly they are not eligible to receive overtime/premium pay. However, Exempt employees may be granted up to forty (40) hours of paid Management Leave per fiscal year to recognize non-compensable time that is required of the positions. To be eligible to use Management Leave, an exempt at-will employee must have worked for six months.

The granting and use of Management Leave is at the discretion of the General Manager/District Engineer.

## 3. Definitions

- a. Base Hourly Rate is the base hourly rate set for a non-exempt employee, exclusive of any supplementary compensation such as on-call stipends.
- b. Workweek is a fixed and regularly recurring period of 168 hours. Workweeks and workdays are used in conjunction with tracking hours worked to determine if non-exempt employees have worked more than 40 hours in their workweek and become entitled to overtime premium pay. Employees' designated workweeks and workdays will vary based upon their assigned schedules. See Policy # 205.
- c. Payroll Period is a 14-day period beginning at 00:00 hours Sunday morning and extending through 24:00 hours on the second ensuing Saturday.
- d. Overtime is time worked in excess of 40 hours in a workweek.
- e. Regular Rate is the hourly rate, determined for a non-exempt employee in accordance with the Federal Fair Labor Standards Act, used to calculate any overtime premium pay owed to an employee for overtime hours worked. Holiday and call-back premium pay paid to employees in conjunction with time worked on paid holidays or in response to call-backs while on-call are not included in calculating non-exempt employees' regular rates.
- f. Holiday premium and call-back premium pay is the extra compensation paid to non-exempt employees above their base hourly rate for time actually worked when they are required to work on holidays or called back into service when on-call. See Policy # 211 and Policy #301.
- g. Shift Differential Pay is extra pay that may be provided to employees required to work between 5:00 p.m. and 6:00 a.m. or scheduled weekend hours. See Policy #211.

## G. Time Keeping (Policy # 207)

Each employee will be given a timesheet for each pay period. These timesheets are to be used for the period intended. All information is to be legibly written and entries must be in ink. Any correction should be initialed; the use of white-out or cover-up tape is not permitted.

Timesheets shall be updated daily and kept in a conspicuous place available to the respective supervisor at all times so that in the event of illness or unexpected absence, the supervisor may complete the timesheet and forward it to Payroll for processing.

### 1. Employee Responsibility

a. Employees must record their own time and accurately reflect the starting and ending times of each of their shifts, including the start and end of their meal periods. Employees must also record their time whenever they leave work premises for any reason other than District business. Filling in another employee's timesheet, or allowing another employee to fill in your timesheet, or altering a timesheet is not permissible and is subject to disciplinary action, up to and including termination. Any uncorrected errors on your timesheet should be reported immediately to your supervisor.

b. Employees should submit completed timesheets to their supervisors for approval on the reporting day as directed. Employees are responsible for turning in their timesheets before scheduled time off.

c. Employees shall report to work in sufficient time to commence work promptly at the beginning of the shift, dressed in appropriate work clothing. Work may be stopped fifteen minutes prior to the end of each shift to allow each employee time for clean-up and changing into street clothing.

### 2. Department Head Responsibility

a. Department Heads are responsible for enforcement of and compliance with District policies regarding time recording and attendance.

b. Department Heads are responsible for approving the attendance records of all employees supervised in accordance with these policies.

c. Department Heads may complete an employee's timesheet in the event of unexpected illness or absence.

d. Department Heads appoint a specific individual to handle distribution and collection of timesheets and maintain a liaison with Payroll personnel.

e. Department Heads are responsible for establishing controls and procedures covering employees' attendance.

### **Attendance (Policy # 208)**

Consistent attendance and punctuality are considered essential job functions and responsibilities, and are imperative to the District's business operation. Poor, uncertain, or irregular attendance produces disruptive results for District operations, lowers overall productivity and continuity of work, and often interferes with other employees' work.

Attendance records are an objective, measurable element included in each employee's performance standards and are, therefore, a factor on every performance appraisal. They are also an important consideration for all merit pay recommendations and promotions.

Employees are expected to report to their designated work location at the scheduled time work activity is to commence and must be ready to start work. Tardiness, early departure from work, unexcused absences or failure to report as required may result in disciplinary action. Excessive tardiness and/or absenteeism will also be subject to disciplinary action, up to and including termination.

## **PROCEDURE**

### **1. Reporting**

a. Employees unable to report to work as scheduled shall personally notify their direct or shift supervisor by phone, or if their supervisor is not available, then the Department Head, then the Human Resources Manager, or Assistant General Manager, or General Manager, not later than 30 minutes before the start of their scheduled shift. If applicable, the probable duration of the absence should be provided.

b. Employees shall not leave a message with the answering service, nor text or email their supervisor or the Human Resources Manager, regarding an absence except in an emergency situation.

c. In all cases of an employee's absence or tardiness, the employee shall provide his/her direct Department Head with an honest reason or explanation for the absence.

d. Employees away from work due to prolonged illness are required to contact their direct Department Heads on a regular basis as determined by the Department Heads, but not less than once per week, providing a status report on their current condition.

e. In the event of emergencies that make it impossible for employees to comply with the procedures outlined above, employees must notify their Department Heads, the Accounting/Administration Supervisor Manager, or the General Manager as soon as possible after the emergency or be prepared to provide evidence of extenuating circumstances.

f. An employee who fails to give proper notification shall be charged with an unexcused absence. If a notice is given, but is deemed by the General Manager not to justify the absence, the absence shall be considered unexcused and unpaid.

### **2. Excessive Absenteeism or Tardiness**

a. An employee is considered to be excessively absent if the employee has four (4) or more unexcused full or partial-day absences in a rolling 12-month period. An unexcused absence is any absence other than an excused absence (as defined below) as well as any absence deemed to be unexcused pursuant to Section 1 G, above.

b. The following absences will be considered excused:

i. An approved leave of absence authorized under the District's leave of absence policy (Policy #304, below) or otherwise required by applicable law.

- ii. When an employee is absent for an authorized reason which allows them to utilize paid sick leave and the employee utilizes their available accrued paid sick leave hours.
- iii. Approved vacations of five consecutive workdays or more, and the first four approved vacations of less than five consecutive workdays in a rolling 12-month period.
- iv. Paid holidays, paid floating holidays, paid Management Leave, and paid safety holidays.
- v. Absences approved in advance for regularly-recurring medical appointments or regularly-scheduled medical treatments for a disability.

c. An employee will be considered excessively tardy if the employee is tardy four (4) or more times in a rolling 6-month period.

d. An employee with four (4) unexcused absences in a rolling twelve-month period or four (4) tardies in a rolling six-month period will receive a written warning. An employee with five (5) unexcused absences in a rolling twelve-month period or five (5) tardies in a rolling six-month period will receive a final written warning and/or a disciplinary suspension. An employee with six (6) unexcused absences in a rolling twelve-month period or six (6) tardies in a rolling six-month period will be subject to termination.

## **H. Recruitment and Selection (Policy # 209)**

The District observes the following procedures when filling vacant positions.

### **PROCEDURE**

1. Promotional and Open Examinations
  - a. Internal Recruitment (Promotional Examination)
    - i. To enhance opportunities for career development among current employees, all vacant positions shall be posted on bulletin boards readily accessible to District employees. The internal posting shall be for a minimum of three working days.
    - ii. For positions that have mandated certification requirements, employees must possess the stated certification in order to be considered qualified for consideration.
    - iii. For positions that have voluntary certification by the State (but for which certification may be a District requirement), employees may apply for the position if they possess all of the other qualifications and have the ability to attain the certification within eighteen (18) months of being appointed to the position.
    - iv. If an employee is promoted to the position, but is unable to attain the required certification within the specified timeframe, the employee may be

reinstated to his/her old position or, if that position is no longer available, the employee may be discharged.

- v. The District endeavors to promote qualified and eligible employees. However, the District reserves the right to have the position advertised as an open examination.
- vi. Promotions generally must be approved by the General Manager and require the completion of a six-month probationary period. During such promotional probationary periods, employees will maintain eligibility for benefits. Unsuccessful completion of the probationary period may result in return to previous position, reclassification, extension of the probationary period, or termination of employment.
- vii. An employee promoted to a higher-level position shall receive a minimum 5% pay increase. If the promotion puts the employee at the first step in the pay range, the employee will be eligible for a merit increase upon successful completion of the six-month probationary period. This date will also establish the employee's anniversary date.
- viii. If the promotion results in the employee's salary being at the second step or above in the new pay range, the employee will be eligible for a merit increase one year from the date of the promotion and that will establish the employee's new anniversary date.

b. External Recruitment (Open Examination)

If the General Manager determines that the current workforce does not possess the required qualifications of the position or that better qualified candidates might be secured from outside the District, the examination process shall be considered open to seek candidates from outside the current workforce. Recruitment and advertisement shall continue for a minimum two (2) week duration. Eligible District employees may compete in an open examination.

2. Job Announcement and Application Package

The job announcement and other advertisement shall identify a final filing date when possible. All application materials shall be post-marked by that date or be submitted to the District by the close of business on that date for further consideration. All job applicants shall complete an application form. The form must be complete and accurate, regardless of whether or not a resume is attached.

3. Application Review

The Human Resource Manager, or designee, shall review all of the application packages and identify those applicants that are qualified. The applicants who meet the qualifications shall be passed along to the appropriate department manager.

4. Examination Process

A candidate must successfully pass each part of the application/examination process to be retained on the eligibility list. Examinations may be written, oral, a demonstration of physical ability or skills, or any combination thereof.

For open examinations relating to non-supervisory positions, the District shall convene an oral board that may consist of District and/or other agency members. For open examinations relating to supervisory positions, the District may, at the General Manager's discretion, convene an oral board consisting of such District and/or non-District personnel as the General Manager determines necessary or appropriate.

#### 5. Eligibility List

An eligibility list shall be developed to include all candidates who successfully complete the examination process. The District may offer employment to any candidate on the eligibility list after reference checks, background check, and the post-job-offer physical examination have been successfully completed.

#### 6. Reference Checking

All job applicants shall provide information on previous employment and other references as required on the application form. Final offers of employment shall not be made until the District has had an opportunity to verify the information.

The hiring manager, Human Resource Manager, or designee, shall be responsible for completing the reference check. The information is confidential, is reviewed on a need-to-know basis, and is retained with other recruitment-related information.

#### 7. Background Checking

Any candidate who is provided a conditional offer of employment is subject to a background check. This conditional offer is conditioned upon the individual successfully passing a background check. Such background check may include review of their credit record (if applicable to the position for which they are applying), personal history, education, professional credentials, military record and criminal records.

To the extent that a background check reveals an individual's conviction history, the District will conduct an individualized assessment, considering factors like the nature of the offense, time passed since the offense, and the nature of the specific job and how the conviction record relates to the job.

#### 8. Expense Reimbursement

Candidates who are required to submit specific items as part of the recruitment process (for example, DMV records, typing certification, etc.) shall be reimbursed for such expenses upon submission of appropriate receipts or other documentation acceptable to the District.

#### 9. Applicant Package Retention

The Administrative Department shall retain all application package documents in a confidential manner for two (2) years.

### **I. Nepotism and Other Prohibited Employment (Policy # 210)**

It is the policy of the District to seek the best possible candidates through appropriate search procedures. The District seeks to eliminate or limit even the appearance of impropriety where possible. In order to assure efficiency in implementing policies of the District, it is necessary to restrict the employment of relatives of elected and appointed officers of the District and of the District's employees. As such, the District has adopted the following policy regarding application and/or hiring of employee relatives.

**Right to Apply.** No qualified Applicant may be denied the right to submit an application for employment or an opportunity to participate in the recruitment process. However, consistent with this Section, the District may reasonably regulate, condition, or prohibit the employment of an Applicant for a full-time position.

**Disclosure of Relationship.** Each applicant is required to disclose the identity of any relative who is a current employee. An applicant's failure to disclose a relative who is a current employee may result in the rejection of the applicant or future disciplinary action against the applicant after employment, up to and including termination.

Members of the immediate family of elected or appointed officials shall not be appointed to District employment.

Due to the agency's small size, employees' immediate family members will not be eligible for employment where potential problems of supervision, safety, security or morale, or potential conflicts of interest exist. "Immediate family members" for purposes of this policy is defined as a spouse, domestic partner, child, step-child, parent, step-parent, parent-in-law, legal guardian, brother, sister, brother-in-law, sister-in-law, step-sister, step-brother, aunt, uncle, niece, nephew, grandchild, grandparent regardless of their place of residence; or any other individual related by blood or marriage living within the same household, or persons having an equivalent relationship with the employee.

Current employees must report a change of relationship status to Human Resources in advance of the effective date where feasible, but in no event later than a reasonable time after the effective date of the change of status. Human Resources shall undertake a case-by-case consideration and individualized assessment of the particular work situation to determine whether the change of status has the potential for creating an adverse impact on supervision, safety, security, or morale.

In the event that employees do become immediate family members, one of the affected employees may be reassigned to a similar position to ensure that immediate family members are not in a direct supervisor-subordinate relationship. There can be no guarantee that the new position will be within the same classification or at the same salary level. If the situation cannot be resolved by transfer or by good faith efforts to regulate, transfer, condition or assign duties in such a reasonable way that would not be in violation of this policy, one of the relatives must separate from the District's employment.

Human Resources shall consult with the affected department head(s) to make a good faith effort to regulate, transfer, condition or assign duties in such a way as to minimize problems of supervision, safety, security, or morale. Notwithstanding this, the District retains the right to exercise its discretion to refuse to implement a change in personnel status due to its potential for creating an adverse impact on supervision, safety, security, or morale.

If such accommodation cannot be made, then only one of the employees will be retained with the District. The employees will have thirty (30) days to decide which relative will stay with the District; if this decision is not made within the time allowed, the General Manager will make the decision, taking into account the District's operational needs, the affected employees' job history and performance, and such other facts as the General Manager determines relevant.

Immediate family members of employees may be considered for temporary positions if there is not a direct line of supervision between the family members and the General Manager approves the consideration and ultimate hire, if any.

To further promote the efficient operation of the District's business and to avoid misunderstandings, complaints of favoritism, other problems of supervision, security, or morale, and possible claims of sexual harassment, managers and supervisors may not date or pursue romantic or sexual relationships with employees whom they supervise, directly or indirectly. Employees who violate these non-fraternization rules may be subject to disciplinary action, which may include transfers, reassignments, changes in shifts, demotions, suspensions or termination of employment.

### **Rules for Current Employees.**

- Current employees shall not participate, directly or indirectly, in the recruitment or selection process for a position for which a relative is an applicant.
- Current employees having hiring powers or authority to recommend hires shall not, either directly or indirectly, seek to influence or assist in the hiring of any relative to any position within the District.
- Current employees shall not participate or interfere in, or otherwise attempt to influence, any personnel actions affecting his or her relative including, but not limited to, transfer, promotion, demotion, layoff, suspension, termination, assignments, approval of merit increases, evaluations, and grievance adjustments.

### **Prohibited Job Assignments.**

Relatives of current employees shall not be promoted, assigned or transferred into positions in which one relative may supervise, directly or indirectly, any other relative. One or more of the following roles, undertaken on a regular, acting, overtime, or other basis shall constitute direct or indirect supervision:

- i. Occupying a position in an employee's direct line of supervision;
- ii. Functional supervision, such as a lead worker, crew leader, or shift supervisor; or
- iii. Participating in personnel actions including, but not limited to, appointment, transfer, promotion, demotion, layoff, suspension, termination, assignments, approval of merit increases, evaluations, and grievance adjustments.

Relatives of current employees shall not be promoted, assigned or transferred into positions in which one relative may work in a capacity which would allow a current employee to evaluate or control the terms, conditions and/or performance circumstances of employment of a relative.

Relatives of current employees shall not be promoted, assigned or transferred into any position where the employment of such relative has the potential for adversely impacting the supervision, safety, security, or morale of other employees.

### **J. Special Rates of Pay (Policy # 211)**

The District shall establish special rates of pay, which are described below.

#### 1. Out Of Class Assignment

In cases of another employee's prolonged absence from duty or other emergencies, with the exception of vacation relief, a Department Head, with the consent of the General Manager, may, in writing, temporarily promote an employee if the employee is regularly required to perform the full duties of a job with a higher classification for a period of twenty (20) working days or more. In such cases, the employee shall be paid for the duration of the temporary promotion an additional five percent (5%) of the employee's then-current salary, or the first step of the salary range fixed for the job for which the employee has received a temporary promotion, whichever is higher.

#### 2. Shift Differential Pay

An employee who works on an assigned night or weekend shift shall, in addition to the employee's base hourly rate, be paid a shift differential for each hour actually worked after 5 p.m. on weekdays and all-day Saturday and Sunday. The shift differential will not be paid in conjunction with (i) overtime worked after 5 p.m. worked as an extension of a regularly assigned workday, (ii) standby call-in after 5 p.m. or weekends, or (iii) holidays worked. The actual shift differential amount is determined by the Board from time-to-time at its discretion. Part-time and temporary employees are not eligible for shift differential pay.

#### 3. Call-Back Pay

As noted below, certain employees are assigned to be on stand-by and available for emergency response to work or to assist in the activities related to keeping the District's facilities operational. If an employee on stand-by is required to respond to an emergency call and go to a District facility, then the employee will receive a minimum of two (2) hours of pay at time and a half for responding to the emergency call-in. After evaluating the situation, if any corrective action needs to be taken, the employee will be paid the greater of (i) four hours pay at time and half, or (ii) if the total time spent responding to the call-back exceeds four hours, time and a half for all time spent responding. The District reserves the right to review and approve all requests for emergency response compensation.

#### 4. Stand-By Stipend

To ensure effective and immediate response to reported problems in either the Collection or Treatment facilities, a stand-by schedule will be assigned for all periods when District personnel are not on their normal work schedule. Stand-by duty is presently filled through staff volunteering to be on stand-by status. If future needs require it, however, the District reserves the right to assign stand-by duty. Employees on stand-by duty are assigned to be on-call for one-week intervals. Employees are free, with advance supervisor approval, to swap stand-by duty for full weeks, or for any day or other portion of a week that they are scheduled for stand-by duty.

Employees on stand-by duty will be provided with communication equipment that will provide access to the applicable notification system. Emergency calls to employees on stand-by duty are infrequent and often can be assessed and addressed remotely. To ensure that emergencies requiring corrective action at District facilities can be timely resolved, employees assigned to stand-by duty shall stay within one hour's drive of District facilities during periods of standby service.

An employee shall receive a stand-by duty stipend in accordance to the following schedule, provided that participation is continuous and that he/she remains available through his/her full stand-by assignment. The employee has the option of receiving cash compensation for the time or may request that the pay be allocated to compensatory time off.

## **Participation**

Service years one and two:  
Service years three and four:

Service years five and six:  
Service years seven and above:

## **Stipend**

1 hour of straight pay per day of stand-by duty  
1 1/2 hours of straight pay per day of stand-by duty

2 hours of straight pay per day of stand-by duty  
2 1/2 hours of straight pay per day of standby duty

## **K. Performance Evaluation Program (Policy # 212)**

The purpose of the District's performance ~~evaluation appraisal~~ program is to provide a formalized system for employees and Department Heads to discuss and document the employees' work performance over a specified period of time. The intent is to: enhance individual employee performance; to summarize performance discussions held throughout the review period; to document performance areas that employees have mastered and/or need additional improvement in; and to establish performance goals and plans for future performance enhancement.

This program is intended to support, not substitute for, the important communication process between Department Heads and employees. Providing performance feedback to employees should occur regularly and frequently and should include specific information on areas of positive performance and areas where improvement is needed.

## **PROCEDURE**

1. Probationary employees shall have informal performance reviews throughout the probationary period and shall receive a written evaluation at the conclusion of the probationary period (or extension thereof).

2. Regular employees shall have a performance evaluation at least once annually, usually around the time of their anniversary date. The anniversary date is the date on which the probationary period ends.

3. The employee's Department Head is responsible for setting and communicating clear performance standards for the employee at the beginning of, and throughout, each review period. The evaluation should include both strong areas and areas of improvement of performance over the prior 12-month period in relation to established standards and the class description.

4. The Department Head shall complete the evaluation form and review it with the General Manager prior to conducting a discussion regarding it with the employee.

5. When the appraisal meeting is finished, both the employee and the Department Head sign the appraisal form indicating that it has been discussed. Signing of the form indicates only receipt of a copy of the appraisal. The employee shall receive a copy of the form. The original shall be retained in the employee's Personnel File. The employee may respond to any comments on the evaluation and any such comments will be attached to the original form and maintained in the employee's Personnel File.

6. In the event that an employee refuses to sign the evaluation form, such will be noted on the evaluation form with the date and initials of the Department Head affixed. The Department Head will then sign and give the employee a copy of the form. The original will be maintained in the employee's Personnel File.

7. Assuming satisfactory performance, the Department Head shall recommend advancement to the next salary step, if eligible.

## **L. Personnel Records (Policy # 213)**

The District maintains a personnel file on each employee. An employee's personnel file will contain only material that the District determines is necessary and relevant to the administration of the District's personnel program. Personnel files are the property of the District, and access to the information they contain is restricted, subject to, and in accordance with, this Policy. Personnel files shall be maintained in accordance with State and Federal guidelines.

### **PROCEDURE**

#### **1. Content and Retention**

All performance evaluations, as well as most other forms, letters, and memoranda should be addressed to or signed by the employee, acknowledging receipt of a copy prior to being placed in the personnel file. If an employee refuses to sign a form or letter, the Department Head shall sign his/her name as a witness to the fact that the employee has refused to sign, and the document shall then be placed in the employee's personnel file.

All medical information about an employee or applicant is kept separately and is treated as confidential, in accordance with applicable state or federal law. The District will not request or obtain medical information about an employee or applicant except in compliance with the California Confidentiality of Medical Information Act. To enable the District to obtain certain medical information, the employee or applicant may be requested to sign an authorization that complies with the requirements of the Confidentiality of Medical Information Act.

#### **2. Update**

Employees are responsible for notifying the Accounting/Administration Supervisor Manager of changes in name, address, telephone number, driver's license, number of dependents, marital status, beneficiary, education certificates or any other pertinent information.

#### **3. Access**

Employees have the right to inspect their personnel file in the presence of a District representative at a mutually convenient time. Upon request, the District will release information about its employees only to the extent required by law. The District will not disclose personnel information if it believes doing so would constitute an unwarranted invasion of personal privacy or jeopardize the safety of law enforcement personnel.

#### **4. Reference/Credit Inquiries**

It is the District's general policy to limit responses to inquiries from prospective employers and other third parties to simple verifications of dates of employment and position held. All reference inquiries regarding District employees shall be referred to the Human Resource Manager.

### **III. EMPLOYMENT PRACTICES**

#### **A. Separation from Employment (Policy # 214)**

##### **1. Voluntary Resignation**

A voluntary termination results when an employee initiates separation from District employment, or fails to report to work for five (5) scheduled workdays without notice to, or approval by, his or her supervisor. The last day worked and/or the last day in active pay status is the last day of employment for employees who resign from the District.

All employees are requested to provide written notification of intent to resign at least ten (10) working days prior to the effective date. Failure to provide such notice may jeopardize eligibility for future reemployment. The Department Head shall forward the notice to the General Manager.

##### **2. Involuntary Termination and Progressive Discipline**

Violation of District policies and rules may warrant disciplinary action. The District generally endeavors to use progressive discipline to address such problems with non-At-Will employees (See Policy No. 407). Management employees and other At-Will staff who serve at the pleasure of the District may be terminated at any time with or without cause and with or without notice or progressive discipline.

##### **3. Death of Employee**

In the event of a death of an employee, payment of all earned wages and accrued benefits due shall be in accordance with the laws of the State in which the deceased employee was a legal resident at the time of death.

Payment of any other funds due the deceased employee will be paid to the beneficiary so designated in writing by the employee. If no beneficiary has been designated, any funds due shall be paid to the deceased employee's surviving spouse or registered domestic partner. In the absence of a surviving spouse or registered domestic partner, such payment shall be made to the employee's children. In the absence of children, such payment shall be made to the estate of the deceased employee.

##### **4. Final Pay**

If the District initiates the termination, the employee will be provided the final paycheck on the last day of work.

Employees who provide at least seventy-two hours (72) notice of their resignation will receive their final paychecks on their last day of work. If less than seventy-two (72) hours' notice is given, the District will release the final check within seventy-two (72) hours of when notice is given.

##### **5. Return of District Property**

All District property, including vehicles, equipment, keys, uniforms, identification badges, and credit cards, must be returned immediately upon separation from employment.

##### **6. Continuation of Group Health Benefits- C.O.B.R.A.**

In accordance with Federal and California State law, employees and their families may have the ability to maintain at their expense their coverage under the District's group health insurance plans in certain instances where

coverage under the plan would otherwise terminate. For more information about this benefit, contact the Accounting/Administration-Administration ManagerSupervisor. All terminated employees will be notified of this benefit at the time of separation.

#### 7. Rehire

Employees who voluntarily terminate their employment with the District and are subsequently rehired may have their periods of employment bridged if the separation period does not exceed six calendar months from the last day of employment.

### **B. Retirement Plan Benefits (Policy # 215)**

The discussion in this policy is intended only to provide an overview of retirement benefits. In the event of any inconsistencies between the discussion in this Manual and the discussion in CalPERS materials or the related plan materials, the CalPERS materials and related plan materials will govern unless the District determines otherwise.

The District participates in a pension plan through the California Public Employees Retirement System (CalPERS). Generally, to participate in the plan, an employee must actively work 1,000 hours or more in a year. The plan requires funding of a contribution for each participating employee. The employee's share of the required contribution (the "Employee's Share") varies depending upon date of hire and length of service with the District. The balance of the required contribution equals the District's share. For certain longer-term employees the District pays both the District's share of the required contribution and some or all of the Employee's Share. Based on recent changes to CalPERS rules and regulations, for employees hired more recently, the District funds the District's share of the required contribution, plus anywhere between zero and the full amount of the Employee's share depending upon date of participation in CalPERS and length of employment with the District. The defined benefits payable under the plan similarly vary, based on date of hire, length of employment with the District/participation in CalPERS, and retirement age. More detailed information concerning eligibility for participation in the District's retirement plan with CalPERS, required employee contributions, and the specific retirement benefits available under the plan, can be obtained from the Accounting/Administration-Administration ManagerSupervisor, CalPERS and the plan documents governing the District's plan with CalPERS.

## **PROCEDURE**

#### 1. Retirement Planning Workshop

Employees planning to retire from the District have the opportunity to attend a Retirement Planning Workshop offered by CalPERS. The District suggests that retiring employees schedule their attendance at this workshop six (6) months in advance of their intended retirement date.

#### 2. District Notification

Employees planning to retire from District service shall give both the District and CalPERS at least ninety (90) calendar days' notice prior to the effective date of retirement.

#### 3. Years of Service

The age at which participating employees can retire with benefits under the District's plan with CalPERS, and the benefits payable at time of retirement, will vary based on years of service in CalPERS, date of hire with the District and date of initial participation in CalPERS. Employees whose employment with the District ends prior to retirement have various options with regards to CalPERS benefits, including possible options to maintain their

CalPERS account in conjunction with new employment with another CalPERS contractor or to withdraw Employee Share funds.

### **C. District Service Calculation (Policy # 216)**

Every employee has a service date that assists in determining eligibility for benefits, and salary increases as well as District seniority.

#### **PROCEDURE**

##### **1. Anniversary Date**

When first employed, the first day of work is the same as the hire date. For the purpose of the annual performance evaluation, the anniversary date is the date the probationary period ends. When the continuity of service is interrupted (i.e., because of leave of absence without pay or other reasons), the number of working days lost moves the anniversary date forward, to establish a new anniversary date.

##### **2. Determination of Service Credit**

An employee is credited with one year of service for each continuous year of District employment. Fractional years of credited service are calculated on the basis of full months of service.

##### **3. Leave of Absence**

When an employee is on an unpaid leave of absence, full-service credit is received for the first thirty (30) working days of such leave. Only one 30-working day period of District service is credited to the employee during any one-benefit year or during a continuous leave of absence. Any time in excess of thirty (30) working days is deducted from the employee's service credit, except as follows:

a. An employee who terminates while on leave of absence, whether on paid or unpaid status, will have employee benefits calculated as of the last day worked.

b. An employee on a leave of absence because of a compensable industrial disability continues to accumulate service credit during the whole leave period.

##### **4. Recall and Reemployment**

An employee separated from the District for any reason and re-employed is considered a new employee, except under the following conditions:

a. An employee who leaves the District to enter military service and applies for reinstatement shall be eligible for re-employment in accordance with the terms of the applicable state and federal laws.

b. An employee who is laid off because of lack of work after completion of the probationary period and later recalled to employment is given credit for District service prior to the layoff, but not for the period of the layoff, provided the employee is called back during the recall eligibility period. The recall eligibility period extends from the date of layoff to twelve (12) months thereafter.

##### **5. Resignation and Reemployment**

An employee who returns to District employment after having resigned shall have a benefit date of the same date as the re-employment for all benefits except for retirement.

However, an employee who voluntarily resigns and is then rehired may have his/her periods of employment bridged if the separation period does not exceed six calendar months. The service date will then be calculated as the two periods of employment less the period of separation.

## IV. BENEFITS

### A. Holidays (Policy # 301)

Full-time probationary and regular employees shall be eligible for District-observed paid holidays per calendar year and, after completing twelve months of employment, up to four (4) paid floating holidays per calendar year, as shown below.

#### District-Observed Paid Holidays

New Year's Day	January 1
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Christmas Day	December 25
4 Floating Holidays	Anytime

#### PROCEDURE

1. Non-exempt employees who are required or authorized to work on a District-observed paid holiday shall receive premium pay equal to one and one-half (1 1/2) times their regular rate of pay for each hour worked, in addition to their regular wages for such day, in lieu of holiday pay.

2. When any of the District-observed paid holidays identified above fall on a full-time employee's regularly scheduled day off, the employee will receive an additional eight (8) hour floating holiday in lieu of holiday pay.

3. Non-exempt employees must work on the regularly scheduled workday preceding and following the holiday to receive payment for the holiday, unless the employee is on a pre-approved leave, a regularly scheduled day off, or sick leave supported by a note signed by a physician.

4. Holidays (excluding floating holidays) are not an accrued benefit. Employees out on vacation when a legal holiday occurs will not have their vacation account charged for the day off taken on the holiday.

5. ~~Holidays which fall on Saturday shall normally be observed on the preceding Friday. Holidays which fall on Sunday shall normally be observed on the following Monday. When a fixed holiday falls within a vacation period, the holiday time shall not be charged against the employee's earned vacation benefits.~~

#### FLOATING HOLIDAYS

1. Regular full-time employees who have worked for the District as a full-time employee for at least one full calendar year shall be awarded at the start of each calendar year four (4) floating holidays for use during that calendar year. Floating holidays are taken at the employee's discretion, subject to supervisory approval. ~~Unused floating holidays carry over up to a maximum accrual amount of 4 days and are paid out to the employee upon separation.~~

2. New employees shall not be eligible for floating holidays during the first twelve months of employment.

Employees may accrue up to a maximum of 4 floating holidays per calendar year.

3. After completing their first twelve months of employment, new employees will be awarded up to 4 floating holidays based on their respective hire date as follows:

Hire date	Number of Floating Holidays awarded after first 12 months employment
January 1 <sup>st</sup> to March 31 <sup>st</sup>	4
April 1 <sup>st</sup> to June 30 <sup>th</sup>	3
July 1 <sup>st</sup> to September 30 <sup>th</sup>	2
October 1 <sup>st</sup> to December 31 <sup>st</sup>	1

4. LWOP- Leave without pay (“LWOP”) taken in a current calendar year will impact the number of floating holidays awarded to an eligible employee at the start of the next calendar year. More specifically, if an eligible employee is on LWOP for more than 7, but fewer than 19 weeks in a calendar year, then he/she will be awarded 3 floating holidays at the start of the next calendar year; if he/she is on LWOP for 19 or more weeks, but fewer than 32 weeks, he/she will be awarded two floating holidays; and if an employee is on LWOP for 32 or more weeks, he/she will receive no floating holidays at the start of the ensuing year.

5. Scheduling and Approval Process:

a. Use of Floating Holiday(s) may be granted on notice of not less than five (5) working days, provided that overtime for others will not result and the Department Head determines that the time off will not otherwise unduly affect operations.

b. Employees may combine Floating Holidays with vacation time. For requests of more than 5 days of time off, the employee shall submit a written request at least ten (10) working days prior to the requested time off.

c. Employees shall complete the appropriate request form and receive Department Head approval prior to taking the time off.

6. Employees who separate from District service shall be paid only for unused awarded floating holidays, at straight time rate of pay.

7. Employees assigned to shift work must schedule floating holidays at times when there is adequate plant coverage without having to pay overtime to provide coverage for that shift.

## **SAFETY HOLIDAY**

Regular full-time employees who have completed at least one full calendar year of employment with the District are potentially eligible for an award of eight (8) hours of paid time off at the start of each ensuing calendar year in recognition of maintaining a superior work safety record. The following is the basis for awarding a safety holiday and the process for scheduling its use:

1. To receive an award of a safety holiday at the start of a calendar year, an eligible employee must not have missed any work time due to an on-the-job injury, or filed any lost-time claim report with the District's Workers' Compensation insurance carrier, during the immediately preceding calendar year.

2. Department Head approval is required prior to use of the Safety Holiday.

3. New employees must have completed one full calendar year of employment to be eligible to for an award of a Safety Holiday.

4. Use of the Safety Holiday may be granted on notice of not less than 5 working days, provided that overtime for others will not result.

5. A Safety Holiday must be used in the calendar year in which it was awarded; Safety Holidays do not roll over into the subsequent calendar year. Any accrued but unused Safety Holiday hours shall be pay-out to the employee at the end of each calendar year.

6. Employees may accumulate up to a maximum of 8 hours of Safety Holiday time per calendar year.

## **B. Vacation Leave (Policy # 302)**

Full-time, non-temporary employees accrue paid vacation from the first day of employment. Vacation accrual is calculated in hourly increments per pay period as shown below.

<b><u>Years of Service</u></b>	<b><u>Annual Accrual</u></b>	<b><u>Pay Period</u></b>	<b><u>Max. Accrual</u></b>
During 1 through 5	80 hours	3.08 hours	80 hours
During 6 through 10	120 hours	4.62 hours	120 hours
During 11 through 15	160 hours	6.15 hours	160 hours
After 15	200 hours	7.69 hours	200 hours

Each pay period, employees' vacation accounts will be credited with the appropriate number of hours for that period. It is the District's practice that employees not carry over from year to year more vacation time than one year's accrual amount. Unless otherwise authorized by the General Manager, accrued vacation time in excess of one year will be paid out in December of each year. Under specific circumstances, and upon approval of the General Manager, vacation time accrued in excess of one year may be carried forward.

Employees are not eligible to use vacation time during the first six months of their twelve-month probationary period, unless approved by the General Manager. Employees will not be granted vacation advances unless approved by the General Manager.

Vacation time accrues only while employees receive District pay. Vacation time does not accrue during periods of unpaid absence from work.

Employees will be paid for their accrued but unused vacation time at their final rate of pay upon termination of employment.

## **PROCEDURE**

1. Scheduling

a. Scheduling for vacations shall be made in such a manner as to insure continuous and efficient departmental operations. All vacations are subject to cancellation in cases of emergency conditions.

b. Employees shall be given their preference in vacation time within the limits of the vacation schedule established by the Department Head who shall establish a system for assignment of vacations, which affords reasonable recognition of seniority. In the event that more than one employee requests the same vacation schedule, the request received and approved first shall have priority.

c. Requests for approval of vacation shall be submitted as follows:

- i. For requests of more than three (3) days, employees shall submit a written request at least ten (10) working days prior to the requested time off.
- ii. For requests of three (3) days or less, prior Department Head approval is required.
- iii. Employees shall obtain Department Head approval by completing the appropriate request form.

d. Special consideration may be given when unusual circumstances occur or if an emergency occurs and an employee must take vacation without prior notice.

e. The Department Head must be advised, and approve the request, if an employee desires to cancel a request for vacation.

f. If a District holiday occurs during vacation leave, the employee's vacation accrual shall not be charged for that day.

g. If an employee on sick leave exhausts his/her sick leave accrual, the employee may then request to use vacation accruals to maintain a paycheck.

## 2. Vacation Pay-Out

Employees who separate from the District shall receive vacation payout for all unused accrued vacation in a lump-sum payment at the time the final paycheck is provided.

## C. Base Paid Sick Leave (Policy # 303-A)

All District employees are eligible for Base Paid Sick Leave.

### 1. Purpose

Base Paid Sick Leave is intended to provide employees with a base amount of paid sick leave so that they may take a reasonable amount of paid time off each year in the event of their own illness or medical appointments or those of their family members, or because they are victims of domestic violence, sexual assault, or stalking. Base Paid Sick Leave is also intended to fulfill the requirements of California's "Healthy Workplaces, Healthy Families Act."

### 2. Amount of Base Paid Sick Leave

All employees are provided with 40 hours of Base Paid Sick Leave upon commencement of employment and again at the beginning of each ensuing calendar year during their employment with the District. At the end of the calendar year in which they are first hired, employees may carry over into the immediately ensuing calendar year a portion of any unused Base Paid Sick Leave as follows: 30 hours if hired on or before March 31<sup>st</sup>; 20 hours if hired between April 1<sup>st</sup> and June 30<sup>th</sup>; 10 hours if hired between July 1<sup>st</sup> and September 30<sup>th</sup>; and 0 hours if hired on or after October 1<sup>st</sup>.

For employees already hired as of January 1, 2016, and for all subsequently hired employees at the end of the second calendar year-end following their hire, unused Base Paid Sick Leave will not be carried over from one calendar year to the next; however, the District will allow Regular Full-Time employees to transfer at the end of a calendar year any such unused time to their Supplemental Sick Pay account for use in accordance with the Company's separate "Supplemental Sick Pay" policy. Further, as noted above, at the beginning of each calendar year District employees will again be provided with 40 hours of Base Paid Sick Leave for their use under this policy during the ensuing calendar year.

### 3. Permitted Sick Leave Usage

To the extent possible, employees must provide reasonable advance notice of their need for California Paid Sick Leave under this policy. If the need is not foreseeable, the employee must provide notice as soon as practicable. Employees may request to be paid Base Paid Sick Leave upon oral or written notice to their immediate Supervisor or, if he/she is unavailable, to the Department Head or, if he/she is unavailable, to the Human Resources Manager, Assistant General Manager, or General Manager for any of the following reasons:

- The diagnosis, care, or treatment of their own existing health condition or that of their family member, or their own preventive care or preventative care for their family member.
- For employees who are victims of domestic violence, sexual assault, or stalking and wish to take time off purposes described in Labor Sections 230 (c) or 230.1(a), including time off to (a) obtain or attempt to obtain any relief, including a restraining order or other injunctive relief, to help ensure their own health, safety, or welfare or that of their child, (b) seek medical attention for injuries caused by the domestic violence, sexual assault, or stalking, (c) obtain services from a domestic violence shelter, program, or rape crisis center, (d) obtain psychological counseling, or (e) participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

For purposes of this policy, "family member" means (1) an employee's child (biological, adopted, or foster child, stepchild, legal ward, or in loco parentis), regardless of age or dependency status, (2) an employee's (or an employee's spouse or registered domestic partner's) biological, adoptive, or foster parent, stepparent, or legal guardian or a person who stood in loco parentis, (3) an employee's spouse or registered domestic partner, (4) an employee's grandparent, (5) an employee's grandchild, (6) an employee's sibling, or (7) a designated person which is a person identified by the employee at the time the employee requests paid sick days. An employee is limited to one designated person per 12-month period for paid sick days

### 4. Administration

If the need for paid sick leave is foreseeable, then employees must provide reasonable advance notification of their requests to use paid sick leave. If the need for paid sick leave is unforeseeable, then employees must provide notice of the need for the leave as soon as practicable. Employees are asked to complete and submit to their immediate Supervisor or, if he/she is unavailable, to the Department Head or, if he/she is unavailable, to the

Human Resources Manager, Assistant General Manager, or General Manager, a *Request for Time Off Form* advising payroll of their request for Base Paid Sick Leave in advance of their absence (if their absence is foreseeable) or immediately following their return to work (in the event of an unforeseeable absence) so that their request for pay can be timely processed. Base Paid Sick Leave must be used in increments of one-quarter (1/4) hour or more.

The District will not discharge, threaten to discharge, demote, suspend, or in any manner discriminate against an employee for using accrued Base Paid Sick Leave, attempting to exercise the right to use accrued Base Paid Sick Leave, filing a complaint with the Department of Industrial Relations alleging a violation of Article 1.5 of Chapter 1 of Part 1 of Division 2 of the California Labor Code, cooperating in an investigation or prosecution of any such alleged violation, or opposing any policy or practice or act that is prohibited by Article 1.5 of Chapter 1 of Part 1 of Division 2 of the California Labor Code. Any employee who feels he/she has been treated in a manner inconsistent with this policy or experienced any impediment to their permitted use of their accrued Base Paid Sick Leave should immediately contact the District's General Manager, Assistant General Manager or Human Resources Manager.

## 5. Separation of Employment

Employees will not be paid for unused Base Paid Sick Leave at the time their employment with the District ends; however, if they are rehired within one year, they will have their previously accrued Base Paid Sick Leave reinstated.

## 6. Compliance with "Healthy Workplaces, Healthy Families Act"

This policy is intended to comply with, and to fulfill the District's obligations under, California Labor Code Sections 245 through 249 (the "Healthy Workplaces, Healthy Families Act of 2014"), as amended from time to time.

## D. Supplemental Sick Pay (Policy # 303-B)

Regular Full-Time employees are eligible for Supplemental Sick Pay.

### 1. Purpose

Supplemental Sick Pay is intended to provide eligible employees with additional economic security in the event of a protracted illness or extended disability leave of absence. Supplemental Sick Pay may not be used unless an employee has exhausted his/her Base Paid Sick Leave. Supplemental Sick Pay is not to be viewed as extra paid time off to be taken at an employee's discretion or confused with vacation or other types of leave. It is a benefit to be exercised under appropriate circumstances. Employees who misuse Supplemental Sick Pay will be subject to disciplinary action.

### 2. Accrual of Supplemental Sick Pay

Regular Full-Time employees accrue Supplemental Sick Pay at the rate of 2.15 hours per pay bi-weekly period (or the equivalent of 56 hours per year). Accrual begins on the first day of active employment with the District (or from and after January 1, 2016, for employees employed with the District as of that date). Supplemental Sick Pay accrues only while an eligible employee is receiving his/her full regular District pay (through regular salary/hourly wages and/or paid time off such as paid vacation, Base Paid Sick Leave or Supplemental Sick Pay). Supplemental Sick Pay does not accrue during periods of unpaid or partially unpaid absences from work (for example approved unpaid leaves of absence or medical leaves when employees are "coordinating" State Disability

Insurance or Workers' Compensation benefits with Base Paid Sick Leave or Supplemental Sick Pay). The District does not advance Supplemental Sick Pay. As mentioned under the "Base Paid Sick Leave" policy above, eligible employees may also transfer to their Supplemental Sick Pay account on January 1<sup>st</sup> of each year any Base Paid Sick Leave remaining unused as of the close of business on the immediately preceding December 31<sup>st</sup>.

The District does not cap how much Supplemental Sick Pay employees may accrue over the course of each year. However, if an employee's accrued Supplemental Sick Pay exceeds 480 hours as of the end of the last pay period in November, then the excess time will be "cashed-out" pursuant to Section 7 below.

### 3. Permitted Uses of Supplemental Sick Pay

#### a. Short-term Personal Illness, Injury or Emergency

Supplemental Sick Pay is intended provide pay for eligible employees when they are required to miss work on a short-term basis due to illness, injury, or medical appointments and have their absence approved by the District. Supplemental Sick Pay must be used in minimum increments of one-quarter (1/4) hour or more for scheduled medical absences (doctor appointments, treatments, etc.) of which the District has received at least five days' advance notice and thereafter granted approval for such time off. Supplemental Sick Pay must be used in minimum increments of two (2) hours for unscheduled illness, injury or medical appointments, unless the absence is supported by a physician's certification, in which case Supplemental Sick Pay may be used in minimum increments of one-quarter (1/4) hour. Supplemental Sick Pay may not be used without approval of an employee's immediate Supervisor or, if he/she is unavailable, the Department Head or, if he/she is unavailable the Human Resources Manager, Assistant General Manager, or General Manager.

#### b. Family Member Illness or Injury

Eligible employees may use up to thirty-three (33) hours of Supplemental Sick Pay per year to attend to the illness, injury or medical appointments/preventative care of family members. For the purposes of this policy, "family member" has the same meaning as that provided for under the Base Paid Sick Leave policy above. Supplemental Sick Pay must be used for this purpose in minimum increments of one-quarter (1/4) hour or more for scheduled medical absences (doctor appointments, treatments, etc.) of which the District has received at least five days' advance notice and thereafter granted approval for such time off. Supplemental Sick Pay must be used in minimum increments of two (2) hours for unscheduled illness, injury or medical appointments, unless the absence is supported by a physician's certification, in which case Supplemental Sick Pay may be used in minimum increments of one-quarter (1/4) hour. Supplemental Sick Pay may not be used without approval of an employee's immediate Supervisor or, if he/she is unavailable, the Department Head or, if he/she is unavailable, the Human Resources Manager, Assistant General Manager, or General Manager.

#### c. Medical Appointments

As noted, accrued Supplemental Sick Pay may be used to in conjunction with preventative care. Routine physical checkups, examinations and dental visits are included in this category. Prior written approval is required to use Supplemental Sick Pay for this purpose. If possible, appointments should be scheduled for the first or last hour of the workday. If unable to report to work immediately following an appointment, the employee must contact the immediate Supervisor or, if he/she is unavailable, the Department Head or, if he/she is unavailable, the Human Resources Manager, Assistant General Manager, or General Manager, to advise them of the employee's health status and anticipated return to work time and/or date.

#### d. Extended Medical Leave

Employees on approved medical leaves of absence must use their accrued Supplemental Sick Pay while on such approved leaves.

e. Personal Leave

An employee may use up to (16) working hours per year to take care of personal appointments and charge that time to their Supplemental Sick Pay. Personal time will only be granted if the request for time off does not result in overtime compensation for another employee to provide coverage.

4. Administration

It is the responsibility of District Department Heads to monitor and review each request to use Supplemental Sick Pay and take action to control excessive use if there is reason to suspect it is being abused.

a. Notice of Illness/Emergency

It is the responsibility of the employee to personally notify (via a phone conversation) his/her immediate Supervisor or Shift Supervisor or, if they are both unavailable, the Department Head or, he/she is if unavailable, the Human Resources Manager, Assistant General Manager, or General Manager, of their illness, injury or emergency that will prevent them from reporting to work, unless medical conditions make personal notification impossible. For safety and scheduling purposes, notification shall be given prior to the normal start time, or as soon as possible thereafter. If possible, the probable duration of absence should also be provided. In cases of prolonged illness, employees are required to contact their direct Supervisor once per week to provide a status report on their condition.

Failure to provide proper notification will result in the denial of Supplemental Sick Pay, and may result in the District taking disciplinary action for failure to follow proper notification protocol and/or an unexcused absence.

b. Documentation

Requests to use Supplemental Sick Pay for scheduled absences must be submitted five (5) days prior to the scheduled absence by submitting a Request for Time Off form. Requests to use Supplemental Sick Pay for unscheduled illness, injury or medical appointments must be made by submitting a Request for Time Off form prior to leaving or immediately upon return to work. Requests to use Supplemental Sick Pay while on approved medical leaves of absence should be made at the time approval for such leaves is requested. When using Supplemental Sick Pay for short-term illnesses or injury, employees must furnish a physician's note verifying their injury or illness in order to obtain Supplemental Sick Pay if they are absent for more than three (3) consecutive work days. If an employee is absent for fewer than three (3) consecutive work days, a physician's note verifying their injury or illness is generally not required in order to obtain Supplemental Sick Pay; however, if the employee has used Supplemental Sick Pay for unscheduled absences on three (3) or more occasions during the immediately preceding three (3) months, then such a note will be required in order to receive Supplemental Sick Pay.

c. Denial of Supplemental Sick Pay

The District may deny an employee's request for Supplemental Sick Pay if it determines that the employee's absence was not for a reason permitted under this policy or if the employee fails to provide requisite notice and certification in a timely fashion. Disciplinary action, up to and possibly including termination, may also result from misuse of sick leave.

d. Integration of Supplemental Sick Pay with State Disability Insurance and Long-Term Disability Insurance

If an employee is unable to work due to an illness or injury not caused by work and the employee has been placed on an approved medical leave by the District, then the employee must use his/her accrued Supplemental Sick Pay benefits to supplement his/her pay while on leave. Such employees should also consider timely applying for State Disability Insurance (SDI) and/or Short-Term or Long-Term Disability Insurance benefits.—Informational pamphlets and application forms are available from the Accounting/Administration-ManagerSupervisor. The District will consider “coordinating” Supplemental Sick Pay benefits with the long-term disability or SDI benefits so that employees on medical leave may receive something approximating their regular salary. However, the District’s ability to do so may be restricted by insurer/SDI rules. Employees will be asked to provide a copy of the SDI/LTD check stub to the Payroll Department as soon as possible after receipt, in order to receive timely payments of sick leave benefits available from the District.

**E. Work Related Injury or Illness**

1. Use of Paid Leave Benefit Accruals

Employees on approved Workers’ Compensation medical leaves of absence may elect to use accrued Supplemental Sick Pay (and if not available, vacation, floating holiday or compensatory time benefits) between the date of injury or illness and the date such injury or illness is determined to be eligible for Workers’ Compensation insurance benefits. When an employee begins receiving Workers’ Compensation Insurance payments, the employee’s Supplemental Sick Pay (and if requested, vacation, floating holiday, or compensatory time) may be coordinated with Workers’ Compensation temporary disability benefits so the employee may continue to receive gross pay approximating a normal biweekly paycheck. The District shall charge the employee’s appropriate Supplemental Sick Pay (or vacation, floating holiday or compensatory time account) on a pro-rata basis. If an employee exhausts all paid leave accruals and the Workers’ Compensation disability continues, the employee may be placed on a leave of absence without pay. *See Policy #304 for details on Leaves of Absence.*

2. Restoration of Paid Leave Benefit Accruals

If the period of Workers’ Compensation disability exceeds twenty-one (21) days, the employee’s appropriate sick/vacation pay account will be restored. If the disability is less than twenty-one (21) days, the employee’s sick/vacation pay account will be restored, with the exception of the first three (3) days of disability. Restoration of the employee’s accrued sick/vacation pay account is subject to receipt of payment from the Workers’ Compensation Insurance carrier for the initial period of disability.

3. Return to Work

An employee who has returned to work following a work-related injury or illness and who is required by his/her physician to leave work for treatment during working hours shall have the option of using his/her accrued Supplemental Sick Pay (or, if such pay is exhausted, then his/her compensatory time or vacation pay) to provide pay for the time missed.

4. Holidays

If an employee is on an approved medical leave of absence and a holiday occurs during a period when the employee is using Supplemental Sick pay to maintain his/her regular pay, then the employee will not be charged Supplemental Sick Pay for that day and, instead, will receive holiday pay.

## **F. Supplemental Sick Pay Cash-Out Program**

To encourage employees to use their Supplemental Sick Pay judiciously, and to reward employees who do so, the District provides a partial Supplemental Sick Pay cash-out opportunity once each year. More specifically, employees who have accrued more than 56 hours of sick leave as of the last pay period in November may elect to cash-out up to 200 hours of accrued Supplemental Sick Pay, provided that the cash out must leave the employee with at least 56 hours remaining in their accrued Supplemental Sick pay account after the withdrawal.

The sick leave cash-out program is processed with the last payroll in November of each year. The cash-out is paid at the regular rate that the employee is receiving at the last pay period in November.

In addition, as noted under Section 2 above, employees may not carry over more than 480 hours of accrued Supplemental Sick Pay as of the last pay period in November in any year. Accordingly, if an employee has more than 480 hours of accrued Supplemental Sick Pay as of the last pay period in November in any year, then the District will include in the employee's paycheck for the last pay period in November a payment "cashing out" a sufficient number of hours of Supplemental Sick Pay such that the employee's accrued Supplemental Sick Pay as of the end of such pay period will not exceed 480 hours.

## **Separation of Employment**

Employees will not be paid for accrued but unused Supplemental Sick Pay upon termination of their employment with the District.

## **G. Leave of Absence (Policy # 304)**

The purpose of these policies is to establish guidelines governing leaves of absence and to ensure that leaves are granted on an equitable basis to all eligible employees. The policies will be administered in a manner that conforms to applicable state and federal laws. Unless the law requires a departure from the policies contained herein, the policies will be administered strictly as described below.

All leave time must be requested and approved by the employee's Department Head prior to submitting to the General Manager/designee for final approval.

## **PROCEDURES**

### **1. General Provisions**

- a. A leave of absence may include both paid and unpaid days.
- b. Unless governing law otherwise requires, seniority, vacation, sick leave and holiday benefits do not accrue during periods of unpaid or partially-unpaid leaves of absence.
- c. Regular merit increases shall be delayed for the length of time during which an employee is on an unpaid leave of absence.
- d. An employee who is granted a leave of absence that exceeds thirty (30) days must provide the District with two (2) weeks' notice prior to his/her anticipated return to work date.
- e. An employee who requires an extension to a leave of absence must request the extension two (2) weeks before the original leave expires.

f. Depending on the type of leave, the employee shall complete the appropriate section of their time sheet and/or the appropriate Leave of Absence Request Form, available from the Human Resources Manager. The District may also request additional documentation explaining the need for a leave, prior to granting such leave.

g. If the employee accepts other employment or fails to return to work on the next regularly scheduled workday following the expiration of a leave of absence, he/she may be considered to have voluntarily terminated his/her employment.

h. An employee returning from a medical leave of absence in excess of three days due to illness, injury or pregnancy may be required to provide a release to return to work (with or without further accommodation by the District) from his/her personal physician and clear it through the District physician where a physical examination may be required.

## **H. Bereavement Leave**

In the event of a death in the immediate family of an employee, the employee may request an unpaid leave of absence, up to five (5) working days per incident within three (3) months of the date of death of the family member. Such leave will be unpaid unless an employee utilizes their accrued vacation, personal leave, accrued and available sick leave, or compensatory time off that is otherwise available to the employee.

For the purpose of this policy, immediate family means an employee's spouse, registered domestic partner, child, grandchild, stepchild, parent, stepparent, parents-in-law, step-parents-in-law, grandparents, siblings, or any other person who is a legal dependent of the employee.

Bereavement leave in the case of death of other persons may be granted at the discretion of the District, and if granted, may be charged to the employee's available accrued leave.

The employee must notify his/her Department Head prior to the leave and must submit the written leave request on a time sheet upon return to work. The District may request documentation to substantiate such leave.

## **I. Reproductive Loss Event**

All employees who have been employed for the District for at least 30 days are entitled to an unpaid leave of absence up to five (5) days in total following a reproductive loss event. Such leave must be taken within three (3) months of the reproductive loss event. If an employee experiences more than one reproductive loss event within a 12-month period, the District will grant the employee a cumulative total of up to twenty (20) unpaid days of leave; subject to the limitation that each unpaid leave of absence shall not exceed five (5) days.

A reproductive loss event is defined as: failed adoption, failed surrogacy, miscarriage, stillbirth, or unsuccessful assisted reproduction. If the employee would have been recognized as a parent if the aforementioned events were successful, the employee will be covered under this definition. This includes the employee, the employee's current spouse or domestic partner, or another individual if the person would have been a parent of a child as a result of the event.

The leave of absence following a reproductive loss event is unpaid, though an employee may elect to utilize any accrued and available paid sick leave, vacation, personal leave, or compensatory time off that is otherwise available to the employee.

## **J. Military Leave and Military Spouse Leave**

The District provides unpaid military leave in conformity with the law. Employees of the District who enter the Armed Forces of the United States will be granted leaves of absence in accordance with federal and state laws governing such leaves. The Uniformed Services Employment and Reemployment Rights Act of 1994 governs reemployment rights after military service and protects against discrimination based on military service or training and applies to all employers.

To qualify for the right to leave and reemployment, the employee must give advance written or verbal notice to their supervisor; however, advance notice is not required if it is impossible or precluded by military necessity.

Additionally, qualified California employees will be given up to 10 days of unpaid leave during that time in which the employee's spouse or domestic partner is on leave from deployment in a combat zone with the active duty or reserve military or national guard during a period of military conflict. Employees may use accrued vacation time to cover this absence. If the employee has no accrued vacation, the employee must request time off without pay.

Qualifying employees are employees who work an average of 20 hours per week and have a spouse or domestic partner who is serving as (1) a member of the U.S. Armed Forces and who has been deployed during a period of military conflict to an area designated as a combat theater or combat zone by the President of the United States or (2) a member of the Armed Forces Reserve Components or the National Guard and has been deployed during a period of military conflict.

Qualifying employees who wish to request this leave must provide the District with a written request for such leave within two business days of receiving official notice that the military spouse or domestic partner will be on leave from deployment. The employee must also provide written documentation to the District certifying that the military member will be on military leave from deployment. Due to the detailed and changing nature of the rules governing Military Leaves, eligible employees are encouraged to contact the Human Resources Manager if they have any questions about the terms and conditions of such leave, or the documentation or certifications necessary to go on or return from such leave.

## **K. Jury and Witness Duty**

Any employee called to serve on jury duty, to appear in court as a witness in a trial or administrative proceeding, or who needs to take time off to appear in court because they are the victim of a crime, may do so. Non-exempt employees shall receive compensation at their regular rate of pay for the work hours they miss while actually serving on a jury duty, up to a maximum of ten (10) days' pay. Exempt employees will similarly receive their regular full salary for up to ten (10) days; thereafter, they will receive their full weekly salary for any week in which they perform any work and serve on a jury or appear as a witness. If employees are excused and there is still at least four (4) hours left to the workday, they shall return to work. Jury fees, excluding mileage, received by non-exempt employees shall be remitted to the District. Fees for jury duty performed during hours other than regularly scheduled working hours may be retained by employees. Employees called for jury duty may have their regular schedule adjusted to accommodate the jury schedule.

In advance of the requested time off, employees shall complete the appropriate section of the Time-Off Request Form indicating the day(s) required for attendance and submit it to their Department Head, along with a copy of the subpoena for jury duty. Upon return, employees shall submit documentation of attendance for those dates.

It is understood that if a subpoena is received without advance warning, employees shall notify their Department Head as soon as possible and submit the appropriate documentation upon return to work.

## **L. Time off for Voting**

If an employee does not have sufficient time outside of working hours to vote in an official state-sanctioned election, the employee may take off enough working time to vote. Such time off shall be taken at the beginning or the end of the regular working shift, whichever allows for more free time, and the time taken off shall be combined with the voting time available outside of working hours to a maximum of two hours combined. Under these circumstances, an employee will be allowed a maximum of two hours of time off during an election day without loss of pay. When possible, an employee requesting time off to vote shall give his/her supervisor at least two days' notice.

#### **M. Volunteer Firefighter and Reserve Police Leave**

Under California state law, employers with 50 or more employees shall provide unpaid leave for eligible employees under Volunteer Firefighter and Reserve Police Leave (VFRPL) if the employee is a volunteer firefighter, reserve peace officer, or emergency rescue personnel, and the employee requires time off to perform emergency services.

Employees may take temporary leave up to 14 days per calendar year in the aggregate for fire, law enforcement, or emergency rescue training. Such leave is unpaid unless an employee elects to utilize their accrued time off. This leave does not run concurrently with other leave laws.

Employees are also eligible for unpaid leave for required training. Employees who are official Volunteers should alert their supervisor that they might have to take time off for emergency duty. When taking time off for emergency duty, employees should alert their supervisor before doing so when possible.

#### **N. Leaves Related to Domestic Violence, Sexual Assault or Stalking**

The District will provide time off to an employee who has been the victim of domestic violence, sexual assault or stalking to seek any relief, including, but not limited to, a temporary restraining order, restraining order, or other injunctive relief, to help ensure the health, safety, or welfare of the victim or his or her child. This includes time off for court proceedings, services from a domestic violence shelter, program or rape crisis center, counseling, medical attention, and participation in safety planning programs. The District requires reasonable advance notice of the leave when feasible. If time off is taken due to an emergency, the employee must, within 15 days of the absence, provide the District with certification of the need for the leave such as a police report, court order, documentation from a healthcare provider, victims advocate, or counselor. Whenever possible, employees must provide reasonable advance notice to their supervisor and the Human Resources Manager of their intention to take time off for such purposes.

Employees eligible for paid sick leave benefits under California law may take any such available paid time off, consistent with such law, for the purposes set forth in this policy. For more information, please see the Sick Leave policy. In the event paid sick leave benefits are not available, employees taking leave under this policy may elect to apply accrued and unused vacation to such time. Unless an employee elects to utilize their accrued time off, leave taken pursuant to this policy shall be unpaid.

The District prohibits discrimination, discharge, or retaliation against an employee for taking time off or requesting an accommodation under this policy, or based on the employee's status as a victim of domestic violence, sexual assault, and/or stalking.

#### **O. Crime Victims Leave**

The District will provide time off to an employee to attend judicial proceedings related to a crime, if that employee is a victim of crime, an immediate family member of a victim, a registered domestic partner of a victim, or the

child of a registered domestic partner of a victim. The District requires that where feasible, in advance of taking leave, the employee provide it with a copy of the notice of each scheduled proceeding that is provided to the victim by the agency responsible for providing notice. If advance notice is not possible, the employee is required to provide the District with a copy of the notice within a reasonable time.

No employee who is absent from work pursuant to this provision will be discharged or otherwise discriminated against in compensation or other terms, conditions or privileges of employment, because of such absence. Such leave is unpaid. Employees taking leave under this policy may elect to apply vacation time to such leave.

#### **P. School Activities Leave**

School Activity Leave (SAL) applies to employers with twenty-five (25) employees at the same location. An employee is eligible to take if the employee:

- Is the parent or guardian of a student;
- Is the parent, guardian, or custodial grandparent of a child in kindergarten, grade school, or licensed day care.

“Parent” for purposes of this policy, means a parent, guardian, stepparent, foster parent, or grandparent of, or a person who stands in loco parentis to, a child.

#### Qualification For Leave:

To qualify for this leave, an employee must be a parent and:

- Find, enroll, or reenroll their child in a school or with a licensed childcare provider;
- Participate in activities of the school or licensed childcare provider of their child;
- Address a childcare provider or school emergency.

Please note, under California law, the District is prohibited from discharging or discriminating against an employee who both: is the parent or guardian of a student; and takes time off, with reasonable notice, to appear at school because the student was suspended.

#### Duration of Leave

An employee may take a maximum to take up to 40 hours off per year, with reasonable notice to take SAL. The time off cannot exceed 8 hours in any calendar month of the year. An employee must elect to use paid accrued leaves concurrently (e.g. sick leave, vacation, etc.) in the same way they could for other qualifying purposes under the District’s policies. Otherwise, such leave under this policy will be unpaid.

#### Notice Requirement

The employee is required to provide the District with reasonable notice of the need for SAL. The District may ask for proof that the employee utilized the time for child-related activities permitted under California law.

#### **Q. Family and Medical Leave Act/California Family Rights Act**

The Family and Medical Leave Act (FMLA) and California Family Rights Act (CFRA) authorize eligible employees to take up a total of 12 weeks of job-protected unpaid leave during a 12-month period. Unless otherwise provided by law, the District will run each employee's FMLA and CFRA leaves concurrently. Eligible employees can take the leave for one or more of the following reasons:

- The birth of a child (including the child of a domestic partner) or adoption or foster care placement of a child.
- To care for an immediate family member (spouse, domestic partner, child of any age, parent, sibling, grandparent or grandchild), or designated person (a designated person, means any individual related by blood or whose association with the employee is the equivalent of a family relationship. A designated person may be identified by the employee at the time the employee requests paid sick days) with a serious health condition.
- When the employee is unable to work because of a serious health condition (excluding pregnancy).
- A qualifying military exigency related to the covered active duty or call to covered active duty of an employee's spouse, domestic partner, child (of any age), or parent in the United States Armed Forces, as specified in Section 3302.2 of the Unemployment Insurance Code.

Employees must notify their supervisors and the Finance and the Human Resources Manager in writing as soon as they are aware of the need for such leave. For foreseeable leave, the employee must provide 30 calendar days' advance notice. For events not foreseeable 30 days in advance, the employee must give notice as soon as is practicable, and generally must comply with the District's normal call-in or notice procedures. FMLA/CFRA leave is unpaid unless an employee decides to utilize their accrued time off.

All requests for FMLA/CFRA Leave should include enough information to make their supervisors and the Human Resources Manager aware that the employee needs qualifying leave, and the anticipated timing and duration of the leave, if known. If an employee fails to provide the requisite 30-day advance notice for foreseeable events without a reasonable excuse for the delay, the District reserves the right to delay the start of the leave until at least 30 days after the date on which the employee does provide such notice. Once aware the employee needs leave, the District will inform the employee as to whether the employee is eligible under FMLA/CFRA for such leave. The District may request documentation evidencing the need for such leave as permitted by law.

If the employee or their family participate in the District's group health plan, the District will maintain coverage during the employee's FMLA/CFRA leave on the same terms as if they had continued to work, provided the employee continues to pay their own share of their health plan premiums they normally contribute while working. Employees must make arrangements to pay their share while on leave. In some instances, the District may recover premiums it paid to maintain health insurance coverage or other benefits for the employee or their family.

If the employee fails to return after the period of leave has expired, the District may be entitled to reimbursement for any benefit premiums paid by the District during the unpaid leave period, unless:

- The reason for the employee's failure to return is due to the continuation, recurrence, or onset of a serious health condition of the employee or the employee's child, spouse, parent, or registered domestic partner; or
- Other circumstances beyond the control of the employee as set forth in applicable law and regulations.

Employees who are not eligible for continued paid group health insurance coverage or whose entitlement to continued paid group health coverage has expired may continue their group health insurance, at their own expense, through the District pursuant to federal and state COBRA guidelines or alternatively, if applicable, pursuant to an election to continue health insurance coverage offered by CalPERS Health.

Eligible employees who take FMLA/CFRA Leave should note that they are guaranteed employment in the same or a comparable position upon termination of such leave, subject to any exceptions provided by law.

If the District employs both parents who are entitled to FMLA/CFRA Leave, both employees are entitled to 12 weeks of leave each.

The District will not discriminate against an employee for exercising FMLA/CFRA rights or giving information or testimony as to the employee's or another person's FMLA/CFRA Leave; nor will the District interfere with or limit the exercise or attempted exercise of such rights.

#### **Q. — California Family Rights Act**

The California Family Rights Act (CFRA) authorizes eligible employees to take up a total of 12 weeks of job-protected unpaid leave during a 12 month period. While on leave, employees keep the same employer paid health benefits they had while working. Eligible employees can take the leave for one or more of the following reasons:

- The birth of a child (including the child of a domestic partner) or adoption or foster care placement of a child.
- To care for an immediate family member (spouse, domestic partner, child of any age, parent, sibling, grandparent or grandchild), or designated person (a designated person, means any individual related by blood or whose association with the employee is the equivalent of a family relationship. A designated person may be identified by the employee at the time the employee requests paid sick days) with a serious health condition.
- When the employee is unable to work because of a serious health condition (excluding pregnancy).
- A qualifying military exigency related to the covered active duty or call to covered active duty of an employee's spouse, domestic partner, child (of any age), or parent in the United States Armed Forces, as specified in Section 3302.2 of the Unemployment Insurance Code.

Employees must notify their supervisors and the Finance and the Human Resources Manager in writing as soon as they are aware of the need for such leave. For foreseeable leave, the employee must provide 30 calendar days' advance notice. For events not foreseeable 30 days in advance, the employee must give notice as soon as is practicable, and generally must comply with the District's normal call in or notice procedures. CFRA leave is unpaid unless an employee decides to utilize their accrued time off.

All requests for CFRA Leave should include enough information to make their supervisors and the Human Resources Manager aware that the employee needs qualifying leave, and the anticipated timing and duration of the leave, if known. If an employee fails to provide the requisite 30 day advance notice for foreseeable events without a reasonable excuse for the delay, the District reserves the right to delay the start of the leave until at least 30 days after the date on which the employee does provide such notice. Once aware the employee needs leave, the District will inform the employee as to whether the employee is eligible under CFRA for such leave. The District may request documentation evidencing the need for such leave as permitted by law.

~~Eligible employees who take CFRA Leave should note that they are guaranteed employment in the same or a comparable position upon termination of such leave, subject to any exceptions provided by law.~~

~~If the District employs both parents who are entitled to CFRA Leave, both employees are entitled to 12 weeks of leave each.~~

~~The District will not discriminate against an employee for exercising CFRA rights or giving information or testimony as to the employee's or another person's CFRA Leave; nor will the District interfere with or limit the exercise or attempted exercise of such rights.~~

## **R. Pregnancy Related Disability Leave**

The District recognizes that employees may be unable to work for temporary but extended periods of time due to pregnancy, childbirth, or related medical conditions. Accordingly, for any employee who is disabled by pregnancy, childbirth, or related medical conditions, the District provides leave for the period of actual disability ("Pregnancy Disability Leave"), up to a maximum of four months. Pregnancy Disability Leave may be taken intermittently, or on a reduced-hours schedule, as medically advisable. An employee may also be entitled to a reasonable accommodation for pregnancy, childbirth, or related medical conditions.

Whenever possible, an employee should submit a written request for Pregnancy Disability leave to their supervisor and the Human Resources Manager as soon as she is aware of the need for such leave. If the leave is foreseeable, the employee must provide 30 calendar days' advance notice to the District of the need for Pregnancy Disability Leave. If it is not practicable to give 30 calendar days' advance notice of the need for such leave, the employee must notify the District as soon as practicable after she learns of the need for such leave. If an employee fails to provide the requisite 30 days' advance notice for a foreseeable need for leave, without any reasonable excuse for the delay, the District reserves the right to delay the taking of the leave until at least 30 days after the date that the employee does provide such notice.

A request for a Pregnancy Disability Leave must be supported by medical certification from a health care provider, which shall provide the following information: (a) the date on which the employee became disabled due to pregnancy; (b) the probable duration of the period or periods of disability; and (c) an explanatory statement that, due to the disability, the employee is unable to work at all or is unable to perform any one or more of the essential functions of her position without undue risk to herself, her pregnancy, or to other persons. Upon expiration of the time period for the leave estimated by the health care provider, the District may require the employee to provide another medical certification if additional leave time is requested.

An employee taking Pregnancy Disability Leave must substitute any accrued sick pay for her leave and may, at her option, substitute any accrued vacation time for her leave. Except to the extent that paid leave is substituted for Pregnancy Disability Leave, such leave will be unpaid. The substitution of paid leave for Pregnancy Disability Leave does not extend the total duration of the leave to which an employee is entitled.

During an employee's Pregnancy Disability Leave, the District will continue to pay for the employee's participation in the District's group health plans, to the same extent and under the same terms and conditions as would apply had the employee not taken leave. Thus, the employee must continue to pay her share of the health plan premiums during the leave. If the employee substitutes paid leave for the unpaid leave, such payments will be deducted from the employee's pay through the regular payroll deductions. Otherwise, the employee must make arrangements with the District for the payment of such premiums.

All other benefits will be governed in accordance with the terms of each benefit plan and are the sole responsibility of the employee.

The District may recover from the employee the amount of premiums that the District paid to maintain coverage for the employee under the group health plan if the employee fails to return from leave after the period of leave has expired due to a reason other than: (i) the employee is taking (i.e., has transitioned over to) leave under the California Family Rights Act, unless the employee chooses later not to return after the CFRA leave, in which case the District can recover such premium amounts; (ii) the continuation, recurrence, or onset of a health condition that entitles the employee to Pregnancy Disability Leave, unless the employee chooses not to return after the Pregnancy Disability Leave, in which case the District can recover such premiums; (iii) non-pregnancy related medical conditions requiring further leave, unless the employee chooses not to return to work following such leave, in which case the District can recover such premiums, or (iv) other circumstances beyond the employee's control.

Employees on Pregnancy Disability Leave will accrue employment benefits, such as sick leave, vacation, and seniority only when paid leave is being substituted for unpaid leave and only if the employee would otherwise be entitled to such accrual. Employee benefits may be continued during the unpaid portion of the Pregnancy Disability Leave according to the provisions of the District's various employee benefit plans.

Unless the District and the employee have already agreed upon the employee's return date, an employee who has taken a Pregnancy Disability Leave must notify the District's Human Resources Department at least two business days before her scheduled return to work or, as applicable, transfer back to her former position. An employee who timely returns to work at the expiration of her Pregnancy Disability Leave will be reinstated to her former position, or a comparable position, whenever possible and consistent with applicable law.

Each employee who has taken a Pregnancy Disability Leave must be released by her doctor to return to work. The return-to-work release should be in writing and submitted to the Human Resources Department on or before the employee's return.

#### **S. Work Related Injury or Illness Leave of Absence**

The California Workers' Compensation laws cover all employees. These laws are important if employees are injured or become ill as a result of work or working conditions. In addition to temporary disability benefits, Workers' Compensation insurance coverage also provides permanent disability benefits, rehabilitation and death benefits. The District pays the full cost of Workers' Compensation insurance premiums.

1. If an employee is injured or becomes ill as a result of District-related work, the employee must report to his/her Department Head immediately. The Department Head will see that the employee gets immediate medical attention, if necessary, and that the required reports of the injury or illness are completed. If an employee does not report promptly, Workers' Compensation insurance benefit rights may be lost.

2. An employee on a leave of absence due to a Workers' Compensation claim shall complete the Workers' Compensation Form (Employee's Claim Form – DWC Form 1). If off work for more than a few days, the employee shall report regularly to his/her Department Head so that the Department Head can be fully apprised of the employee's medical status.

3. The District's Workers' Compensation insurer administers employees' claims for Workers' Compensation benefits, and any disputes concerning such benefits are adjudicated before the Workers' Compensation Appeals Board. Generally, in order for an employee to be eligible for Workers' Compensation

benefits, an employee must be found to have an injury/illness that is work related, time off work must be necessary, and the duration of time off requested must be warranted. The District requires a certification from the health care provider regarding the need for Workers' Compensation disability leave, as well as the eventual ability to return to work from the leave. Temporary Total Disability pay benefits received from the Workers' Compensation Insurance Fund may be integrated with the employee's available Base Paid Sick Leave and Supplemental Sick Pay, as described in **Policy #303** in this manual. The District will maintain group health insurance coverage for employees out on Workers' Compensation medical leaves (on the same terms as if they were actually working, provided the employee makes arrangement to pay their own share of the health plan premiums) for a cumulative maximum duration in any rolling twelve-month period equal to (a) the period the employee uses his/her accrued paid leave available for medical leaves that maintains their full salary, (b) after accrued paid leave is exhausted, any period of leave afforded under FMLA/CFRA if available to and utilized by the employee (which will run concurrently with the Workers' Compensation leave), plus (c) thirty (30) days following the exhaustion of the two prior-mentioned leave periods. If the employee does not return to work by the end of that period, then the employee's coverage under the District's group health plan shall cease. However, the employee shall then be eligible to elect to continue health insurance coverage, at the employee's own expense, either through the District pursuant to federal and state COBRA guidelines, or alternatively, if applicable, pursuant to continued health insurance coverage offered by CalPERS Health.

3. The District's Workers' Compensation insurer administers employees' claims for Workers' Compensation benefits, and any disputes concerning such benefits are adjudicated before the Workers' Compensation Appeals Board. Generally, in order for an employee to be eligible for Workers' Compensation benefits, an employee must be found to have an injury/illness that is work related, time off work must be necessary, and the duration of time off requested must be warranted. The District requires a certification from the health care provider regarding the need for Workers' Compensation disability leave, as well as the eventual ability to return to work from the leave. Temporary Total Disability pay benefits received from the Workers' Compensation Insurance Fund may be integrated with the employee's available Base Paid Sick Leave and Supplemental Sick Pay, as described in **Policy #303** in this manual. The District will maintain group health insurance coverage for employees out on Workers' Compensation medical leaves (on the same terms as if they were actually working) for a cumulative maximum duration in any rolling twelve-month period equal to (a) the period the employee uses his/her available accrued leave to maintain his/her full salary during any medical leaves (industrially related or non-industrially related) taken during such twelve-month period, plus (b) thirty (30) days. Thereafter, employees will be required to make a COBRA election and pay for the costs of such COBRA coverage if they wish to maintain their coverage under the District's group health insurance plan. While the District is maintaining employees' group health insurance coverage, the employees remain responsible for paying their share of their group health insurance premiums, and they should make arrangements with the District for payment of such premiums prior to departing on leave (or, when the need for leave was unforeseeable, as soon as possible after commencing leave).

4. Workers' Compensation leave shall continue until the employee either:

- a. Is determined to be physically able to return to duty, with or without further accommodation by the District; or
- b. Accepts employment outside the District; or
- c. Accepts employment in another District position; or
- d. Is permanently disabled and unable to return to his/her original position, with or without further accommodation by the District; or

- e. Business necessities require filling the employee's position; or
- f. The employee elects retirement.

5. Unless the District's Workers' Compensation carrier provides temporary disability pay for such visits, an employee who has returned to work following an accepted Workers' Compensation injury or illness and who is required by his/her physician to leave work for treatment during working hours shall have that time charged to sick leave, vacation, floating holiday or comp time accrual, at the employee's option.

6. Employees seeking to return to work following Workers' Compensation medical leaves must provide medical certification from their health care provider verifying that they can return to work and safely perform their duties, with or without further accommodation by the District. Employees will generally be reinstated to their original position. However, employees returning from Worker's Compensation leaves have no greater rights to reinstatement than if they had been continuously employed rather than on leave. For example, if an employee would have been laid off had he/she not gone on leave, or if the employee's position has been eliminated or filled due to business necessities, then the employee may not be entitled to reinstatement.

#### 7. Other Accommodation of Disabled Employees

Employees who exhaust the leave available to them under the Medical Leave policy above, but remain temporarily disabled and unable to return to work due to a disability (including disabilities associated with pregnancy or childbirth), may request further leave as a form of reasonable accommodation. Requests for such reasonable accommodation leave should be submitted to the General Manager, and the District will assess whether such requests can be accommodated on a case-by-case basis. Further medical certification may be requested. Leave granted under this policy will be on an unpaid basis; however, employees may use any remaining available accrued leave and they may also be eligible for State Disability Insurance benefits. Employees covered under the District's group health insurance plan who are granted a leave under this policy will no longer be eligible for regular coverage under the District's insurance plan, but they may be eligible for coverage at their own expense. Employees will not accrue paid Vacation, Supplemental Sick Pay or Holiday Pay while on a reasonable accommodation leave of absence.

In addition to the leave programs described above, the District will undertake other reasonable accommodations that will allow disabled employees to perform the essential functions of their positions, including reassignment of non-essential tasks, and placement in other open positions for which the employee is qualified. Employees requiring such additional accommodations should contact the General Manager or the Human Resources Manager. Requests for reasonable accommodation should include certification from employee's health care providers (a) verifying the general nature of the employee's disability, (b) describing the functional limitations/impact on work associated with the disability, and (c) the proposed accommodations recommended by the health care provider.

### **T. Personal Leave**

An employee may be granted up to two working days off to care for personal appointments and charge that time to their Supplemental Sick Leave accrual. Personal time will only be granted if the request for time off does not result in overtime compensation for another employee to provide coverage.

### **U. Personal Leave of Absence without Pay**

The District offers a generous benefits package in the form of Base Sick Leave, Supplemental Sick Leave, Personal Leave, Vacation, Compensatory Time, Floating Holiday, Safety Day, and Management Leave. Leave

of absence without pay is not permitted by the District when said accruals are insufficient, except as described below:

1. Medical emergency documented by a hospital or physician.
2. Pre-scheduled medical leave for surgery or medical procedures. Documentation by a hospital or physician is required.
3. Any catastrophic non-medical event that requires a leave of absence without pay, provided that the employee submits official supportive documentation. In this instance, leave of absence without pay must not have been taken in the previous twenty-four (24) months.
4. An employee may request an unpaid personal leave of absence, if needed for compelling reasons as noted above, by making a written request at least ten days in advance (with the exception of items 1 and 3 above) to the General Manager, who has the authority to approve or disapprove the request.

## **V. Parental Leaves of Absence**

The District is pleased to provide Parental Leave on the following terms and conditions.

1. **Eligible Employees.** Employees with newborn children, newly-adopted children, or newly-placed foster care children are eligible to take Parental Leave if they have twelve or more months of service at the District and have worked 1,250 hours or more during the 12 months immediately preceding their leave.

2. **Qualifying Events.** Eligible employees may take Parental Leave to bond with their newborn child, newly-adopted child, or a newly-placed foster-care child.

3. **Length of Leave.** Eligible employees may take up to 12 weeks of Parental Leave in a rolling 12-month period. This rolling 12-month period is measured backward from the date an employee's Parental Leave is to commence to determine the amount of leave the employee then has available.

**Use of Leave on Intermittent or Reduced Schedule Basis.** Parental Leave must commence and be completed within one year of a child's birth, adoption, or placement for foster-care. Parental Leave generally must be used in minimum increments of two weeks duration, but requests for leave of shorter duration will be granted on any two occasions.

4. **Non-Paid Leave.** Parental Leave is granted on a non-paid basis. Employees on Parental Leave may, however, be eligible for state paid family leave benefits. In addition, should they so desire, employees may use any available accrued leave to maintain their normal level of compensation during any otherwise unpaid portion of their Parental Leave (employees receiving state paid family leave benefits may have their use of such paid time off coordinated with those state benefits).

5. **Accrual of Benefits.** Employees covered under the District's group health insurance plan will have their insurance coverage maintained by the District during their Parental Leave on the same terms and conditions as if they were actively working. Employees will need to make arrangements to continue paying their normal share of premiums, if any, during their Parental Leave. Please note that employees who fail to return to work after a Parental Leave for reasons other than the continuation, recurrence, or onset of a serious health condition, will be obligated to reimburse the District for the health insurance premiums paid on their behalf while they were on Parental Leave. Employees out on an otherwise unpaid Parental Leave (i.e., when they are not

receiving state paid family leave benefits or using their accrued paid time off to maintain their pay) will not accrue paid Vacation, Supplemental Sick Pay or Holiday pay.

Requests submitted for reasons other than those mentioned above will be deemed denied. Absence from work associated with unapproved leave of absence without pay is considered an unexcused absence and subject to progressive discipline as described in Policy 407: Rules and Regulations.

An employee shall report for work the day following the last day of the leave or may be terminated with the effective date being the last day worked.

An employee must use all available accrued leave before eligibility for authorized personal unpaid leave as part of the total leave request. It is the employee's responsibility to verify the availability of accrued time so as not to revert to leave of absence without pay. A request for time off should not be submitted unless there is enough accrued time.

Irrespective of the cause for leave of absence without pay, the District will pro-rate the Cost-of-Living Adjustment (COLA) based on hours paid in the twelve (12) month period prior to July 1st of each year. All benefits paid by the District as otherwise indicated by this manual will be pro-rated on the basis of hours worked inclusive of compensation merit increases and COLA. All associated costs of other benefits such as health, dental, and vision insurance that are the employee's responsibility will be deducted from the employee's pay in the month the expense is incurred.

## **W. Leave for Organ and Bone Marrow Donation**

The District will grant an employee the following leaves of absence:

- Bone Marrow Donation: A paid leave of absence of up to five business days in any one-year period for the purpose of donating the employee's bone marrow to another person.
- Organ Donation:
  - A paid leave of absence of up to 30 business days in any one-year period for the purpose of the employee donating the employee's organ to another person.
  - An additional unpaid leave of absence, not exceeding 30 business days in a one-year period, for the purpose of the employee donating the employee's organ to another person.

Leaves of absence under this policy are unpaid unless an employee utilizes their accrued time off, such as earned and unused sick or vacation time. If an employee decides to utilize their accrued time off, the employee is required to first use up to five days of such paid sick or vacation time for a bone marrow donation and up to two weeks of sick or vacation time for organ donation.

In order to receive a leave of absence pursuant to this policy, the employee must provide written verification to the District's Human Resources Department that the employee is an organ or bone marrow donor and that there is a medical necessity for the donation of the organ or bone marrow.

Any leave taken for the donation of an organ or bone marrow will not constitute a break in service for purposes of the employee's right to salary adjustments, sick leave, vacation, annual leave, or seniority. During any leave taken under this policy, the District will maintain and pay for coverage under any group health plan, for the full duration of this leave.

Leave provided under this policy may be taken in one or more periods. Leave taken under this policy will not run concurrently with any leave taken pursuant to the federal Family and Medical Leave Act or the California Family Rights Act.

Upon expiration of a leave of absence authorized by this policy, the District will restore the employee to the position held by the employee when the leave began or to a position with equivalent seniority status, employee benefits, pay, and other terms and conditions of employment. The District may decline to restore an employee because of reasons unrelated to the employee's exercise of rights under this policy.

## **X. Kin Care Leave**

Under California state law, employees who accrue sick leave are eligible for Kin Care Leave (KCL). An employee may use KCL for the following reasons:

- Diagnosis, care, or treatment of an existing health condition of the employee, or preventive care for, an employee or an employee's covered family member.
- For obtaining relief if the employee is a victim of domestic violence, sexual assault, or stalking.
- If the employee is a victim of domestic violence, sexual assault, or stalking, the employee may take time off to: obtain medical treatment, counseling or other victims' services, obtain or attempt to obtain any relief to help ensure the health, safety, or welfare of the employee or the employee's child, such as a temporary restraining order, restraining order, or other injunctive relief.

The number of days the employee can take off is calculated as an amount not less than the sick leave that would be accrued during 6 months of the employee's then-current rate of entitlement. Employees are able to use up to half of their sick leave for KCL. But, no more than one-half of the employee's annual accrued sick leave benefits can be counted as KCL. For a full-time career employee, for example, this would mean no more than 48 hours of sick leave can be counted as KCL.

To the extent possible, employees must provide reasonable advance notice of their need for leave under this policy. If the need for leave is not foreseeable, an employee must provide notice as soon as practicable.

A "family member" for the purposes of this policy is defined as a child (a biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis), a parent (a biological, adoptive or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child), a spouse or registered domestic partner, a grandparent, grandchild and sibling,

Please note, leave under this leave is unpaid, unless an employee elects to utilize their accrued time off. This statute runs concurrently with paid sick leave, and CFRA leave.

## **Y. Other Leaves**

Except where pay is required by law, the District will provide unpaid leave as required by state and/or federal law.

## **Z. Expense Reimbursement (Policy # 305)**

The District has established the following procedure regarding reimbursement for travel and other District related business expenses.

## **PROCEDURE**

1. Employees shall obtain Department Head approval prior to incurring any District reimbursable expenses related to travel or other business functions.

2. The decision of the General Manager shall be final in cases where conflict of opinions on reimbursement exists. The following guidelines shall govern the approval of the General Manager.

a. While attending approved functions, the burden of responsibility for sound judgment in expending District funds rests with the attending employee.

b. A fixed percentage of daily per diem reimbursement amount is set in accordance with the travel policy established by the Board of Directors in Resolution #12-549 by the General Manager to cover all meals not otherwise included in the registration fee. This is in alignment with the amounts set by the per diem rates in IRS Publication 463.

c. Reimbursement of expenses shall be based on the minimum number of days and hours required transacting District business.

d. The employee shall submit receipts, whenever possible, with itemizations and explanations in order to receive reimbursement for miscellaneous expenses such as cab fares, telephone calls, fees and tips and other incidental expenses.

### **3. Vehicle Use/Reimbursement**

Prior approval of the General Manager/designee must be obtained for use of a District vehicle. If there is no District vehicle available, employees may request the use of their own vehicle.

Employees approved to use their personal vehicles shall provide the District with proof of valid insurance. The employee shall receive reimbursement at the rate currently established by the Internal Revenue Service.

Whenever possible, employees shall pool rides when traveling on District business.

### **4. Travel Arrangements and Reimbursement**

All travel reimbursement requests must be in accordance with the travel policy of the Governing Board members. Reimbursement requests with receipts shall be submitted to the Department Head for approval on the expense reimbursement form. Approved reimbursement requests shall be forwarded to the Department Head and General Manager for payment.

The District may not reimburse expenses that are not fully supported by receipts.

#### **AA. Training and Development (Policy # 306)**

It is the policy of the District to encourage all employees to expand their knowledge and level of professionalism relevant to the operations of the District's plant and facilities. The purpose of this policy is to outline the standards

and procedures under which the District will provide financial support for activities that further the goals of preserving and improving the plant's capacity to operate efficiently and economically.

## **PROCEDURE**

### **1. Professional Associations/ Technical Groups**

The General Manager may approve payment for membership in craft, trade or other professional organizations that further the goals described above. The employee shall provide evidence of their active participation in support of continued membership payment. The following types of memberships may be approved for payment:

- a. Memberships in local and state associations for all employees.
- b. Memberships at state and national level for Department Heads and above.
- c. Memberships required attending a conference for which the District has requested employee attendance.
- d. Memberships to carry out duties of an office or in other special circumstances.

The District supports and will reimburse attendance at professional association dinner meetings and workshops, including late afternoon workshops. With prior approval by the General Manager, the District will allow the employee to attend the workshop on District time in accordance with the following conditions:

- a. No overtime is involved;
- b. Employees attending a local meeting must return to work after the meeting or immediately if they are called and notified there is a problem; and
- c. Employees will not consume anything containing alcohol while at the meeting since they will be returned to work and may be called back at any time if they are needed.

### **2. Seminars/Workshops, Certification Review Courses**

The District may elect to send employees to approved training programs, seminars, and/or conferences from time to time. While these programs are normally scheduled during regular working hours, there may be evening or weekend classes or activities.

Employees who desire to attend a seminar must submit a written request, including estimated expenses, to the Department Head/General Manager for approval. Reimbursements shall be processed in accordance with the District's Expense Reimbursement **Policy #305**.

### **3. Tuition Reimbursement**

The District may reimburse an employee desiring to further his/her education for the purpose of improving on-the-job performance. The General Manager's approval may be given for courses within the scope of the employee's professional field and/or District job responsibilities provided that the overall requested reimbursement does not exceed \$1,500 per calendar year. Such approval must be granted before an employee begins the course study.

Class and study time must be outside of the employee's regular working hours. The District shall not compensate travel and related expenses.

To receive tuition and fee reimbursement, the employee shall submit a receipt and proof of completion of all approved courses with at least a "C" grade or its equivalent, within sixty (60) days of completion of attended course(s). If the employee is eligible for course reimbursement by another agency, the District will not duplicate reimbursement.

a. Employee Initiated Requests

The District will not reimburse employees who have requested tuition assistance for the following expenses: fees associated with parking, application, health, transcript, student union, late registration, fees imposed for breakage or damage of equipment, transportation costs incurred, or special assignments relating to the course of study and miscellaneous supplies.

Textbooks may be reimbursable at the District's option provided there is a use at the District as reference material. If reimbursed as part of the \$1,500 allowance, based upon actual receipts, the books become District property upon completion of the course.

b. District Initiated Requests

If the District requests an employee to attend specific courses, the District pays the full cost of tuition, required texts, supplies, and miscellaneous fees for courses. If the courses/seminars occur during working hours, the employee will be compensated at the regular pay rate for those hours within the employee's regularly scheduled workday. Overtime is addressed in Section 5 below.

Transportation will be provided by District automobile and/or mileage reimbursement only for those courses requested by the District.

c. Reimbursement

- i. Requests for educational reimbursement shall be made in writing, requiring first the written approval of the Department Head and then the written approval of the General Manager. Requests shall be complete and include course title, school, dates, costs and evidence that the course is job-related to the currently held position.

It is recommended that employees do not register for classes or make payment of fees until reimbursement is approved. Reimbursement will not be made in the event that the employee registers prior to receiving approval.

- ii. An employee who separates from District service, either voluntarily or involuntarily prior to completion of a course will not be reimbursed.
- iii. An employee, who withdraws from a course at the request of the District or is required to withdraw due to reassignment, shift change, etc., will be reimbursed for the costs incurred by the employee.

4. Certifications and Licenses

The District may reimburse employees for the costs associated with obtaining licenses and/or certifications as required by their position. Reimbursement will be provided for certifications and licenses, upon approval of the General Manager, based on the following guidelines.

a. Upon successful completion and passing the examination, the District will reimburse employees for fees related to any relevant professional examinations, certificates and licenses.

b. The District will make every effort to accommodate professional programs and exams with work schedule changes within the same pay week. However, employees are to take any classes or exams on their own time.

c. The District will reimburse employees for certification renewal fees.

#### 5. Overtime

a. Non-Exempt Employees: Employees attending a District requested one-day meeting shall be paid for any overtime hours and travel time incurred. Overtime will not be paid for any non-business portion of a seminar or workshop program that requires overnight accommodations.

Employees who voluntarily choose to attend a seminar or conference on their regularly scheduled day(s) off shall not be paid overtime for attendance.

b. Exempt Employees: The District will not pay overtime to exempt (professional and/or management) employees for any time related to attendance at conferences, seminars or other professional meetings.

### **BB. Insurance Protection (Policy # 307)**

The District presently provides medical, dental, vision, life, short-term and long-term disability insurance to regular, full-time employees. Employees' eligible dependents are eligible to participate in the medical, dental and vision insurance programs. The District presently contributes one hundred percent (100%) of the premiums for dental and vision coverage. The District selects a benchmark for the health insurance coverage. Any cost in excess of that amount is the responsibility of the employee.

The District also participates in Social Security, State Unemployment Insurance, and State Disability Insurance.

#### 1. Group Health Initial Enrollment Periods

Coverage begins on the first day of the month following the date of hire for life, health, and vision coverage. Dental insurance requires a thirty (30)-day waiting period.

#### 2. Social Security

All employees are covered by the Federal Social Security Act. A required percentage of an employee's salary is deducted to pay the employee's portion of this protection and the District matches this deduction dollar for dollar. This plan was designed for an employee's future security and that of the employee's dependents by providing retirement, disability, death survivor and Medicare benefits.

#### 3. State Unemployment Insurance

This program is funded entirely by the District and is eligible to all employees. The program provides weekly benefits to employees who become unemployed through no fault of their own or circumstances described in the law. Benefits are not automatic. Employees must complete the required form to receive benefits. These forms are available from your local Employment Development Department office.

#### 4. State Disability Insurance

This program provides for temporary disability benefits up to twenty-six (26) weeks for California employees unable to work because of a disability due to a non-occupational accident, sickness, or disease. The fund is financed through deductions from each employee's taxable earnings as established by law. Benefits are not automatic. Employees must complete the required forms to receive benefits. These forms are available from your local Employment Development Department office.

#### 5. Workers' Compensation Insurance

The District carries insurance to cover the cost of work-incurred injury or illness for all employees. Benefits help pay for an employee's medical treatment and for part of the income lost while recovering. **Refer to Policy #304** for more detailed information regarding this program.

#### 6. Long Term Disability Insurance

Long Term Disability Insurance is available to eligible employees on the first day of the month following thirty (30) days of continuous employment. Benefits require a six (6) month waiting period.

#### 7. Short Term Disability Insurance

Short Term Disability Insurance is available to eligible employees on the first day of the month following thirty (30) days of continuous employment. Benefits require a sixty (60)-day waiting period.

#### 8. 457 Deferred Compensation Plan

The District presently offers a 457 Deferred Compensation Plan for eligible employees. Employees are eligible after six (6) months of employment to contribute their own funds, through payroll deduction, for tax deferred retirement savings. The District does not match the employee's contribution. See the Summary Plan Description for further details.

### **CC. Other Benefits (Policy # 308)**

The District endeavors to provide a comprehensive suite of benefits to retain existing employees, attract potential future employees, and reduce employee turnover. Many of the benefits provided are referenced in other human resource policies. This policy describes the other employee benefits currently provided by the District that are not referenced in other policies. As is the case with all other benefit programs, the District reserves the right to amend, modify, supplement, or rescind any of these benefit programs at its discretion, subject to any law, regulation, or plan provision to the contrary.

### **Performance Incentive Program**

The District recognizes that employees who have worked in a given position for some amount of time may reach the top of their position's salary range and will not be eligible for further merit increases. In order to acknowledge and encourage those employees who are not otherwise eligible for merit increases, but continue to demonstrate

outstanding work habits and exemplary performance, a performance incentive may be granted. To be eligible, employees must meet specific performance criteria including, but not limited to, completing a majority of their annual goals, and receiving a minimum aggregate score of 80 out of 100 on their annual performance review. Employees meeting the performance incentive criteria are able to earn a one-time payment up to an amount ranging from 1-2% of their annual salary.

## **457 Deferred Compensation Plan**

The District offers new employees ~~who have attained over six months' employment~~ two options for tax-deferred savings plans from CalPERS, managed by Voya Financial or Lincoln Financial Group. A 457(b) plan is a supplemental retirement plan for employees who meet eligibility criteria. The plans allow employees to save for retirement pre-tax, which reduces their current taxable compensation, through a variety of investment options. The District does not match funds. Again, see the Benefit Summary document for details.

## **Education and Training**

Upon approval, employees may be eligible for reimbursement of tuition costs (up to \$1,500) upon successful completion of a course or training considered to be mutually beneficial to the employee and the District. The District also may provide a one-time incentive of \$1,000 per eligible employee who has, or will acquire, certifications above their job requirements. For more information see Policy #306.

## **Retiree Health Plan**

The District currently offers employees a generous retiree health plan once they have attained a minimum of 10 years employment and are at least fifty (50) years old. The District presently contributes towards the premium for the health insurance plan, designated by the District's Governing Board from time to time at a rate beginning at 50%, increasing by 5% per year, up to 100% after 20 years of employment. For those retirees who have between five years and nine years vested at the District, the plan pays the Public Employees Medical and Hospital Care Act (PEMCHA) minimum.

## **Banking and Credit Union Participation**

District employees are eligible to join the Community West Credit Union, Kinecta Credit Union, and Santa Barbara County Federal Credit Union as a District employee. Information on the services offered is available by request from the Finance Director.

## **Flex System (Section 125 Plan)**

District employees who have completed 90 days of employment may elect to participate in the Flex Flexible Spending Account. This allows employees to contribute a set dollar amount from each paycheck pre-tax, to a healthcare account. This account can be used to pay for out-of-pocket healthcare costs, such as co-payments, prescriptions, dental, and prescription glasses. There are also options to pay for dependent care and transportation.

## **Cellular Phone Discounts**

District employees are currently eligible to receive a discount on cellular telephone plans from AT&T, Sprint, and Verizon. Discounts vary by company.

## **V. RULES AND REGULATIONS**

### **A. Conflict of Interest (Policy # 401)**

Employees are expected to devote their best efforts and attention to the full-time performance of their job, to use good judgment, to adhere to high ethical standards and to avoid situations that create an actual or potential conflict between their personal interests and the interests of the District. A conflict of interest exists when an employee's loyalties or actions are divided between the District's interests and those of another, such as a competitor, supplier, customer or other employer. Both the fact and the appearance of a conflict of interest should be avoided. The District has developed the following policies in an effort to limit the possibility of such conflicts arising.

#### **1. Outside Employment**

No full-time employee shall engage in employment or outside business activity that may constitute a conflict of interest for the employee or the District. Employees should advise the General Manager in writing, before engaging in any secondary employment or business activity.

Employees who have secondary jobs are expressly prohibited from wearing any District emblem, badge or other employee identification while in the employment of someone other than the District.

Additionally, no employee in any category (full-time, probationary, at-will or temporary) shall engage in any outside employment whatsoever during the employee's regularly scheduled working hours. Employees are prohibited from using District resources.

Written approval from the General Manager is required before any employee conducts business on behalf of the District with a member of the employee's family or a business or organization in which the employee or a family member has a significant association.

If an employee has questions about whether an activity may constitute a conflict of interest, the employee should discuss the matter with his/her Department Head or the General Manager/designee before becoming involved.

#### **2. Political Activity**

District employees shall not, directly or indirectly, solicit a political contribution from officers, directors or employees of the District or from persons on the employment lists of the District, except where the solicitation is part of a solicitation made to a significant segment of the public which may include officers, directors or employees of the District. District employees are further prohibited from (a) participating in political activities of any kind while in District uniform, (b) engaging in political activities during working hours, or (c) engaging in political activities on the premises of the District.

### **B. Drug and Alcohol Abuse (Policy # 402)**

The District is committed to protecting the health, wellbeing, and safety of individual employees, their co-workers, and the public at large from the hazards caused by illegal drugs, alcohol or controlled substances. Because of the importance of this commitment and the addictive and secretive nature of substance abuse, accomplishing this goal will require the full support of Department Heads as well as that of each employee. The presence and/or use of illegal drugs and alcohol on the job, and the influence of these substances on employees during working hours, will not be tolerated.

The District is committed to providing a substance-free (alcohol, drugs and other controlled substances) workplace through the development and administration of policies, guidelines and programs.

The following policy on substance abuse is adopted as an initial step toward reaching this goal:

## **PROCEDURE**

1. Employees are expected and required to report to work on time, free of any evidence of mental or physical impairment that may be attributed to the abuse of drugs or alcohol.

2. Employees must not unlawfully manufacture, possess, distribute, dispense, transfer, purchase, use, furnish, sell, or offer alcohol, illegal drugs or other controlled substances (as defined under Federal and California Law) while on the job or on District premises, or while operating a vehicle that is owned or leased by the District. Employees must not be under the influence of any illicit drug or alcohol, or be impaired by any prescription drug in a manner that precludes them from safely and efficiently performing their key job duties while in the workplace. Proof that an employee furnished, sold, or offered alcohol, illegal drugs or controlled substances while on the job or on District premises will result in termination of employment. Possession of or use of alcohol, illegal drugs or controlled substances while on the job or on District premises will result in disciplinary action, up to and possibly including immediate termination.

3. Use of prescribed medications and drugs in accordance with physician's instructions is not a violation of this policy, as long as the medications or drugs do not interfere with the safe and effective performance of duties.

4. An employee reasonably believed to be under the influence of alcohol or drugs shall be prevented from engaging in further work, and arrangements may be made for safe transportation from the worksite.

5. Upon review and recommendation by two District personnel, the District will transport an employee who is reasonably suspected to be under the influence of alcohol or drugs, as defined above, to a District designated clinic for the appropriate testing procedure. The attending physician shall determine the employee's physical condition with respect to the employee's ability to perform the required work.

6. In order to enforce this policy, the District reserves the right to conduct searches of District property or employees and/or their personal property, and to implement other measures necessary to deter and detect abuse of this policy.

7. Employees who engage in off-the-job or off-premises alcohol, legal, or illegal drug activity that impairs their work performance, causes damage to District or public property, jeopardizes their own safety or that of co-workers, or the general public, will also be subject to disciplinary actions up to and including termination of employment.

8. The District will encourage and reasonably accommodate employees with alcohol or drug dependencies to seek treatment and/or rehabilitation. Employees desiring such assistance should request a treatment or rehabilitation leave. If a physician determines an employee is disabled from working because of substance dependency the employee may be eligible for sick leave and other continuation benefits. The District is not obligated, however, to continue to employ any person whose performance of essential job duties is impaired because of drug or alcohol use, nor is the District obligated to re-employ any person who has participated in treatment and/or rehabilitation if that person's job performance remains impaired as a result of dependency. Additionally, employees who are given the opportunity to seek treatment and/or rehabilitation but fail to overcome

their dependency or problem, will not automatically be given a second opportunity to seek treatment and/or rehabilitation.

9. Employees must, as a condition of employment, abide by the terms of this policy statement and notify the General Manager in writing of any convictions for violations of a criminal drug statute occurring in the workplace within five (5) days after the conviction. Under the regulation implementing the Drug-Free Workplace Act, the District is required, within thirty (30) calendar days of receiving such notification, to take appropriate personnel action.

10. Evidence of employees who possess, use, or are involved in furnishing, selling, or offering illegal drugs while on the job or on District premises must be reported to the General Manager. Any questionable substance found shall be submitted to the appropriate law enforcement office for testing and will be subject to criminal investigation.

#### **C. Smoking Policy (Policy # 403)**

The District is a non-smoking workplace and specifically prohibits smoking in enclosed areas, District vehicles, or areas in proximity of entrances on the District property.

Employees are prohibited from smoking while on District time, except for during meal and rest period breaks.

Smoking is permitted in the southwest corner of the shop located in the P&M building, parking lots, and all roadways around the plant, except where posted, and as long as doorways, walkways, and parking areas are not blocked or littered.

#### **D. Driving on District Business (Policy # 404)**

Employees whose job duties necessitate driving vehicles in the course of their employment need to maintain certain acceptable standards. The privilege of driving is granted through the issuance of a license by the Department of Motor Vehicles. Certain proficiencies and physical requirements must be proven prior to the granting of such license. The failure to meet these requirements results in revocation or the non-issuance of such a State License.

In addition, insurance companies have established certain requirements of drivers in order to meet insurability at standard premium rates. Drivers not meeting certain underwriting standards are not eligible for these rates. In accordance with the District's insurance company requirements, the District shall institute and enforce the employee driving eligibility standards as set forth in this policy and procedure. Employees who fail to adhere to these standards may be subject to termination if their job duties regularly require driving a motor vehicle.

### **PROCEDURE**

#### **1. District Responsibility**

a. All employees shall be informed of this policy's minimum eligibility standards (hereafter known as standards) and acknowledge the reading of it by signing a "Driving Standards Acknowledgment" form that shall be retained in the employee's personnel file.

b. Job Descriptions shall state that employees must continue to meet the established driving standard and that it is a condition of employment for that position.

c. Driving standards shall be enforced consistently and fairly among all employees working in classifications where driving is required.

| d. Department of Motor Vehicles license checks shall be made ~~semi~~-annually on employees who drive a vehicle on District business.

  e. The names of employees not meeting the standards shall be provided to the appropriate Department Head as soon as the District receives notice of an employee's failure to comply with the standards, and the Department Head or designated representative shall then notify the affected employee.

## 2. Employee Responsibility Driving Standards

Minimum Eligibility Standards include:

  a. Employees must possess a valid California Driver's License to legally operate the class of vehicle(s) they are required to operate in their employment. For those positions that require a Class B driver's license, the District shall reimburse the cost of the DMV driver's license fee.

  b. Employees are responsible for notifying the District if their license is suspended or if they receive notification from the Department of Motor Vehicles of intent to suspend their license.

  c. Employees are required to maintain a current medical certificate for classes of licenses requiring such certification.

  d. All occupants of District owned vehicles or motor trucks shall utilize safety belts. Any defective safety belts shall be immediately reported to the Department Head.

  e. Employees accumulating four (4) violation points as valued and enumerated in the Department of Motor Vehicles' Negligent Operator Count sheet (as the same may be modified by the DMV from time to time) within any rolling three (3)-year period shall be considered in a disciplinary status and shall be required to attend a defensive driving class. Upon completion of the class, the employee shall provide the General Manager/designee with either a copy of the certificate of completion or a written description of the duration and contents of the training course attended. Department of Motor Vehicle checks will be made quarterly on employees in a disciplinary status.

  f. Employees accumulating six (6) violation points as valued and enumerated on the Department of Motor Vehicles' Negligent Operator Count sheet within any rolling three (3)-year period shall be excluded from the pooled layer of automobile liability coverage. The District may implement further disciplinary action up to and including termination of employment if an employee is unable to perform the position responsibility of operating a motor vehicle.

  g. The conviction date (as determined by the DMV) for the first relevant violation will be considered as the starting date for the rolling three (3)-year period discussed in #d and #e above.

  h. The provisions of items #d and #e shall apply regardless of whether the negligent driving which resulted in acquiring the violation points was or was not in the course of employment.

## 3. New Employees

Prospective employees whose job would require driving in the course of their employment are required to provide an up-to-date Motor Vehicle license report. The applicant's driving record must be satisfactory to meet the insurability requirements of the District's insurance carrier to be considered eligible for District employment.

#### 4. Current Employees

Current employees failing to meet the requirements of the valid Driver's License (item 1 of minimum qualifications) shall be excluded from District auto liability coverage and shall not be permitted to drive a vehicle for District business until such time that the employee meets at least that standard.

#### 5. Driving District Vehicles on District Property

Employees who are required to drive any District vehicle (including forklift, cart, and other types of motor vehicles) within the perimeters of the District property shall also be subject to those minimum eligibility standards indicated above in addition to the following standard:

Employees with three (3) vehicle accidents within three (3) years that involve District vehicles inside of the District property shall be subject to disciplinary action, up to and including termination of employment, if it is determined by the District that the accident or damage to the District property or vehicle was preventable.

#### 6. Reporting Of Accidents /Tickets Involving District Vehicles

The District shall be immediately notified if an employee is involved in any District vehicle accident or District incident that results in the employee being ticketed. Failure of the employee to report such an occurrence may result in disciplinary action up to and including termination of employment.

#### 7. Driving Under the Influence of Alcohol, Drugs or Medication

Employees shall not operate motor vehicles while under the influence of alcohol, drugs, or medication that may cause drowsiness or otherwise impair their ability to safely operate a vehicle.

If an emergency call to return to work is received by an employee who is not on-call and partaking of alcohol, drugs or on medication which causes drowsiness or otherwise impair their ability to safely operate a vehicle, the employee should not return to work and should advise the Department Head of his/her inability to come to work.

Not only is the District liable if an employee causes an accident while under the influence of alcohol, medication, or drugs, but the employee faces a possibility of not being covered for any personal injuries under applicable Workers' Compensation laws. While the District cannot be sued for punitive damages, an individual employee can. No matter how conscientious an employee might be after receiving an emergency call, the employee should decline to take it if he/she is not physically capable of responding safely.

#### 8. Reporting an Accident or Damage to District Property

All damage to District property should be reported verbally, as soon as possible, to the General Manager and/or Department Head and followed by a written report. All information, including witness information, damage incurred, etc., should be included.

If the accident involves a second vehicle, there are insurance cards in the glove compartment of the District vehicle that must be completed.

## 9. Vehicle Use and Mileage Reimbursement

The District periodically reviews its reimbursement policy and sets an appropriate rate of reimbursement when employees are required to use their own vehicles for District-related business. Mileage will not be reimbursed if a District vehicle is available and employees choose to use their own vehicles. *See Policy #305, Expense Reimbursement for additional details.*

Unless specifically authorized by the General Manager or Department Head, an employee shall not use their personal automobile on District business. When authorized by the General Manager, the employee shall be reimbursed at the rate consistent with the District's adopted policy.

District vehicles and equipment are to be used for District business only.

### **E. Employee Identification Cards (Policy # 405)**

A photo I.D. card that identifies individuals as employees of Goleta Sanitary District ~~shall may~~ be made available to any District employee whose position requires proof of their status to non-District persons, such as in the need of an ID card to assist in mutual aid in the case of an emergency. Upon separation from the District the ID cards must be turned in.

#### **PROCEDURE**

- ~~1. All field personnel shall carry District cards during working hours.~~
- ~~2. Upon separation from the District, identification cards must be turned in.~~
- ~~3.1. Employees must immediately report the loss or theft of their I.D. card to their Department Head.~~

### **F. Lockers (Policy # 406)**

Lockers are made available for the convenience of employees while at work. The District is not responsible for any articles that are placed or left in lockers that are lost, damaged, stolen, or destroyed.

#### **PROCEDURE**

Lockers must be kept in good working order and undamaged by the employee's use. Perishable goods may be stored in the employee's locker only for the duration of the shift in which the goods are brought to the work place.

Lockers are only to be used for the storage of such items as employee clothing, uniforms, personal safety equipment, grooming products, or other personal items that are appropriate for the workplace.

Employees shall not permanently modify their lockers. The District will provide locks for the employee's use.

Lockers are the sole property of the District and the District reserves the right, with reasonable cause, as determined by the General Manager/designee, to open and inspect lockers, as well as any contents, effects or articles that are in the lockers. Such an inspection can occur at any time. An inspection may be conducted before, during or after working hours by management or security personnel designated by the District. However, during all inspections, a second person shall be present to witness the inspection. Efforts will be made to notify the employee of the inspection; however, the inspection shall not be delayed if either is unavailable.

An employee who, if requested, fails to cooperate in any inspection, will be subject to disciplinary action, up to and possibly including termination.

## **G. Progressive Discipline (Policy # 407)**

It is essential that employees perform to the best of their ability at all times. It is expected that employees understand and demonstrate certain standards of job performance, interpersonal skills and conduct.

Employees are expected to be engaged productively in work activities during working hours.

Progressive discipline may include verbal warnings, written warnings, suspension with or without pay, demotion, reduction in pay and/or termination.

Progression from one disciplinary level to another occurs when employees do not show improvement to a satisfactory level. Although one or more actions may be taken in disciplinary matters, the disciplinary action taken does not necessarily have to follow this stated order and shall be commensurate with the offense.

The District is not required to follow these procedures for those management employees and other staff designated as At-Will employees. At-will employees may be terminated at any time with or without cause and with or without advance notice or prior discipline.

## **PROCEDURE**

### **1. Discipline**

The District expects efficiency, productivity and cooperation among its employees. The following are examples of types of conduct that are not permitted and that may result in disciplinary action, up to and possibly including immediate termination. Although it is not possible to provide an exhaustive list of all types of unacceptable conduct, performance, or group interaction, the following are some examples of disciplinary actions that range from reprimand to termination:

a. Excessive absenteeism. Unless otherwise approved or unless on approved extended leave, employees' absenteeism is generally considered excessive when their approved and unapproved absences in any rolling twelve-month period exceed the total of (a) their annual vacation accrual amount, (b) their annual allotment of sick leave, and (c) their annual allotment of floating holidays.

b. Having more than five (5) unexcused absences in any rolling twelve-month period.

c. Failing to timely report one's absence in accordance with the District's call-in/absence reporting procedures.

d. Failing to report to for work for three consecutive regular working days without proper notification.

e. Possession or use of dangerous or unauthorized materials, such as explosives, firearms, or other similar items, while on District property, while on duty, or while operating a vehicle leased or owned by the District.

f. Misuse of, destroying, or intentionally or negligently damaging property of the District, another employee or a District visitor.

g. Insubordination, including improper conduct toward the General Manager, a Department Head, or lead person; or refusal to perform in accordance with instructions.

h. Possession, distribution, sale, use, or being under the influence of alcoholic beverages or illegal drugs or controlled substances (other than prescription drugs for personal use) while on District property, while on duty, or while operating a vehicle on District business.

i. Altering, falsifying or omitting material information from work or job records, including employment applications, timesheets, or other District records.

j. Failing to observe safety rules and regulations, including failing to wear safety equipment as directed.

k. Theft or unauthorized removal or possession of property from the District, other employees, or anyone on District property.

l. Failure to achieve minimum certification within the time frame required for the position held.

m. Working on unauthorized projects on District premises.

n. Unauthorized use or removal of District records or property of any kind of records or property in the District's custody; including improper use of District stationery and logo.

o. Misrepresentation of the reasons in applying for a leave of absence or other time off from work; or willful misrepresentation of reasons for calling in to report absence due to illness.

p. Failure to declare, or upon request, to withdraw from outside activities or interests which conflict with, detract from, or adversely affect the interests of the District.

q. Failure to report involvement in an accident occurring on District premises, or involving District equipment or vehicles, or giving false information in accident or insurance reports.

r. Willful failure to report to the supervisor any significant errors or mistakes or accidental damage affecting work assignments, District property, or equipment.

s. Unauthorized opening of, or tampering with, locks in desks, doors, cabinets, etc., or unauthorized use or duplication of keys.

t. Refusal to take and subscribe any oath or affirmation required by law in connection with District employment.

u. Creating or contributing to unsanitary and/or unsafe conditions by poor housekeeping.

v. Sleeping in the plant or a vehicle while on duty.

w. Actual or threatened physical violence, threatening, intimidating, coercing any member of the District community; vulgar or abusive language.

- x. Violation of District rules, regulations or codes of conduct.
- y. Fighting, assaulting, or attempting to provoke a fight on District premises.
- z. Unsatisfactory performance, including poor accuracy, quantity, or quality of work product; failure to complete assigned tasks; lack of cooperation.
- aa. Improper, unprofessional and/or intimidating behavior to others.
- bb. Conviction of a crime, based upon the nature of the offense and its relevance to the position. Engaging in criminal conduct whether or not related to job performance.
- cc. Intentional or gross misconduct.
- dd. Unlawful harassment, including sexual harassment.

## 2. Applied Discipline

The chart below identifies the course of discipline that may be utilized for each of the infractions noted above. This chart is a guideline, as the actual discipline imposed is determined on a case-by-case basis depending upon the facts of each particular case and determined by the department head or General Manager.

Violation of the disciplinary items listed above will generally result in the discipline specified below:

### Disciplinary Action

- A. Written Warning
- B. 1-day suspension
- C. 3-day suspension
- D. 5-day suspension
- E. Termination

Discipline Item	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
a.	C	E		
b.	E			
c.	A	C	E	
d.	C	E		
e.	A	E		
f.	C	E		
g.	C	E		
h.	E			
i.	E			
j.	A	C	E	
k.	E			
l.	E			
m.	A	C	E	

Discipline Item	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
n.	D	E		
o.	C	D	E	
p.	D	E		
q.	D	E		
r.	D	E		
s.	E			
t.	C	E		
u.	A	C	E	
v.	D	E		
w.	E			
x.	A	C	E	
y.	E			
z.	A	C	E	
aa.	A	C	E	
bb.	E			
cc.	B	D	E	
dd.	C	E		

### 3. Performance Improvement Process

#### a. Verbal Counseling Session

- i. The Department Head shall counsel the employee verbally, specifying the unacceptable behavior and identify what corrective action or behavior is needed to meet a satisfactory level of performance.
- ii. The Department Head shall provide an opportunity for the employee to express concerns and mutually agree on a course of action to improve performance, allow for positive two-way communication, and establish a reasonable target date for the follow-up review.
- iii. A follow-up review date, if any, should be scheduled far enough in advance to allow sufficient opportunity and time for the employee's performance to improve. The employee shall always be advised that failure to correct the behavior/performance problem will result in additional disciplinary action, up to and including termination of employment.

### 4. Written Disciplinary Warnings

If the employee does not improve after the verbal counseling session or if there are repeated incidents of the unacceptable behavior or performance, or if the nature of the behavior or performance issue warrants a formal written warning, then the Department Head shall complete a written reprimand documenting the matter. The written warning(s) shall include:

- a. A restatement of the problem to the employee. An explanation of how the Department Head's expectations and standards have not been met. Specific details of the acceptable level of

performance. Reference to prior discussions or written warnings with the employee concerning the performance or behavioral problem.

b. When discussing the content of the written warning, the Department Head shall allow for two-way communication and give the employee an opportunity to explain.

c. Provide specific examples and ideas for improvement. Outline an action plan to correct the problem.

d. Set milestones for improvement, dates for regular follow-up and a reasonable date by which the problem must be corrected.

e. Indicate verbally and in writing that failure to correct the problem may lead to additional disciplinary action, up to and including termination of employment.

f. Sign and date the written warning and request the same from the employee. State that signing the written warning does not indicate agreement with the contents, only receipt and knowledge thereof and provide a copy to the employee. The employee may also sign the warning and add a statement indicating that he/she does not agree with its contents.

g. If the employee refuses to sign the warning, the Department Head shall so indicate, sign it and provide a copy to the employee.

h. Retain a copy of the written warning in the employee's personnel file.

#### 5. Suspension, Demotion, Reduction in Pay

In matters regarding suspension, demotion and/or reduction in pay, the Department Head shall consult with the General Manager/designee to ensure that all procedures meet legal requirements.

If the suspension, demotion or reduction in pay is for more than five (5) days, then employee shall be notified of the District's intent and shall be given the opportunity to meet with the General Manager/designee to discuss the suspension, demotion or reduction in pay, prior to its effective date.

The notice shall:

- i. State the intended corrective action, the reason for the corrective action and the effective date of such action;
- ii. Include a copy of the charges and materials upon which the corrective action is based;
- iii. State that the employee has the right to respond in writing before the effective date of the action;
- iv. State the employee's right to request a hearing regarding the disciplinary action after the action is taken.

The General Manager/designee, after conferring with the employee, has the opportunity to uphold, reduce, or modify the recommended action, depending upon his/her investigation into the matter. The employee shall receive written notification of the decision.

## 6. Termination

If the Department Head, and/or the General Manager/designee recommends an action of termination to the General Manager, then prior to termination, the employee shall be notified in writing of the intent to terminate. The written notice shall:

- a. Explain that the District intends to terminate the employee, and describe the reasons for the termination and the proposed effective date of the termination;
- b. Include a copy of the charges and materials upon which the termination is based;
- c. State that the employee has the right to request an appeal interview with the General Manager/designee, within five (5) days of receipt of the notice; and
- d. State the employee's right to request a post-termination hearing concerning the termination.

The District, at its discretion, may place the employee on a paid administrative leave pending the appeal interview with the General Manager.

After review of the appeal, the General Manager/ designee has the authority to uphold the termination or reduce the disciplinary action, depending upon the investigation into the matter.

After the appeal process is completed, the General Manager/designee will advise the employee, in writing, of the decision regarding termination. If the recommendation to terminate is upheld, the employee will be advised of his/her final date of employment.

If the decision is not to terminate, the employee shall be reinstated. The District also has the ability to modify the disciplinary action, if warranted.

If terminated, on the last day of employment, the employee shall empty his/her locker, turn in locker keys, other keys, pager, I.D. card, uniforms and any other items that belong to the District. These items are to be given to the employee's supervisor or the Accounting/Administration ManagerSupervisor when the employee receives their final paycheck. The employee shall receive the final paycheck on the last day of employment, or if requested, it shall be sent to the employee by certified mail.

## 7. Disciplinary Hearing Process

Employees who wish to request a formal hearing after being apprised of the District's intent to reduce their pay or to suspend, demote, or terminate them, must deliver written notice of their desire for a hearing to the District's General Manager before the later of (a) five (5) business days after the date the General Manager provides his/her response to the employee's appeal interview (if such an appeal interview was timely requested in accordance with the procedures outlined under Paragraph 4, above), or (b) seven (7) business days after the date the employee receives notice of the District's intent to reduce the employee's pay or to suspend, demote, or terminate the employee.

The determination by the District's Board of Directors is final.

a. Hearing Body and Timing of Hearing

The hearing shall be held before and adjudicated by the District Board of Directors' Personnel Committee. The hearing shall be held within a reasonable period of time after receipt of the employee's request for hearing, and in any event, unless the parties otherwise agree, not later than twenty (20) business days after receipt of the employee's request for hearing.

b. Order of Hearing

- i. The District's representative shall be permitted to make an opening statement.
- ii. The employee (or his/her representative) shall be permitted to make an opening statement.
- iii. The District shall present its evidence.
- iv. The employee (or his/her representative) shall present his/her evidence.
- v. At the discretion of the Personnel Committee, the parties shall be permitted to offer closing statements.

c. Hearing Guidelines

- i. The District shall arrange for the making of an audiotape or videotape of the hearing.
- ii. The employee or the District or both may arrange to have a court reporter present to record the hearing; provided, however, that if the court reporter's notes are transcribed, the other party shall be entitled to a copy of the transcript at cost.
- iii. The employee and the District may be represented by legal counsel or another person of their choice at the hearing.
- iv. Each party shall have the right to call and examine witnesses, to introduce evidence, to cross-examine opposing witnesses on any matter covered in direct examination, to impeach any witness regardless of which party first called the witness to testify, and to rebut evidence introduced by the other.
- v. All evidence shall be taken only on oath or affirmation.
- vi. The hearing need not be conducted in accordance with technical rules relating to evidence and witnesses, but shall be conducted in a manner most conducive to the determination of the truth. Any relevant evidence may be admitted if it is the sort of evidence upon which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the

existence of any common law or statutory rules that might make improper the admission of such evidence over objection in a court of law.

- vii. Hearsay evidence may be used for the purpose of supplementing or explaining any direct evidence, but shall not be sufficient to support any finding unless it would be admissible over objections in a court of law.
- viii. Irrelevant evidence and unduly repetitious evidence may be excluded.
- ix. The Personnel Committee shall have the right to question either party after completion of their respective opening and closing statements, as well as any witness following the witness' testimony.
- x. The employee (or his/her representative) may inspect all documents in possession of the District that are to be admitted into evidence at the hearing.

Any documents that the District does not provide at the request of the employee or his representative seven (7) days prior to the hearing or sooner shall not be admissible at the hearing. The District (or its representative) may inspect all documents in possession of the employee (or his/her representative) that are to be admitted into evidence at the hearing. Any documents that the employee (or his/her representative) does not provide at the request of the District or its representative seven (7) days prior to the hearing or sooner shall not be admissible at the hearing.

- xi. The hearing shall be closed. During the examination of witnesses, all other witnesses, other than the parties, shall be excluded from the hearing.
- xii. The Personnel Committee may, at any time prior to or during the hearing, grant a continuance for any reason it believes necessary to its reaching a fair and proper decision.
- xiii. The District shall carry the burden of proving, based on the preponderance of the evidence, that the disciplinary action that is the subject of the hearing was merited. The Personnel Committee shall determine relevancy, weight and credibility of the evidence.
- xiv. The Personnel Committee may adopt such additional rules for the hearing as it determines appropriate so long as they are consistent with these guidelines.

## **H. Grievance Procedure (Policy # 408)**

The District has established an internal problem-solving process to provide a prompt and fair review of employee work-related issues. Members of management are responsible for maintaining a climate of open communication so that this process can be administered effectively.

Employees shall be advised that using this process shall not affect their job status, security or relationship with the District. Employees can exercise this problem-solving resolution process without fear of censure, interference, intimidation, discrimination or reprisal.

This grievance procedure does not apply to termination of employment. An employee who desires to appeal a termination decision shall refer to Policy 406 of this Handbook.

## **PROCEDURE**

### **1. Definition**

a. A complaint is a claimed violation, misinterpretation, inequitable application or non-compliance with provisions of rules, regulations, existing policies, practices and/or resolutions, affecting the status or working conditions of District employees.

b. Acceptable issues are those that concern the interpretation or application of a District policy or practice.

c. A concerted effort should be made to complete each step of the process within five (5) working days.

### **2. Process**

#### **a. Step One – Department Head**

i. Within ten (10) working days of the event giving rise to a complaint, the employee shall present a written document for discussion with the Department Head.

ii. The written document shall be dated and include:

(a) The name(s) of the employee;

(b) The date the complaint occurred;

(c) A clear statement of the nature of the complaint;

(d) A proposed solution to the complaint; and

(e) The employee's signature.

iii. The employee and Department Head shall make a sincere effort to satisfactorily resolve the problem without delay.

#### **b. Step Two – General Manager**

i. If the employee and Department Head are unable to resolve the complaint, and if the employee wishes to pursue it further, the written complaint shall be referred to the General Manager.

- ii. The General Manager/designee shall investigate the matter and attempt to reach an equitable solution. The decision of the General Manager/designee shall be in writing.
- c. Step Three- Personnel Committee
  - i. If the complaint is not satisfactorily resolved at the General Manager's level, the employee may request that the matter be reviewed at the Board level by submitting a letter requesting such to the General Manager within five (5) days of receipt of the General Manager's response.
  - ii. Within ten (10) working days after such notification, the Board's Personnel Committee, consisting of two Directors and one or more appointees named by those two Directors shall review the information through a written request and statement of fact from the employee.
  - iii. If the Personnel Committee concurs with the response or recommended action of the General Manager/designee, the employee shall be so advised in writing.
  - iv. If the Personnel Committee does not concur with the response or recommended action of the General Manager/designee, the issue will be put on the agenda for Board review at the next regularly scheduled Board meeting.
  - v. If the employee does not agree with the Personnel Committee's findings, the employee may request that the full Board review the complaint by providing a written request within five days of receipt of the Personnel Committee's findings.
- d. Step Four – Board of Directors
  - i. The full Board, or its appointees, appointed by the Board, shall review the matter, afford the employee, the General Manager/designee, and/or the Personnel Committee the opportunity to submit any additional information that may be relevant to the dispute; determine if any new information or justifiable appeal is available and render a final decision. A written decision shall be provided within thirty (30) days of the conclusion of the review process. The decision of the Board is final and binding.
  - ii. The General Manager and Department Head shall discuss the final response with the employee.

## **I. Security and Privacy (Policy # 409)**

Desks, storage areas, work areas, lockers, file cabinets, credenzas, computer hardware and software systems including Internet E-mail communications, voice-mail, office telephones, modems, facsimile machines, duplicating machines, and District vehicles are District property and must be maintained according to this policy.

## **PROCEDURE**

## 1. Neatness

All such areas and items shall be kept clean and are to be used only for work purposes, except as provided in this policy.

## 2. Visitors

Personal visitors must sign the Office Visitor Register at the Administrative Office.

All employees are charged with the responsibility of stopping unescorted visitors. It should be assumed that if the visitor is unescorted, they have not properly registered.

Employees shall determine if the visitor has cleared with the office. If the office is closed, determine if the visitor has cleared with the Plant Operations Manager.

Under no circumstances shall an unescorted visitor be permitted to wander around the plant site, especially in the power and maintenance building, on the headworks, digester, clarifiers, chlorine facilities, or any other areas of possible danger to the untrained visitor.

## 3. Right of Inspection

The District reserves the right, at all times, and without prior notice, to inspect and search any and all District property for the purpose of determining whether this policy or any other District policy has been violated, or whether such inspection and investigation is necessary for purposes of promoting safety in the workplace or compliance with state and federal laws. Such inspections may be conducted during or after business hours and in the presence or absence of employees.

## 4. District Computer System, Internet and Other Technical Resources

District computer systems and other technical resources, including Internet communications and other E-mail systems, are to be used for business purposes only. Employees are prohibited from unauthorized downloading of any software as well as any other non-business-related documents. Employees shall adhere to the District's policies prohibiting harassment and discrimination with regard to Internet E-mail communications sent. Offensive, harassing or discriminatory content in such messages will not be tolerated. Internet messages sent or retrieved are the property of the District and, as such, are subject to inspection described in item 3 above. Employees shall not use personal passwords to access computer programs and/or documents. Abuse of District computer systems may result in disciplinary action, up to and including termination.

## 5. Prior Authorization

Prior authorization must be obtained before any District property may be removed from the premises.

## 6. Investigation of Facts

The District may occasionally find it necessary to investigate current employees, where behavior or other relevant circumstances raise legitimate questions concerning work performance, reliability, honesty, trust-worthiness, or potential threat to the safety of co-workers or others.

When an investigation is initiated, certain records may be required, and employees subject to such investigations are expected to reasonably cooperate with the efforts to obtain relevant information that is pertinent to the investigation.

#### 7. Use of Telephones

The District recognizes that employees may occasionally find it necessary to use telephones for family-related personal use. Such calls should be kept to an absolute minimum and shall be made only during break or lunch periods. Use of cell phones during working hours for personal business is prohibited. Abuse of telephone privileges may result in disciplinary action, up to and including termination. Employees shall advise family or friends not to call at work except for emergencies.

All other personal, long-distance calls must be made using a personal cell phone. If the employee must incur telephone cost on the District phone bill, the employee is responsible for notifying the Department Head before the monthly statement arrives and reimbursing the District immediately upon being informed of the associated costs of the phone call(s).

#### 8. Software Usage

No District computer software may be copied for personal use. Copies of computer software shall be in accordance with the software licenses. Only the General Manager will authorize installation of software on the network. Employees shall not install personal non-work-related software (i.e., games, screen savers, etc.) on the District's computer equipment. No computer hardware or software shall be purchased or installed without the prior approval of the General Manager.

Internet games and personal games may not be used. District owned or licensed games created to teach real, needed knowledge or skills may be used as the District allows.

#### 9. Review of Computerized Information

For purposes of inspecting, investigating or searching employees' computerized files or transmissions, the District may override any applicable passwords or codes in accordance with the best interests of the District, its employees or its customers, vendors or visitors. All bills and other documentation related to the use of District equipment or property is the property of the District.

#### 10. Protection of District Records

Employees may access only files or programs, whether computerized or not, that they have permission to enter. Unauthorized review, duplication, dissemination, removal, damage or alteration of files, passwords, computer systems or programs, or other property of the District, or improper use of information obtained by unauthorized means, may be cause for disciplinary action, up to and including termination.

#### 11. Fraud Policy

The District has established a fraud policy to clarify acts that are considered to be fraudulent. Employees are encouraged to refer to this fraud policy to determine what steps to take when fraud or other related activities are suspected and how to report them. The policy provides procedures to follow in accounting for missing funds, restitution and recoveries.

### **J. Safety Equipment, Dress Code, and Conduct (Policy # 410)**

Depending upon position responsibility, for health and safety reasons, employees will be provided, at District expense, with uniforms, safety boots and other safety equipment for use only while on duty. Employees who are not required to wear uniforms are expected to dress in proper business attire. All employees are expected to practice courtesy and respect for other employees and the general public at all times.

## PROCEDURE

### **Health and Safety**

The District is concerned about the health and safety of all employees. Employees are expected to share that concern by practicing safe working habits for their own benefit, as well as that of their fellow employees.

District policy and federal law require that employees be provided with the proper tools and equipment necessary to accomplish their work assignments in a safe manner and a workplace free from recognized safety hazards. Employees must immediately notify their supervisor of any safety risks they are aware of in their work area.

Under California law, in the event of an emergency condition, the District will not take or threaten adverse action against any employee for refusing to report to, or leaving, a workplace because the employee has a “reasonable belief that the workplace is unsafe.” The law requires employees to, “when feasible,” notify employers in advance of the emergency condition that requires they either leave the workplace or refuse to report to work. If it’s not feasible, then the employee must notify the employer as soon as possible.

In accordance with applicable law, the District has adopted an Illness and Injury Prevention Plan which sets out the District’s safety policies and practices in more detail. A copy is provided to all employees.

Under this policy, “Emergency Condition” means conditions of disaster or extreme peril to the safety of persons or property at the workplace or worksite caused by natural forces or a criminal act. And, an order to evacuate a workplace, worksite, worker’s home, or the school of a worker’s child due to natural disaster or a criminal act.

“A reasonable belief” means that the workplace or worksite is unsafe” means that a reasonable person, under the circumstances known to the employee at the time, would conclude there is a real danger of death or serious injury if that person enters or remains on the premises. The existence of any health and safety regulations specific to the emergency condition and an employer’s compliance or noncompliance with those regulations shall be a relevant factor if this information is known to the employee at the time of the emergency condition or the employee received training on the health and safety regulations mandated by law specific to the emergency condition.

### **Safety Equipment**

District employees whose job responsibilities involve treatment plant operations, collection system operations, laboratory operations, and/or repair or maintenance activities associated with the District’s equipment and facilities (collectively, “Operations Personnel”) are exposed to various risks on a daily basis. In order to provide protection against these risks and to ensure the health and safety of Operations Personnel, the District will provide and maintain, at District expense, uniforms for all Operations Personnel (“Uniforms”). Uniforms include shirts and pants made of closely woven fabric and, when required by weather conditions, coats and rain gear, all of which are provided to protect against (i) contact with raw and partially treated sewage which may result in exposure to blood borne pathogens, toxic chemicals, and other hazardous substances associated with the sewage collection and treatment process, (ii) cuts, bruises, and other injuries from handling heavy, sharp, or rough materials, and (iii) melting or ignition of clothing when performing work associated with high voltage electrical systems. Uniforms worn by Operations Personnel whose job responsibilities involve collection system operations shall include orange vests to increase visibility to motorists and reduce the risks associated with vehicular traffic.

Uniforms worn by Operations Personnel whose job responsibilities include laboratory operations, may include lab coats in addition to, or in place of shirts and pants. Operations Personnel must wear Uniforms at all times while on duty and shall not be permitted to do their jobs without them.

Uniforms are provided by the District for the health and safety of Operations Personnel and not as a substitute for personal attire. Operations Personnel must acquire and maintain personal attire to wear to and from work. Uniforms are not owned by Operations Personnel, may not be altered in any way by Operations Personnel, and may not be worn by Operations Personnel when not on duty. The District will provide clean Uniforms which Operations Personnel must change into each day before commencing work. Uniforms must be left on the District premises at the end of each workday. The District will arrange to have Uniforms professionally cleaned, at District expense, each time Uniforms are worn. If, in the course of work, Uniforms becomes soiled due to contact with raw or partially treated sewage, toxic chemicals, and other hazardous substances, the District will provide, at District expense, clean Uniforms which Operations Personnel must change into prior to returning to work, after showering, if necessary. In order to provide further protection against the risks associated with their job responsibilities and to further ensure the health and safety of Operations Personnel, the District will provide, at District expense, steel toed boots ("Safety Boots"). Safety Boots are provided to (i) protect against the risk of foot injuries from machinery, equipment, and heavy objects, (ii) improve ankle and foot support and stability, and (iii) improve traction on slippery and uneven surfaces. Operations Personnel must wear Safety Boots at all times while on duty and shall not be permitted to do their jobs without them.

Safety Boots are provided by the District for the health and safety of Operations Personnel and not as a substitute for personal attire. Operations Personnel must acquire and maintain personal footwear to wear to and from work. Because Safety Boots may come in contact with raw or partially treated sewage, toxic chemicals, and other hazardous substances, in order to avoid the possible spread of contamination, Safety Boots must be left on the District premises at the end of each workday and may not be worn by Operations Personnel when not on duty.

To ensure proper fit, Operations Personnel may purchase Safety Boots on their own, subject to reimbursement by the District for the cost thereof. The reimbursement amount ~~shall be \$185 is determined annually and, which amount~~ shall be adjusted annually on July 1 by the same percentage as the cost-of-living adjustment for employee salaries ~~that is once~~ approved by the ~~District's Governing~~ Board. For information regarding the current rate of reimbursement, please contact your department manager. Reimbursement will be authorized by the Department Manager upon submission of a receipt for the purchase and an inspection by the Department Manager to confirm that the Safety Boots meet District safety standards.

The District will also provide and maintain, at District expense, other safety equipment, such as hard hats, goggles, face shields, respirators, aprons, coveralls, and gloves. Operations Personnel must use such safety equipment whenever planned work activities involve special or increased levels of risk, as required by applicable regulations and/or District safety programs, and shall not be permitted to do their jobs without them.

Operations Personnel who fail to wear required Uniforms or Safety Boots while on duty, or who fail to utilize other safety equipment as required by applicable regulations and/or District safety programs, are subject to progressive discipline according to Policy #407.1.k, Section V: Rules and Regulations.

## 1. Dress Code

Employees not required to wear a District uniform are required to dress in proper business attire.

## 2. Conduct

Employees are required to practice courtesy and respect for other employees and the general public at all times. Offensive language, teasing, gestures or behavior are prohibited and subject to progressive discipline according to Policy #407, Section V: Rules and Regulations.

The District has a Social Media Policy with which employees are expected to act in accordance. It is included as part of the onboarding process and is available on the District intranet portal.

#### **K. Safety in the Workplace (Policy # 411)**

It is the policy of the District to ensure that all employees are provided with a safe working environment and to take whatever actions may be necessary to prevent on-the-job accidents or injuries. To achieve this, the following procedures shall be followed.

### **PROCEDURE**

#### **L. Violence in the Workplace**

All employees are strongly encouraged to immediately report to their Department Head or any other manager at the District any incidents of potentially and/or perceived threatening, harmful or criminal behavior.

This includes behavior of co-workers, Department Heads, vendors or visitors that may negatively affect the safety, security, productivity or interests of the District and/or its employees.

The General Manager/designee shall respond to, and if necessary, conduct an investigation of, any potential violence or threats of violence in accordance with the investigation guidelines outlined in Policy # 409-Security and Privacy.

The District has adopted “zero tolerance” against workplace violence. Consistent with this policy, acts or threats of physical violence, including intimidation, harassment, and/or coercion, which involve or affect the District or which occur on District property, will not be tolerated.

Acts or threats of violence include conduct that is sufficiently severe, offensive, or intimidating to alter the employment conditions at the District, or to create a hostile, abusive, or intimidating work environment for one or several District employees. Examples of workplace violence include, but are not limited to, the following:

a. All threats or acts of violence occurring on District premises, regardless of the relationship between the District and the parties involved in the incident.

b. All threats or acts of violence occurring off District premises involving someone who is acting in the capacity of a representative of the District.

c. All threats or acts of violence occurring off District premises involving an employee of the District if the threats or acts affect the legitimate interests of the District.

d. Any acts or threats resulting in the conviction of an employee or agent of the District, or of an individual performing services for the District on a contract or temporary basis, under any criminal code provision relating to violence or threats of violence that adversely affect the legitimate interests and goals of the District.

Specific examples of conduct that may be considered threats or acts of violence include, but are not limited to, the following:

- a. Hitting or shoving an individual.
- b. Verbally threatening an individual or his/her family, friends, associates, or property with harm.
- c. Threatening gestures or other non-verbal conduct that could reasonably be interpreted as a threat or intimation of violence.
- d. The intentional destruction or threat of destruction of District property.
- e. Harassing or threatening phone calls.
- f. Harassing, surveillance or stalking.
- g. The suggestion or intimation that violence is appropriate.
- h. Unauthorized possession or inappropriate use of firearms or weapons.

The District's prohibition against threats and acts of violence applies to all persons involved in the District's operation, including, but not limited to, District personnel, contract, and temporary employees, and anyone else on District property. Violations of this policy by any individual (1) on District property; (2) acting as a representative of the District while off District property; or (3) while off of District property when his/her actions affect the District's business interests, will lead to disciplinary action (up to and including termination) and/or legal action as appropriate.

Any employee who is physically threatened by a co-worker or is aware of a threat to an employee, customer or vendor, or is aware of another individual who has been subjected to or threatened with violence, must report this information to their Department Head or any other manager at the District, as soon as possible.

Do not assume that a threat is not serious; bring all threats to your supervisor or manager.

All threats will be promptly and thoroughly investigated, and all complaints which are reported to management will be treated with as much confidentiality as possible. The District may, however, need to disclose results of an investigation under appropriate circumstances, for example, in order to protect individual safety. The District will not tolerate retaliation against any employee who reports workplace violence.

Weapons are also strictly prohibited at the District. Weapons include, but are not limited to: any hand gun, rifle, or shotgun; any knife unrelated to your assigned job; any bombs, explosives or fireworks; or any other device or object designed to inflict injury on another human being. Violation of this District policy will result in immediate disciplinary action, up to and including termination.

## **M. Use Of Personal Items On The Job**

The District provides the necessary items employees need to do the job in the most efficient and safe manner. However, employees who want to use their personal items at work may do so with the understanding that they are liable for the property and that it must be safe and used responsibly.

Before employees may use their own equipment on the job, they must receive their Department Head's approval who will provide them with a personal liability form for their signature. The personal liability form will be retained in the employee's personnel file.

#### **N.      Gratuities and Gifts (Policy # 412)**

An employee may not receive a gratuity from any individual, organization, or vendor doing business with the District.

If a holiday gift is offered, the gift shall be relinquished to the Department Head, who will share it with District employees, if appropriate.

For the purpose of this policy, a gift (usually associated with a holiday) is defined as a gift or service rendered to an individual. Gifts shall include, but are not limited to money, meals, candy, alcoholic beverages, and tickets to events, trips, or the use of equipment or property. Trivial items such as note pads, calendars, pens and pencils, etc., are excluded from the intent of this policy.

An employee who fails to report a gratuity/gift received will be subject to disciplinary action, up to and including termination of employment.

An employee's obligation under this policy is in addition to and does not in any way change his/her reporting obligation under the Goleta Sanitary District Conflict of Interest Code (Policy #401).

## VI. ACKNOWLEDGEMENT OF RECEIPT OF EMPLOYEE HANDBOOK

Employee Name (Printed): \_\_\_\_\_

I acknowledge that I have received a copy of the *Goleta Sanitary District* (“District”) Employee Handbook (“Handbook”), (as issued in 20254). I have promptly read its contents, and I am responsible for knowing and adhering to the policies set forth in the Handbook during my employment with the District. ~~I specifically acknowledge that I have read and understand the following policies: Equal Employment Opportunities, Meal and Rest Periods, Overtime, Sick Leave, Family & Medical Leave, Pregnancy Disability Leave, Drug & Alcohol Usage, Harassment, Discrimination & Retaliation Reporting, Grievance Procedure, Confidentiality, Electronic Communications, Internet Use, and Workplace Violence.~~

The policies contained in the Handbook are not intended to create any contractual rights or obligations, and the District reserves the right to amend, interpret, modify, or withdraw any portion of this Handbook at any time.

I understand and agree that nothing in the Handbook creates or is intended to create a promise or representation of continued employment. I also understand that if I violate the rules, policies, and procedures set forth herein that I may be subject to discipline, up to and including termination of my employment. This Handbook supersedes all prior agreements, understandings, and representations concerning my employment. I understand that if I have questions regarding the Handbook that I can discuss with my management team or the District’s Human Resources department.

Signature \_\_\_\_\_ Date \_\_\_\_\_

## **VII. ADDENDUM TO THE HUMAN RESOURCES PROCEDURES AND POLICY MANUAL**

### List of At-Will Positions

1. General Manager
2. Assistant General Manager
3. Finance Director
4. Interim Finance Manager
5. Collections Manager
6. Operations Manager
7. Environmental Services Manager
8. Engineering Manager
9. Maintenance Manager

# **AGENDA ITEM #2**

**AGENDA ITEM: 2**

**MEETING DATE: December 15, 2025**

**I. NATURE OF ITEM**

Consideration of a 2026 Employee Salary and Benefits Survey

**II. BACKGROUND INFORMATION**

The District conducts periodic employee salary and benefits surveys in order to attract and retain qualified employees. The last survey was completed in 2021. Conducting an employee salary and benefit survey every five years is a goal that is included in both the District's 2020-2025 Strategic Plan and the FY25-26 Annual Action Plan.

The preparation of a salary and benefits survey on a periodic basis is beneficial to the District by helping to determine if current salary levels and benefits are competitive within our industry demographic, and location. Moreover, these studies provide valuable insights into current workforce market trends and changes, helping public agencies meet their strategic planning goals.

**III. COMMENTS AND RECOMMENDATIONS**

The proposed salary and benefits survey will include a labor market pool of up to eight comparable public agencies who provide similar services, are geographically relevant, and may be competing for the recruitment of new employees. Agencies selected to be part of the survey could be a special district or a department within a municipality. Additionally, the survey will include up to 25 benchmark classifications. The timeline for completing said proposed survey is estimated to take four to four and a half months. CPS HR Consulting is a well-experienced firm having conducted hundreds of these types of studies for public agencies, including special districts.

After soliciting and receiving two quotes for the preparation of a new salary and benefit survey, staff recommends selecting CPS HR Consulting to perform the work.

Staff recommends that the Board approve a professional services agreement as provided by District legal counsel with CPS HR Consulting, in an amount not to exceed \$40,000 for the preparation of a 2026 Employee Salary and Benefits Survey.

#### **IV. REFERENCE MATERIALS**

CPS HR Consulting Proposal Dated December 9, 2025

CALIFORNIA  
TEXAS  
COLORADO  
OHIO

CPS HR CONSULTING

Your Trusted HR Advisor For 40 Years



## PROPOSAL

# Goleta Sanitary District

## Total Compensation Survey

**Originally Submitted: November 07, 2025**

**Revised: November 19, 2025**

**Revised: December 9, 2025**

Submitted by:

**Vicki Quintero Brashear**

Chief of Client Services

CPS HR Consulting, 2450 Del Paso Road, Suite 220, Sacramento, CA 95834

P: (916) 471-3481, [vbrashear@cpshr.us](mailto:vbrashear@cpshr.us)

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November 19, 2025

Goleta Sanitary District  
Laura Romano DeFazio, Communications and Human Resources Manager  
One William Moffett Place  
Goleta, CA 93117

**Subject: Total Compensation Survey**

***Submitted via email to: [lromano@goletasanitary.org](mailto:lromano@goletasanitary.org)***

Dear Laura,

CPS HR Consulting (CPS HR) is pleased to submit this proposal to the Goleta Sanitary District (District) to provide comprehensive compensation consulting services.

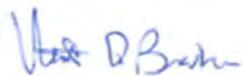
CPS HR Consulting has conducted hundreds of classification and compensation studies for public agencies, including cities, counties, towns, special districts, and higher education **for 40 years**. Our extensive experience includes numerous projects with agencies of similar size and scope.

We are excited to deliver these services as your potential partner in achieving organizational excellence. With our comprehensive range of HR services, we combine our unmatched government sector knowledge with a shared perspective to drive impactful results.

Our proposal includes (i) an introduction and our understanding of the general scope of work for this project; (ii); our approach to this project and our work plan/methodologies; (iii) a schedule to complete the study; and (iv) a cost proposal. All tasks listed under our work plan are standard practice for CPS HR.

Thank you for this opportunity; we very much look forward to working with Goleta Sanitary District. Should you have questions, please contact ***Vicki Quintero Brashear, Chief of Client Services at (916) 471-3481 or via email [vbrashear@cpshr.us](mailto:vbrashear@cpshr.us).***

Sincerely,



Vicki Quintero Brashear  
Chief of Client Services

## Experience and Capability

At CPS HR, we work beyond the usual transactional nature of business relationships. Our philosophy is rooted in partnership with a shared vision and mutual goals. We bring our wealth of expertise to the table to align it with the unique aspirations and strategies of each client.

### Similar Work/Case Studies

**County of Sacramento, CA.** The partnership with the County has spanned decades, as they are a member of our Board of Directors. Through ongoing services agreements, we have provided classification and compensation studies of all sizes for various County departments.

**Santa Clarita Valley Water Agency, CA.** Conducted classification and total compensation study with FLSA analysis, classification allocations, and salary recommendations for 208 incumbents across 86 classifications; 40 benchmark classifications and 12 comparable agencies.

**City of Long Beach Water District, CA.** #1 - Conducted a classification study for 25 incumbents across 34 management classifications. #2 - Conducted a base salary survey including 19 management benchmark classifications and 12 comparable agencies; developed a new management compensation structure and recommended salary ranges for all management positions. #3 Refreshed market salary data, updated compensation structure and salary ranges to account for wage changes, addressed compaction issues as well as adjusted employee salaries based on the new structure.

**Eagle River Water and Sanitation District, CO.** In 2022, CPS HR conducted a district-wide classification and total compensation study for 33 classifications, 126 incumbents, 27 benchmark classifications, and 10 labor market agencies. Services included PDQ distribution and review, interviews, FLSA analysis, allocations, labor market research, benefit data collection and analysis, production of final datasheets and all reports.

### Examples of Completed Projects List

Due to the significant number of projects, we provided a partial list of public agencies for which we have provided classification and compensation services, which follows.

Classification and Compensation Partial Five-Year Listing	
Albert Einstein Academies	Fremont Sanitation District (CO)
CA Department of Industrial Relations	Fresno Unified School District
California High-Speed Rail Authority	Imperial County
CA Infrastructure and Economic Dev. Bank	Imperial Irrigation District
California Office of the State Public Defender	Inland Empire Utilities Agency
California Public Utilities Commission	Jefferson Union High School District

Classification and Compensation Partial Five-Year Listing	
California State Lands Commission	Las Gallinas Valley Sanitary District
CalOptima	Long Beach Water Department
Cathedral City	Mariposa Co USD/Mariposa Co Office of Education
Chaffey College	McKinleyville Community Services District
City of Carlsbad	Mendocino County
City of Carpinteria	North County Transit District
City of Commerce	Northern California Power Agency
City of Glendora	Ojai Valley Sanitary District
City of Long Beach	Orange County
City of Menlo Park	Orange County Fire Authority
City of Newport Beach	Paradise Irrigation District
City of Palm Desert	Paratransit
City of Rancho Cucamonga	Port of Long Beach
City of San Luis	Rancho Santa Fe Fire Protection District
City of San Mateo	Redlands Unified School District
City of Santa Cruz	Reef-Sunset Unified School District
City of Santa Monica	San Diego Association of Governments
City of Sheridan (CO)	Santa Clarita Valley Water District
City of Temecula	Schools Excess Liability Fund
Colorado Department of Law	Sequoia Union High School District
Colorado River Fire Rescue (CO)	Soldier Canyon Water Treatment Authority (CO)
County of Calaveras	Southeastern CO Water Conservancy District (CO)
County of Elbert (CO)	CA State Controller's Office
County of Morgan (CO)	Superior Court of California - Tulare County
County of Otero (CO)	Superior Court of California, County of Sacramento
County of Routt (CO)	Town of Elizabeth (CO)
County of San Joaquin	Tulare County
County of Sonoma	Vail Recreation District (CO)
Covered California	Ventura County Transportation Commission

<b>Classification and Compensation Partial Five-Year Listing</b>	
Cucamonga Valley Water District	West Valley Water District
Eagle River Water and Sanitation District (CO)	Western Area Power Administration (CO)
El Dorado County Office of Education	Williams S. Hart Union High School District
First 5 Santa Clara County	Tulare County
Folsom Cordova Unified School District	Vail Recreation District (CO)
Fort Collins-Loveland Water District (CO)	Ventura County Transportation Commission

## Understanding of the Scope of Work

We understand the District is seeking a total compensation study within the following parameters:

### ■ **Total Compensation Study**

- Salary<sup>1</sup> + benefits collection, analysis, and comparison
- Effective date of salary and benefit data will be **January 1, 2026**.
- Up to **25 benchmark classifications**
- Labor market pool of up to **8 agencies** (District will provide list; CPS HR will provide feedback for additions as needed)
- Delivery of data sheets and benefits tables showing market results and job matches
- Provision of project report
- Salary recommendations
- Up to one (1) presentation at the conclusion of the study

Not included in scope: Development of exact implementation costs, update of the compensation structure, individual employee salary determinations, compensation policy development, employee orientations, or compensation system maintenance training. CPS HR can provide costs for these services if requested.

## Compensation Study Work Plan

**Review the District's Background Materials.** Upon contract execution, CPS HR will request background information from the District to ensure our Project Manager and the CPS HR Project Team is prepared for initial meetings. The CPS HR Project Manager will coordinate activities through and report to the District's Internal Project Manager and other designated key stakeholders.

**Initial Project Meeting/Labor Market Agency and Benchmark Selection Discussions.** The primary objective of this task is to conduct an initial meeting between the CPS HR Project Manager and the District's Internal Project Manager along with other designated stakeholders. This meeting will aim to align all parties on the study methodology, deliverables, timelines, communication strategies, and data collection methods. Additionally, the meeting will serve as an opportunity to delve into the specifics of the District's current compensation philosophy and its market positioning goals.

**Design, Develop, and Distribute the Survey Instrument.** The CPS HR Project Team will develop a comprehensive survey instrument to ensure the effective collection of compensation data from each of the survey agencies. For a *base salary* study, the survey instrument will include a brief description of each of the survey classifications with a request for the minimum and maximum monthly salary for each. Salaries are retrieved from published salary schedules effective on an agreed upon date.

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<sup>1</sup>CPS HR collects the minimum and maximum of the salary range; not actual, individual salaries.

For a *total compensation* study, the following elements of total compensation are added to the base salary survey: (i) Cash add-ons premium pays such as longevity pay and deferred compensation; (ii) Agency contribution to medical, dental, and vision programs; (iii) Agency contributions to defined-benefit retirement programs and Social Security practices; and (iv) Paid time off practices such as Holiday leave, vacation and sick leave, and administrative leave. Additional benefits and/or policies can be collected as agreed upon.

### **Review, Analyze, and Validate Labor Market Survey Data.**

CPS HR starts labor market data collection by researching online to identify preliminary classification matches and gather benefits information. The team then contacts labor market agencies to confirm or complete survey data, which increases agency participation. After analysis, the Project Manager audits final data for quality.

Classification matching relies on reviewing detailed agency materials—not just job titles—to ensure accuracy. CPS HR aims for full agency participation through direct survey completion or agency agreement. Final data is audited as part of quality control.

To assess comparability with District benchmarks, CPS HR uses whole job analysis, evaluating overall duties, responsibilities, work level, and qualifications. This method allows minor differences that do not affect job type or level.

Matches must be specific enough to exclude roles at significantly different levels, but broad enough to include jobs with minor differences that do not alter the essential nature or level of the work.

**Design and Develop Data Spreadsheets.** CPS HR will develop an individual data sheet for each survey classification that presents the comparable classification used in each agency with the relevant data associated with that classification, such as the position ranking within the labor market and salary range minimum and maximum. The labor market data analyses will be conducted based upon the labor market position affirmed within the District's compensation philosophy (e.g., median, mean, or other percentile). Each comparable match for each survey classification is reported in the relevant data sheet for full disclosure and review by others. We find this level of transparency in matching provides for a better understanding and acceptance of study results.

**Conduct Benefits Analysis, as applicable.** The benefit data submitted from the labor market agencies will be analyzed quantitatively and qualitatively. Incorporated into the base salary data sheets to provide a total compensation analysis. In the quantitative analysis, specific benefits will be incorporated into the base salary data sheets to provide a total compensation analysis. This analysis of program costs will provide the District with an understanding of how the study classes compare against their market when the costs of benefits programs are taken into consideration.

The qualitative analysis will include a write-up of the general trends of benefits offered across the agencies as well as summary tables showing the practices of each agency.

### **Prepare Salary Range Recommendations.**

CPS HR applies a systematic methodology to determine salary range recommendations for both benchmark and non-benchmark classifications in compensation studies, extending this process to all District study classifications. The approach starts with a comprehensive review of the District's

procedures for selecting benchmark classifications, which serve as the basis for establishing salary levels through market data analysis. Salary recommendations for each classification include essential details such as the classification title, current monthly range maximum, recommended monthly range maximum, and the percentage or dollar difference between the current and proposed figures. Importantly, the client maintains sole authority over all aspects of implementation, including final salary placements, budgetary impacts, and the timing of any changes.

**Prepare and Present Compensation Report.** The CPS HR Project Team will develop a Compensation Report that details the results of the labor market survey and includes a suggested implementation plan for salary range changes. This comprehensive report will encompass the scope of the study, identify the labor market agencies and benchmarks, describe the methodologies used in analyzing labor market data, and present the findings from both base salary and benefits analyses, as well as the total compensation analysis where applicable. Salary recommendations for all classifications will also be provided. Once the report is prepared, the CPS HR Project Manager will meet with the District's Internal Project Manager and any designated key stakeholders to discuss the Compensation Report, answer questions, address comments or concerns, and outline next steps. This process may include presentations and ongoing support, featuring built-in milestones and critical decision points that allow the District ample opportunity to review, provide feedback, and approve the report before the final version is published.

### ***District Staff Expectations***

District staff will be expected to participate in various stages and levels of the classification and compensation studies. This includes the District designating one or more decision-makers to provide project input and policy direction. We will also need one or more District individuals to review reports, make comments, and provide response to specific questions. Staff involvement illustrates a commitment to participants and enhances the implementation of any study result recommendations by building staff knowledge of key actions and overall concept buy-in.

### ***Project Timeline***

The CPS HR Internal Project Manager and the client will discuss varying approaches to customize a timeline after the initial kick-off meeting. CPS HR recommends a structured timeline that can be flexible to accommodate varying factors in achieving set milestones.

Our compensation timelines assume that labor market agencies will supply information on schedule and that the client will review and approve study products by the agreed deadlines.

**We estimate the timeline for this scope of work to be conducted is:**

- Total Compensation Study: **4 - 4.5 months**

We have presented a conservative timeline estimate. **In today's dynamic environment, timelines for projects like these are facing exceptional challenges.** Client staff and our contacts in comparable labor market agencies are busier than ever, which has led to extended schedules for various project components.

## Cost Estimate

### Professional Fixed Fee

CPS HR has prepared the following ***professional fixed fee*** based on the scope of work outlined.

Study	Professional Fixed Fee
Total Compensation Study w/Salary Recommendations	\$40,000

### Pricing Assumptions

Not Included in Fixed Fee Amount:
Materials Production - CPS HR provides all documents electronically. Hard copy printing of documents for this engagement will be the responsibility of the Client.
Expenses - We have not included travel costs since all work will be conducted virtually through the use of tele- and web-conferences and the sharing of documents through an online portal provided by CPS HR.

### Billing Terms

CPS HR will bill in equal installments at the following milestones:

#### COMPENSATION

1. After client kick off meeting
2. Client approval of project parameters memo
3. Submission of draft matches
4. Provision of data sheets
5. Provision of compensation report

It is assumed that the Client will be responsive to the delivery of all draft deliverables and all subsequent revisions as defined in the agreed upon project timeline. **Unanticipated revisions or delays to the project timeline could result in a need for an addendum to the contract related to contract end date, staff assignments, and/or pricing. Any addenda will be discussed in a timely manner with the Client.**

### **Hourly Rates**

Following are hourly rates for any work requested outside of the scope presented in this proposal and for our regular business hours.

Staff Member	Hourly Rate	Staff Member	Hourly Rate
Technical Specialist/Project Manager	\$155	HR Consultant/Program Coordinator	\$115
Principal Consultant/ Principal Program Coordinator	\$150	Associate HR Consultant	\$110
Senior Consultant	\$135	Administrative Technician	\$100

### **Pricing Philosophy**

CPS HR is flexible with the proposed work plan; alternative approaches may be discussed with the Client which may, in turn, change the proposed cost of the project. As described in this proposal, the methods, approach, timelines, as well as the proposed fee, have been prepared as accurately as possible based upon the services requested and study objectives described in the information provided to CPS HR. The proposed professional fees reflect the steps and time necessary to conduct the study in a sound, thorough, and sustainable manner, including important input and review by the Client's Internal Project Manager and designated stakeholders to accomplish the study objectives. If changes or additional services are required, we will be happy to discuss changes to the project activities, schedule, and/or fee proposal.

# **AGENDA ITEM #3**

**AGENDA ITEM: 3**

**MEETING DATE: December 15, 2025**

**I. NATURE OF ITEM**

Update on Sewer Service Rate and Fee Study and Review of Draft Financial Plan

**II. BACKGROUND INFORMATION**

The District charges sewer service fees to its customers for the collection, treatment, and disposal of wastewater based on detailed rate studies in conformance with the Clean Water Act and other related laws and regulations. The District also charges connection fees for new service connections to its sewer system and fees for the annexation of parcels into the District's service territory. These fees are adjusted periodically as the costs associated with providing sewer service increase over time. The last time the District adjusted its sewer service fees was in 2019. Since then, the District has been able to implement various efficiency measures to partially offset the ongoing increases in operational costs. The connection and annexation fees are adjusted annually based on an approved consumer price index.

In 2019, the California Association of Sanitation Agencies (CASA) initiated a statewide flow and loadings study to provide updated wastewater characteristics for various user categories for use in sewer service rate studies. The District elected to participate in the CASA study in order to have local sampling sites included and to use the updated wastewater generation data as a basis for an updated Fee and Sewer Rate Study upon completion.

With the anticipated completion and release of the CASA flow and loadings study data earlier this year, the District hired Raftelis to conduct a comprehensive sewer service rate and fee study based in part on the new data.

The scope of the Raftelis rate and fee study included the following:

1. Data collection and review
2. Development of a financial plan
3. Cost of service analysis
4. Development of sewer service rates to meet current and future needs
5. Development of a sewer service rate model that can be used by staff for future rate analysis and adjustments
6. Calculation of connection fees
7. Calculation of annexation fees
8. Preparation of a rate study report and Board presentation

9. Preparation and presentation of materials at a Proposition 218 Public Hearing

### **III. COMMENTS AND RECOMMENDATIONS**

Over the last several months, staff has worked with the Raftelis team to provide all of the financial data required for preparation of a draft financial plan. The draft plan is based on several years of financial data and a computer model of the District's current and future costs and revenues. The model has been used to develop a cost-of-service analysis and will be used to develop future sewer service rate alternatives that meet the current and future needs of the District.

The draft financial plan includes many variables and assumptions of future costs and revenues. Several of the growth rates in future costs are based on historical data and trends. Others, such as future growth in the community due to State of California's Regional Housing Needs Assessment, (RHNA) housing development sites, have been modeled with low, medium, and high growth assumptions.

A copy of the presentation on the draft financial plan results is attached to this report. This presentation was reviewed by the Board's Finance Committee on Thursday, December 11, 2025.

At this time staff is looking for input on the assumptions used in the draft financial plan. Once the financial plan is finalized, alternative future rate scenarios will be brought back to the Board for further consideration and action in accordance with Proposition 218 requirements.

### **IV. REFERENCE MATERIAL**

2025 GSD Rate Study Financial Plan Results



# Goleta Sanitary

## Water Resource Recovery District

**2025 Rate Study – Financial Plan Results**



# Content

- 1. Intro**
- 2. Cost Escalation and Growth Estimates**
- 3. O&M Forecast and O&M Allocations**
- 4. 10-Year CIP & Capital Allocations**
- 5. Cash Flow**
- 6. Reserves Policies**
- 7. Financial Plan Results**

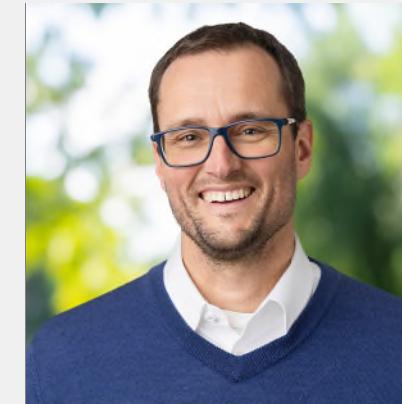
# Raftelis Project Team



**Sudhir Pardiwala PE**  
Project Director



**Kevin Kostiuk**  
Project Manager



**Steve Gagnon PE (AZ)**  
Technical Reviewer

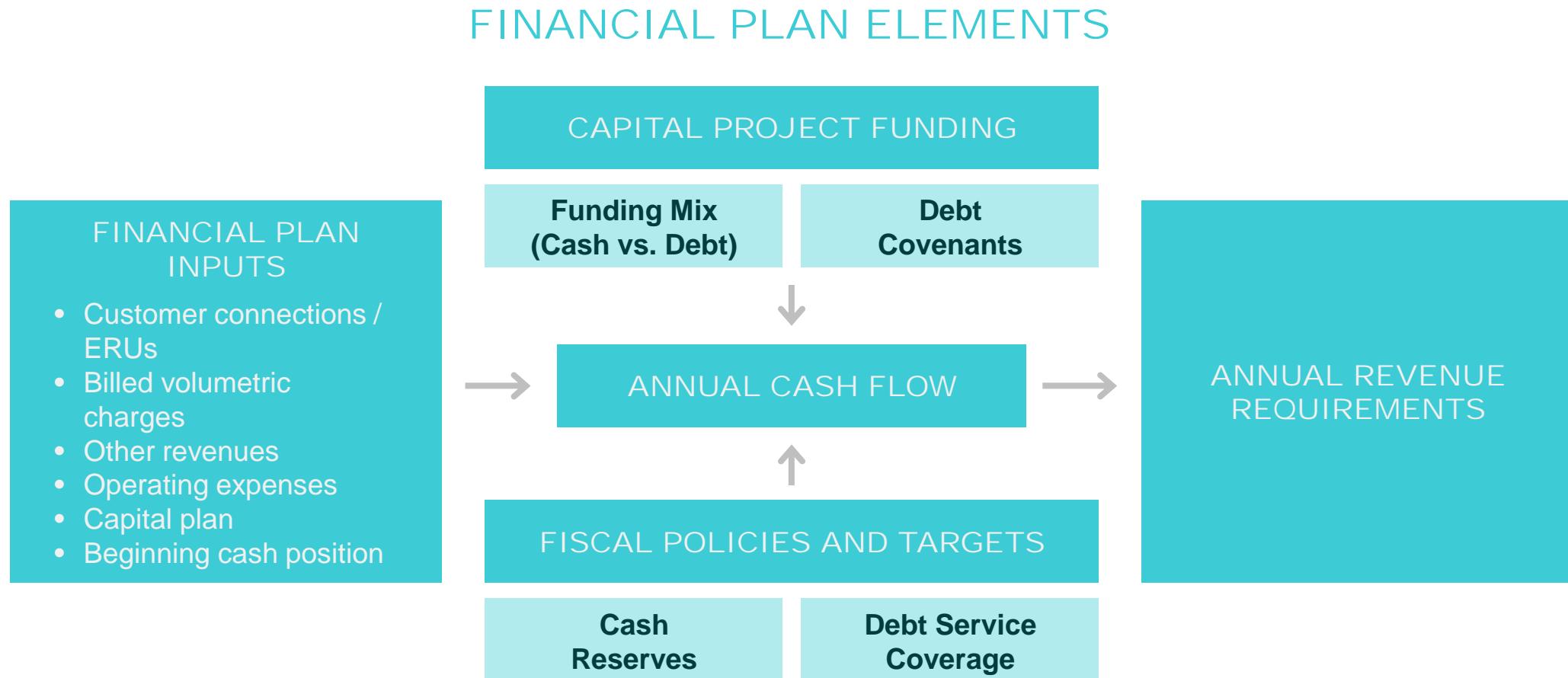


**Journ Galvan**  
Lead Analyst



**Lindsay Roth**  
Lead Analyst

# Revenue Requirements & Financial Planning



# New User Growth Estimates

- Model assumes between 2,212 and 5,710 total additional units in the 10 years FY 2025-26 through FY 2034-35
  - › All assumed to be Multi-Family Residential user classification
  - › Financial model can select between low-med-high scenarios

Customer Class	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	10-Yr Total
Low Growth Estimate	135	356	205	60	136	400	400	400	60	60	2,212
Moderate Growth Estimate	135	356	205	120	272	800	800	800	120	120	3,728
High Growth Estimate	150	410	220	150	340	1,000	1,000	1,000	1,290	150	5,710

# Cost Escalation Estimates

- FY 2026 relies on adopted Operating Budgets
- Inflationary escalators apply to FY 2027 and beyond

Escalator	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Professional Services	N/A	5%	5%	5%	5%	5%
Benefits	N/A	7%	7%	7%	7%	7%
Supplies	N/A	4%	4%	4%	4%	4%
General	N/A	3%	3%	3%	3%	3%
Labor	N/A	8%	8%	5%	5%	5%
Utilities	N/A	6.5%	6.5%	6.5%	6.5%	6.5%
Capital	N/A	4.5%	4.5%	4.5%	4.5%	4.5%
Biosolids Handling	N/A	6%	6%	6%	6%	6%
Other Revenues	N/A	2%	2%	2%	2%	2%
Interest on Cash Reserves	3%	3%	3%	3%	3%	3%

# Total O&M Expense Forecast

- Before Allocation between GSD and RFOGAs

O&M Basis	Department	Department Description	Actual FY 2025	Budget FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031
GSD Only	Dept 41	COLLECTION SYSTEM	\$1,507,783	\$1,735,136	\$1,849,507	\$1,971,657	\$2,077,663	\$2,189,886	\$2,309,388
O&M Allocation	Dept 42	TREATMENT FACILITIES	\$6,328,873	\$8,086,884	\$8,629,144	\$9,181,654	\$9,678,427	\$10,233,502	\$10,930,301
GSD/Airport Only	Dept 43	PUMP STATION	\$294,543	\$304,319	\$326,726	\$349,756	\$371,026	\$394,834	\$424,648
O&M Allocation	Dept 44	OUTFALL	\$23,998	\$71,656	\$75,646	\$79,875	\$84,032	\$88,422	\$93,062
Admin Allocation	Dept 45	ADMINISTRATION	\$1,957,460	\$2,366,859	\$2,511,144	\$2,665,283	\$2,797,528	\$2,936,894	\$3,083,788
O&M Allocation	Dept 46	LABORATORY	\$798,193	\$849,987	\$905,195	\$964,300	\$1,014,577	\$1,067,654	\$1,123,697
GWD Only	Dept 47	RECLAMATION	\$511,735	\$573,887	\$614,411	\$656,672	\$694,913	\$736,900	\$786,754
GSD Only	Dept 48	IWC	\$201,994	\$267,437	\$285,886	\$305,673	\$322,660	\$340,640	\$359,674
GSD/Airport Only	Dept 49	FIRESTONE LIFT STATION	\$51,199	\$66,065	\$70,347	\$74,846	\$79,041	\$83,569	\$88,686
<b>Total O&amp;M</b>			<b>\$11,675,777</b>	<b>\$14,322,232</b>	<b>\$15,268,006</b>	<b>\$16,249,715</b>	<b>\$17,119,868</b>	<b>\$18,072,301</b>	<b>\$19,199,999</b>

# O&M Expense Allocation

- O&M Allocations based on three-year average plant influent FY 2023-2025
- Assumes 0.5% per year increase in GSD share of plant flows due to growth
- GWD #N/A because Reclamation Dept Only
- Admin allocated separately based on 6% of Direct O&M to GWSD/UCSB/Airport; and 10% of Direct O&M to GWD

O&M Allocations	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
GSD	50.5%	51.0%	51.5%	52.0%	52.5%	53.0%
GWSD	45.0%	44.5%	44.0%	43.6%	43.1%	42.7%
UCSB	3.2%	3.2%	3.1%	3.1%	3.1%	3.0%
Airport All Other	1.4%	1.3%	1.3%	1.3%	1.3%	1.3%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Airport – Firestone Lift and Pump Station	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
GWD	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A

# O&M Expense Forecast – GSD vs RFOGA

- GSD O&M flows into Sewer Service Charge Revenue Requirement
- RFOGAs O&M flows into Cash Flow as revenue (reimbursement of costs)

Regional Share O&M (After Admin)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
GSD	\$8,864,263	\$9,493,619	\$10,155,753	\$10,750,726	\$11,398,048	\$12,144,489
GWSD	\$4,292,884	\$4,533,260	\$4,774,565	\$4,980,075	\$5,208,327	\$5,496,268
Airport	\$227,422	\$241,733	\$256,294	\$269,231	\$283,614	\$301,541
UCSB	\$306,386	\$323,542	\$340,764	\$355,432	\$371,722	\$392,273
GWD	\$631,276	\$675,852	\$722,339	\$764,405	\$810,590	\$865,429
<b>Total O&amp;M by Agency</b>	<b>\$14,322,232</b>	<b>\$15,268,006</b>	<b>\$16,249,715</b>	<b>\$17,119,868</b>	<b>\$18,072,301</b>	<b>\$19,199,999</b>
Regional Share of O&M						
GSD O&M	\$8,864,263	\$9,493,619	\$10,155,753	\$10,750,726	\$11,398,048	\$12,144,489
RFOGAs O&M	\$5,457,969	\$5,774,388	\$6,093,962	\$6,369,142	\$6,674,253	\$7,055,511
<b>Total O&amp;M Costs</b>	<b>\$14,322,232</b>	<b>\$15,268,006</b>	<b>\$16,249,715</b>	<b>\$17,119,868</b>	<b>\$18,072,301</b>	<b>\$19,199,999</b>

# Ten Year CIP – Funds 650 & 655

- Project costs include estimated construction cost inflation of 4.5% per year except for Biosolids, Energy Storage, and Solids Handling projects
- Assumed annual spend in FY 2033 and beyond of \$3M per year, before inflation

Title		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	Total
Influent Pump Station Rehabilitation Project	Complete	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Biosolids and Energy Phase 1	650 - Growth	\$2,491,554	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,491,554
Energy Storage Project	650 - Growth	\$3,200,000	\$2,075,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,275,000
Solids Handling Improvement Project - Design	650 - Growth	\$978,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$978,000
Solids Handling Improvement Project	650 - Growth	\$50,000	\$1,250,000	\$10,000,000	\$8,750,000	\$7,350,000	\$0	\$0	\$0	\$0	\$0	\$0	\$27,400,000
WRP Filter Building Instrumentation CIP	655 - Replace	\$42,900	\$167,200	\$109,203	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$319,303
WRP Filter Building Mechanical CIP	655 - Replace	\$100,000	\$1,045,000	\$191,104	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,336,104
WRP PLC and Comms Upgrade	655 - Replace	\$0	\$0	\$327,608	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$327,608
Chemical Storage Building CIP	655 - Replace	\$0	\$0	\$458,651	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$458,651
PLC CIP	655 - Replace	\$0	\$0	\$0	\$243,251	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$243,251
Increased Biogas Utilization Project	650 - Growth	\$0	\$0	\$218,405	\$3,994,081	\$4,173,815	\$0	\$0	\$0	\$0	\$0	\$0	\$8,386,302
Outfall Cathodic Protection CIP	655 - Replace	\$0	\$0	\$0	\$97,296	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$97,296
Secondary MCC Building CIP	655 - Replace	\$0	\$0	\$0	\$114,425	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$114,425
Secondary Aeration Basin CIP	655 - Replace	\$0	\$0	\$0	\$490,279	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$490,279
Effluent Area CIP	655 - Replace	\$0	\$0	\$0	\$0	\$675,502	\$705,900	\$737,665	\$0	\$0	\$0	\$0	\$2,119,067
Headworks CIP	655 - Replace	\$0	\$0	\$0	\$0	\$0	\$485,494	\$507,341	\$0	\$0	\$0	\$0	\$992,835
Secondary Clarifier CIP	655 - Replace	\$0	\$0	\$0	\$0	\$449,222	\$0	\$0	\$0	\$0	\$0	\$0	\$449,222
Solids Stabilization Area CIP	655 - Replace	\$0	\$0	\$0	\$0	\$0	\$531,372	\$555,284	\$0	\$0	\$0	\$0	\$1,086,656
New Office Building CIP	650 - Growth	\$0	\$0	\$0	\$0	\$0	\$680,827	\$711,464	\$0	\$0	\$0	\$0	\$1,392,290
CIP Roll Forward / Future Annual Spend	655 - Replace	\$2,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$4,082,585	\$4,266,302	\$4,458,285	\$4,658,908	\$19,466,081
<b>Total Water Capital Improvement Plan</b>		<b>\$8,862,454</b>	<b>\$4,537,200</b>	<b>\$11,304,970</b>	<b>\$13,689,332</b>	<b>\$12,648,539</b>	<b>\$2,403,592</b>	<b>\$2,511,754</b>	<b>\$4,082,585</b>	<b>\$4,266,302</b>	<b>\$4,458,285</b>	<b>\$4,658,908</b>	<b>\$73,423,922</b>

# CIP – Capital Allocations

## Outfall Allocation

GSD
GWSD
Airport
County
UCSB
<b>Total</b>

## Percent Allocation

55.8%
35.0%
2.6%
1.9%
4.7%
<b>100%</b>

## Plant Capacity Allocation

GSD
GWSD
Airport
County
UCSB
<b>Total</b>

## Input

47.9%
40.8%
2.8%
1.4%
7.1%
<b>100%</b>

Note: CIP identified as attributable to Goleta Water District (GWD) is allocated 100% to that Agency

# Capital Allocations & CIP Projects

Title	Fund	GSD	Participating Agencies			
			GWSD	GWD	Airport	UCSB
Influent Pump Station Rehabilitation Project	Complete	49%	0%	0%	3%	0%
Biosolids and Energy Phase 1	650 - Growth	49%	41%	0%	3%	7%
Energy Storage Project	650 - Growth	49%	41%	0%	3%	7%
Solids Handling Improvement Project - Design	650 - Growth	49%	41%	0%	3%	7%
Solids Handling Improvement Project	650 - Growth	49%	41%	0%	3%	7%
WRP Filter Building Instrumentation CIP	655 - Replace	0%	0%	100%	0%	0%
WRP Filter Building Mechanical CIP	655 - Replace	0%	0%	100%	0%	0%
WRP PLC and Comms Upgrade	655 - Replace	0%	0%	100%	0%	0%
Chemical Storage Building CIP	655 - Replace	25%	20%	50%	1%	4%
PLC CIP	655 - Replace	49%	41%	0%	3%	7%
Increased Biogas Utilization Project	650 - Growth	49%	41%	0%	3%	7%
Outfall Cathodic Protection CIP	655 - Replace	58%	35%	0%	3%	5%
Secondary MCC Building CIP	655 - Replace	49%	41%	0%	3%	7%
Secondary Aeration Basin CIP	655 - Replace	49%	41%	0%	3%	7%
Effluent Area CIP	655 - Replace	49%	41%	0%	3%	7%
Headworks CIP	655 - Replace	49%	41%	0%	3%	7%
Secondary Clarifier CIP	655 - Replace	49%	41%	0%	3%	7%
Solids Stabilization Area CIP	655 - Replace	49%	41%	0%	3%	7%
New Office Building CIP	650 - Growth	49%	41%	0%	3%	7%
CIP Roll Forward / Future Annual Spend	655 - Replace	49%	41%	0%	3%	7%

# CIP Allocations – GSD vs RFOGA

- GSD Capital flows into Sewer Service Charge Revenue Requirement
- RFOGAs Capital flows into Cash Flow as revenue (reimbursement of costs)

Total Capital (Funds 650 & 655)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	Total
GSD	\$4,297,868	\$1,638,893	\$5,149,686	\$6,755,654	\$6,234,465	\$1,184,731	\$1,238,043	\$2,012,306	\$2,102,860	\$2,197,489	\$2,296,376	\$35,108,371
GWSD	\$3,555,834	\$1,355,935	\$4,260,584	\$5,576,886	\$5,158,074	\$980,185	\$1,024,293	\$1,664,878	\$1,739,798	\$1,818,089	\$1,899,903	\$29,034,460
GWD	\$142,900	\$1,212,200	\$857,240	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,212,340
Airport	\$247,635	\$94,430	\$296,716	\$388,544	\$359,219	\$68,262	\$71,334	\$115,945	\$121,163	\$126,615	\$132,313	\$2,022,175
UCSB	\$618,216	\$235,743	\$740,744	\$968,248	\$896,781	\$170,415	\$178,083	\$289,455	\$302,481	\$316,092	\$330,317	\$5,046,576
<b>Total</b>	<b>\$8,862,454</b>	<b>\$4,537,200</b>	<b>\$11,304,970</b>	<b>\$13,689,332</b>	<b>\$12,648,539</b>	<b>\$2,403,592</b>	<b>\$2,511,754</b>	<b>\$4,082,585</b>	<b>\$4,266,302</b>	<b>\$4,458,285</b>	<b>\$4,658,908</b>	<b>\$73,423,922</b>

# Cash Flow – Status Quo

(i.e., no rate revenue increases and low growth scenario)

Description	Fund	Fiscal Period Ending June 30					
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Beginning Cash Balance - Total		\$45,204,961	\$42,834,910	\$42,548,046	\$38,209,330	\$31,575,940	\$24,677,272
<b>Sources of Funds</b>							
Revenue from Existing Rates - GSD SSC	640	\$9,573,355	\$9,726,331	\$9,814,422	\$9,840,204	\$9,898,645	\$10,070,529
Rate Revenue Adjustment	640	\$0	\$0	\$0	\$0	\$0	\$0
RFOGA - Operating	640	\$5,457,969	\$5,770,130	\$6,088,314	\$6,355,564	\$6,641,971	\$6,966,370
RFOGA - Capital	650 / 655	\$4,564,586	\$2,898,308	\$6,155,284	\$6,933,678	\$6,414,074	\$1,218,862
Other GSD Revenue	640	\$389,354	\$389,354	\$389,354	\$389,354	\$389,354	\$389,354
Capacity and Annexation Fees		\$128,366	\$128,366	\$128,366	\$128,366	\$128,366	\$128,366
Property Tax Revenues		\$213,000	\$213,000	\$213,000	\$213,000	\$213,000	\$213,000
Debt Proceeds	650 / 655	\$0	\$0	\$0	\$0	\$0	\$0
Interest Income	640	\$1,432,054	\$1,328,869	\$1,360,527	\$1,233,615	\$1,018,252	\$725,569
<b>Total Sources</b>		<b>\$21,758,683</b>	<b>\$20,454,358</b>	<b>\$24,149,267</b>	<b>\$25,093,781</b>	<b>\$24,703,662</b>	<b>\$19,712,050</b>
<b>Uses of Funds</b>							
Operation and Maintenance Expenses	640	\$14,322,232	\$15,259,974	\$16,238,964	\$17,093,791	\$18,009,742	\$19,025,693
Existing Debt Service	650 / 655	\$944,048	\$944,049	\$944,049	\$944,048	\$944,048	\$944,048
Proposed Debt Service	650 / 655	\$0	\$0	\$0	\$0	\$0	\$0
CIP	650 / 655	\$8,862,454	\$4,537,200	\$11,304,970	\$13,689,332	\$12,648,539	\$2,403,592
<b>Total Uses of Funds</b>		<b>\$24,128,733</b>	<b>\$20,741,223</b>	<b>\$28,487,983</b>	<b>\$31,727,171</b>	<b>\$31,602,329</b>	<b>\$22,373,333</b>
<b>Ending Cash Balance</b>		<b>\$42,834,910</b>	<b>\$42,548,046</b>	<b>\$38,209,330</b>	<b>\$31,575,940</b>	<b>\$24,677,272</b>	<b>\$22,015,988</b>
<i>Net Cash Change</i>		<i>(\$2,370,051)</i>	<i>(\$286,864)</i>	<i>(\$4,338,716)</i>	<i>(\$6,633,390)</i>	<i>(\$6,898,668)</i>	<i>(\$2,661,284)</i>

# Adopted Reserve Policies

- Based on existing Board policies as defined in the annual budget document
  - › Values rounded to the nearest \$1,000

Fund Reserve Targets	Policy	Policy Target (\$) FY 2025-26
<i>Running Expense Fund (640)</i>	6 to 8 Months of O&M	\$7,161,000 to \$9,548,000
<i>Plant Reserve Fund (645)</i>	\$25,000	\$25,000
<i>Capital Reserve Fund (650)</i>	None	\$0
<i>Replacement Reserve Fund (655)</i>	GSD's Share of Annual Depreciation	\$2,077,000
<i>Emergency Reserve Fund (660)</i>	\$500,000	\$500,000
<b>Total Unrestricted Cash Reserve Target (Minimum)</b>		<b>\$9,763,000</b>
<b>Total Unrestricted Cash Reserve Target (Goal)</b>		<b>\$12,150,000</b>

# Financial Plan Options Detail

## Status Quo:

- CIP as planned
- All CIP cash funded
- No Sewer Service Charge revenue increases
- Debt coverage below minimum in FY 2031
- Projected cash balance below minimum in FY 2034

## Option 1A / 1B “High Growth”:

- CIP as planned
- All CIP cash funded
- Option 1A:
  - Revenue increases of 3% per year for 10 years
- Option 1B:
  - Revenue increases of 3.5% per year for 10 years
  - Retire remaining principal on existing debt service in FY 2035, estimated at \$6.7M  
(Includes Penalty)

## Option 2 “Moderate Growth”:

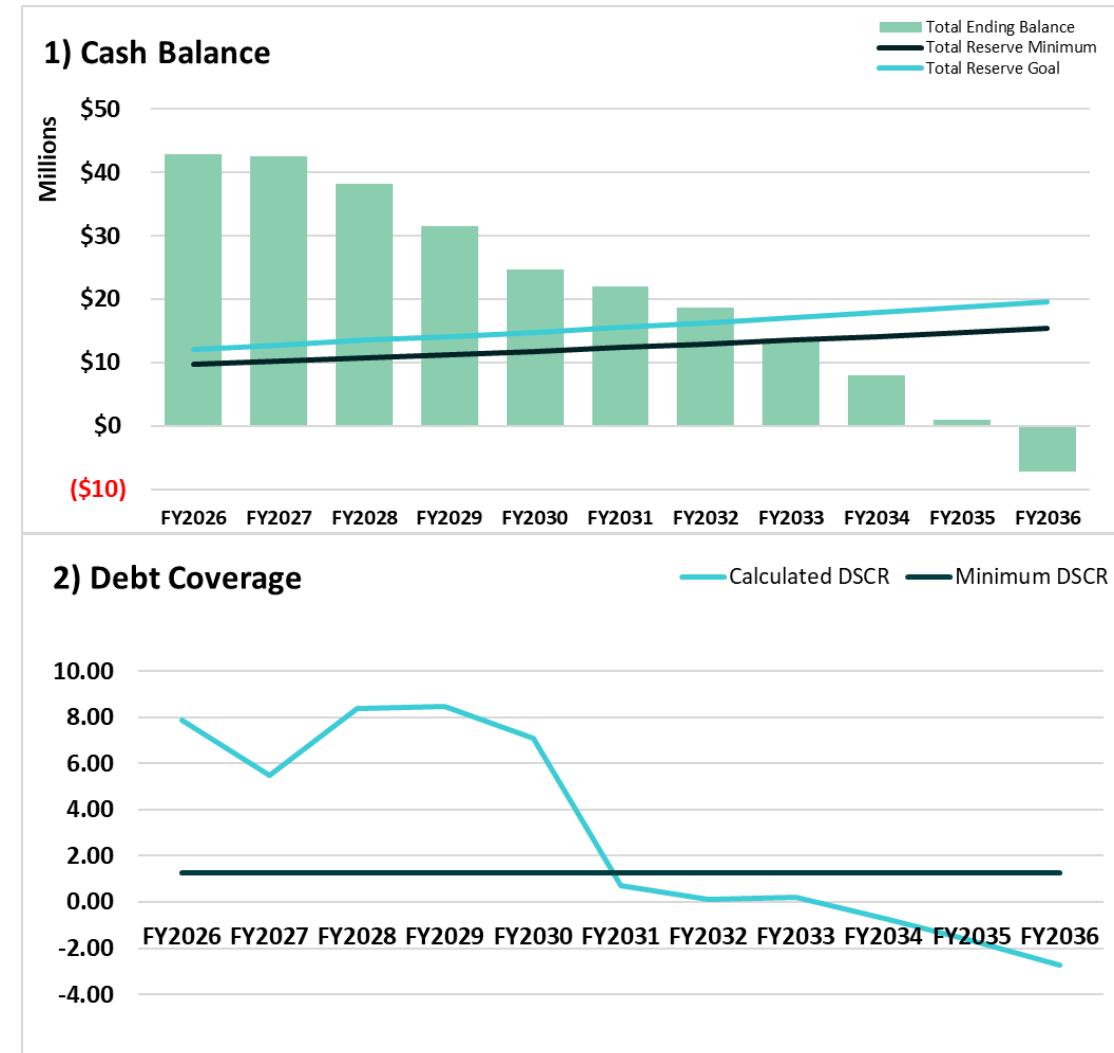
- CIP as planned
- All CIP cash funded
- 3.5% per year revenue increases for 10 years
- Draws cash reserves down to target at year 10

## Option 3 “Low Growth”:

- CIP as planned
- All CIP cash funded
- 4% per year revenue increases for 10 years
- Draws cash reserves down to target at year 10

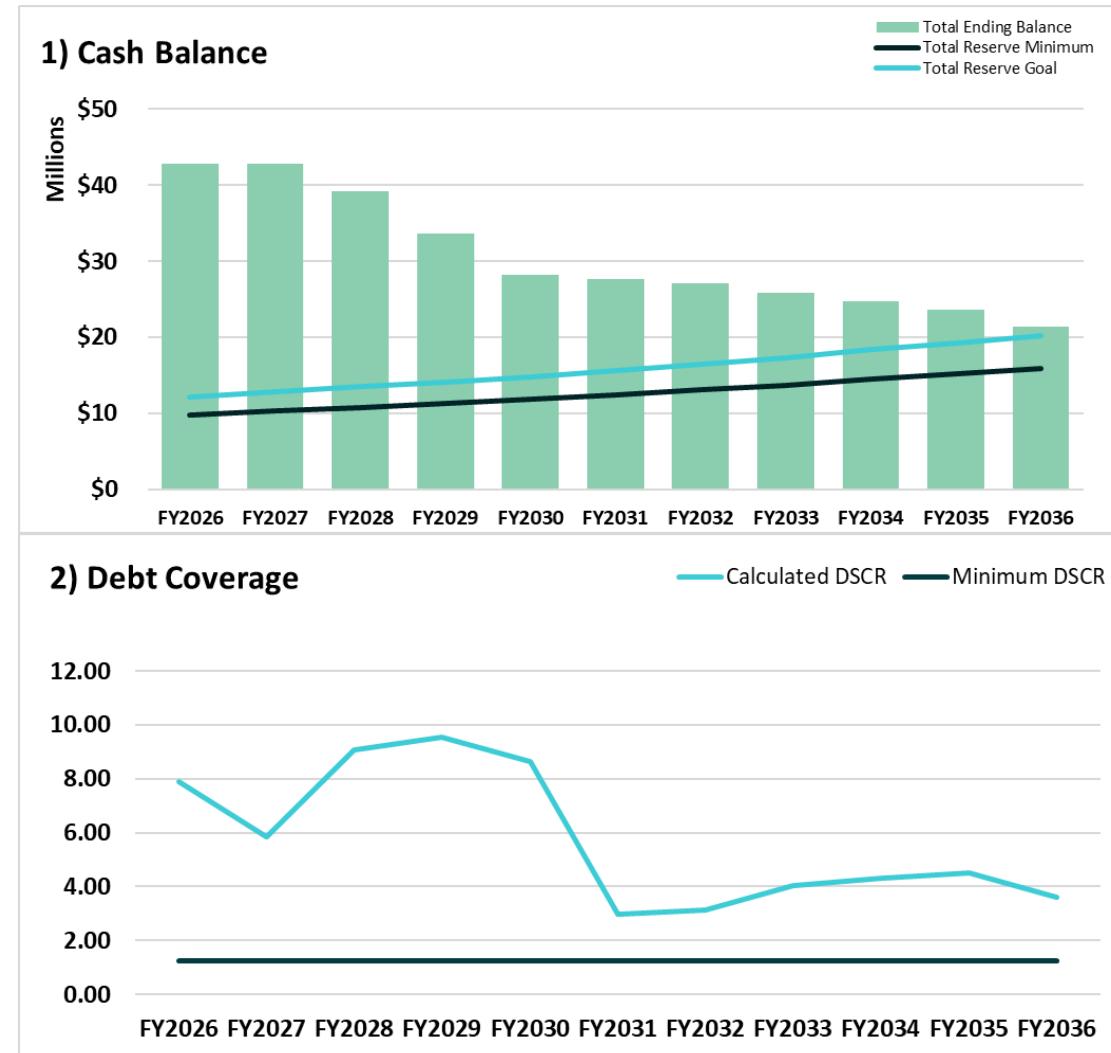
# Status Quo Financial Plan

Fiscal Year	Rate Revenue Increase	Debt Proceeds
2027	0%	\$0
2028	0%	\$0
2029	0%	\$0
2030	0%	\$0
2031	0%	\$0
2032	0%	\$0
2033	0%	\$0
2034	0%	\$0
2035	0%	\$0
2036	0%	\$0



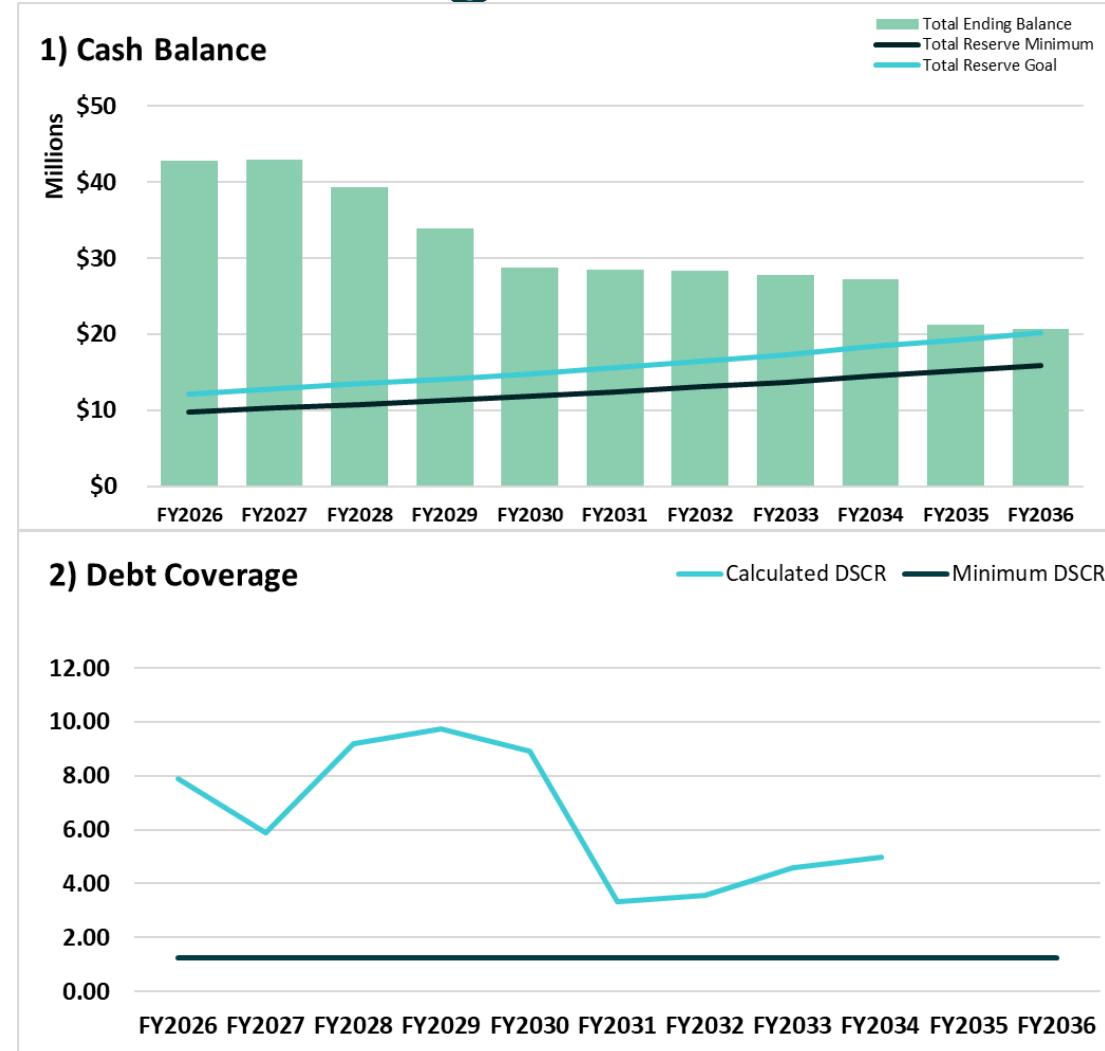
# Option 1A: High Growth

Fiscal Year	Rate Revenue Increase	Debt Proceeds
2027	3%	\$0
2028	3%	\$0
2029	3%	\$0
2030	3%	\$0
2031	3%	\$0
2032	3%	\$0
2033	3%	\$0
2034	3%	\$0
2035	3%	\$0
2036	3%	\$0



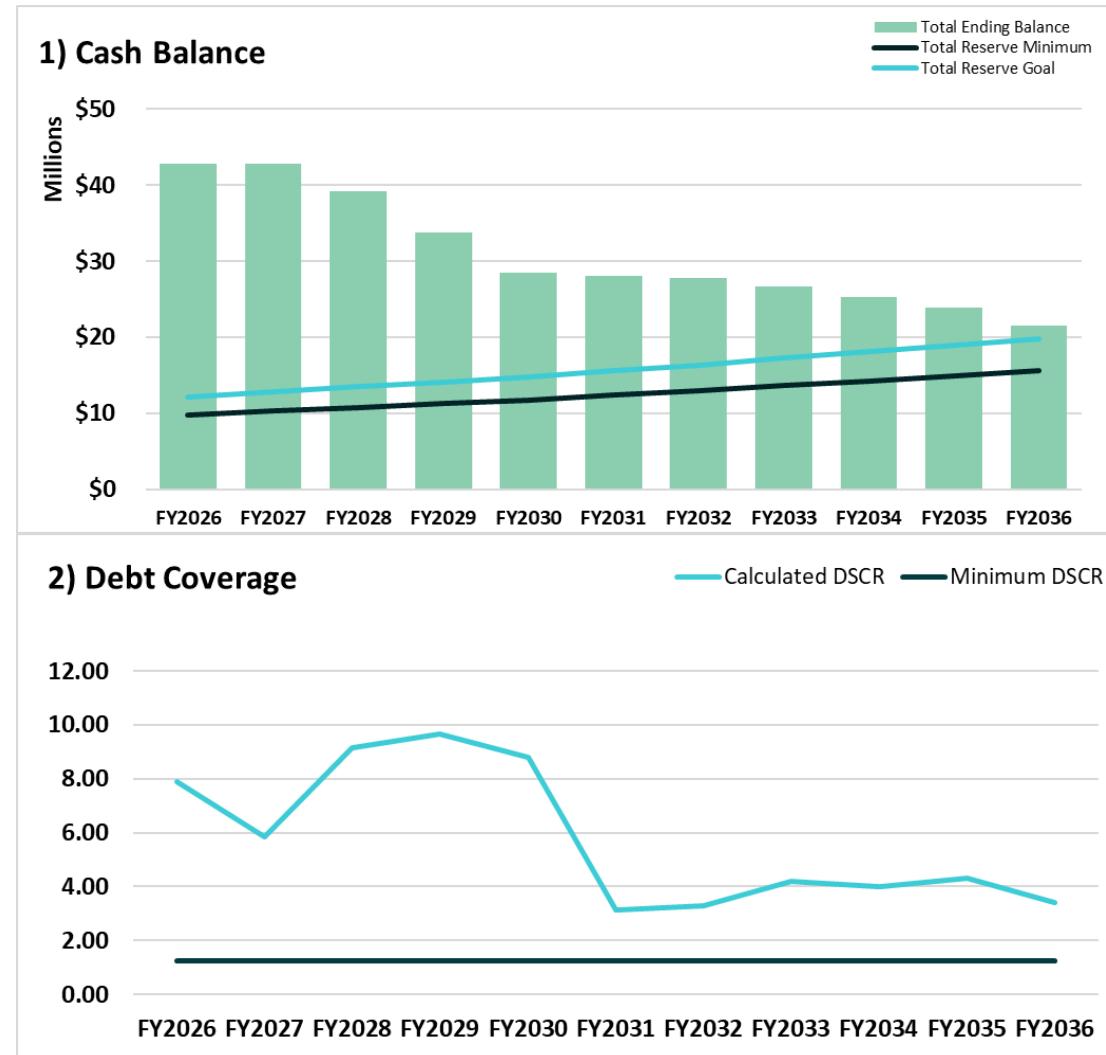
# Option 1B: High Growth with Early Retirement of Existing Debt

Fiscal Year	Rate Revenue Increase	Debt Retirement
2027	3.5%	\$0
2028	3.5%	\$0
2029	3.5%	\$0
2030	3.5%	\$0
2031	3.5%	\$0
2032	3.5%	\$0
2033	3.5%	\$0
2034	3.5%	\$0
2035	3.5%	\$6.7 M
2036	3.5%	\$0



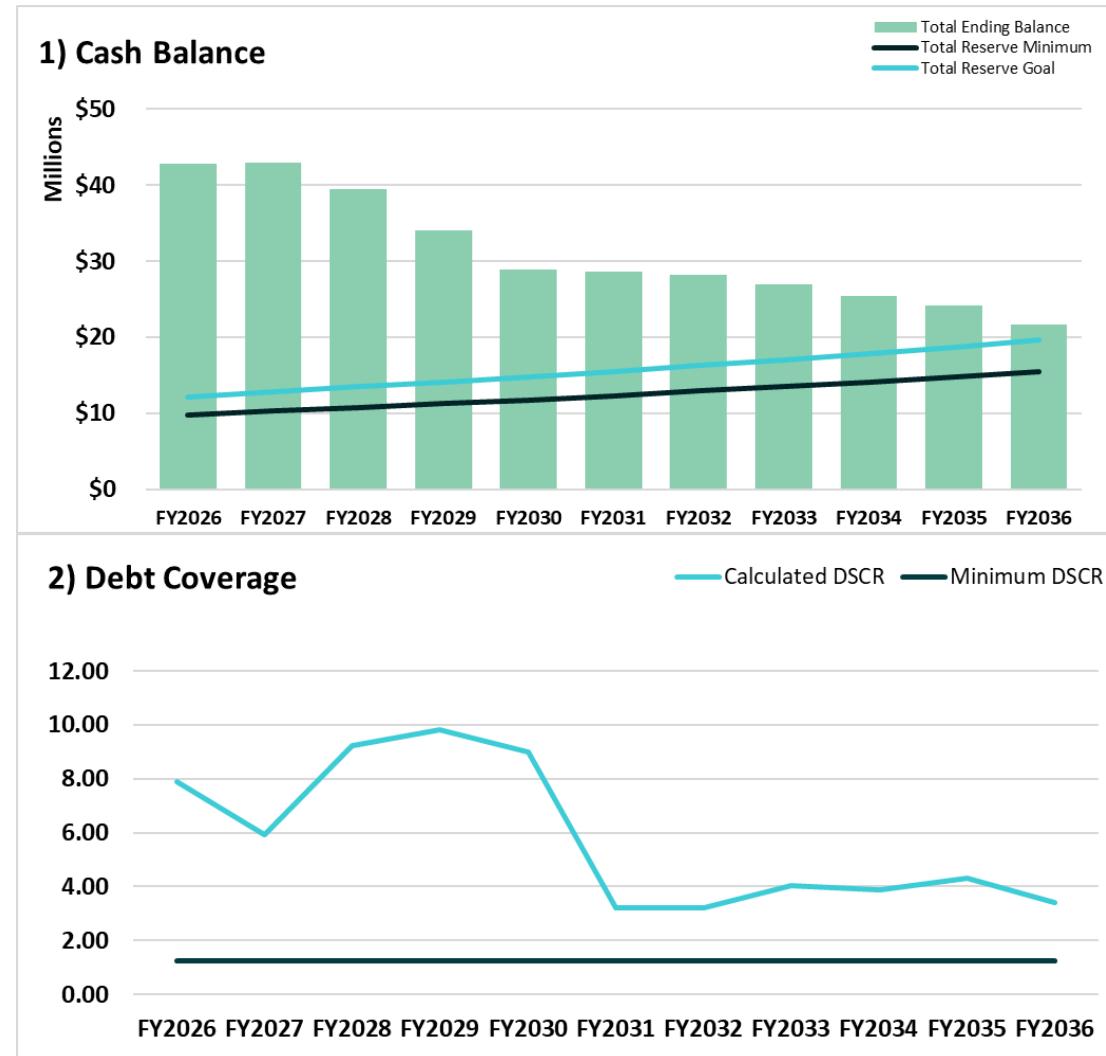
# Option 2: Moderate Growth

Fiscal Year	Rate Revenue Increase	Debt Proceeds
2027	3.5%	\$0
2028	3.5%	\$0
2029	3.5%	\$0
2030	3.5%	\$0
2031	3.5%	\$0
2032	3.5%	\$0
2033	3.5%	\$0
2034	3.5%	\$0
2035	3.5%	\$0
2036	3.5%	\$0



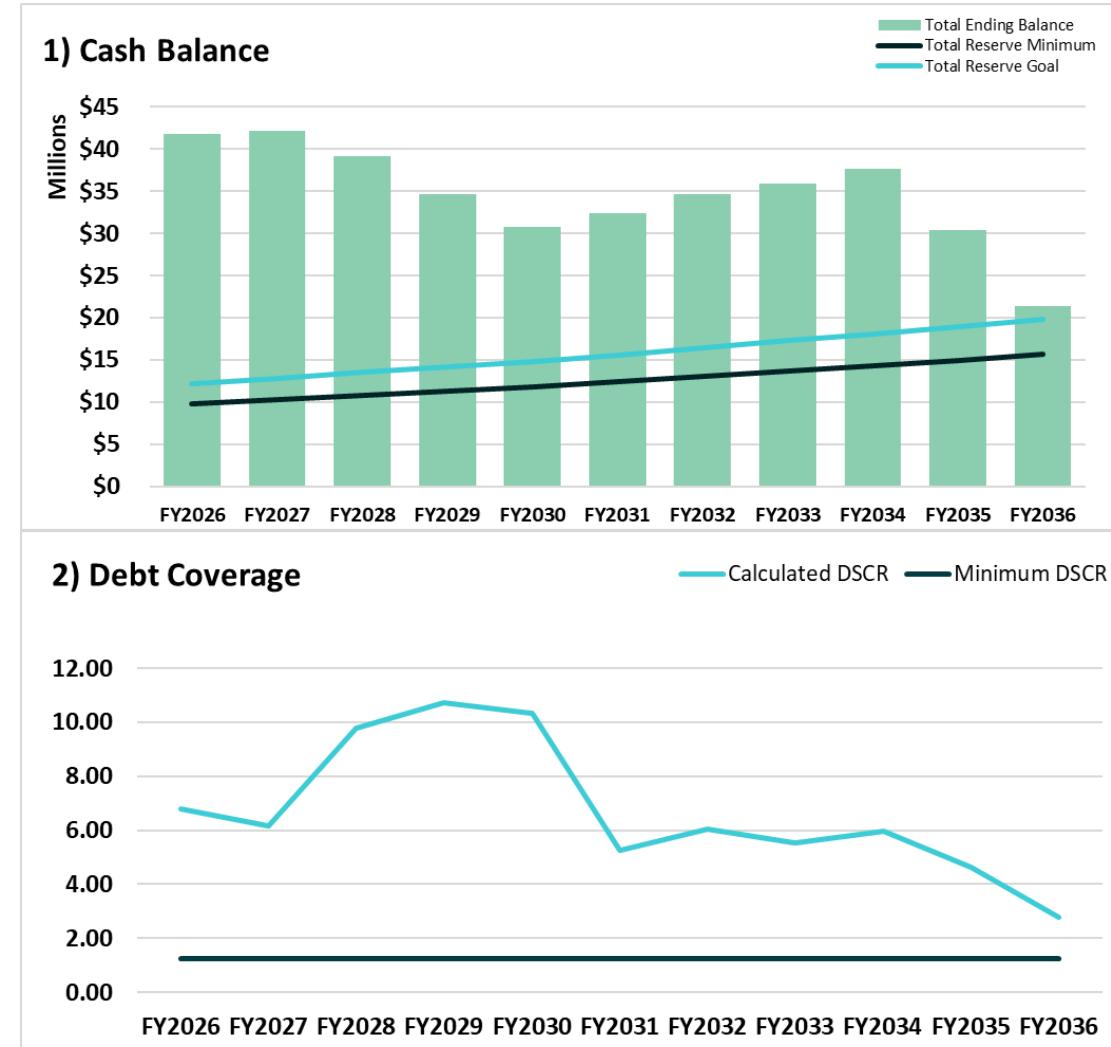
# Option 3: Low Growth

Fiscal Year	Rate Revenue Increase	Debt Proceeds
2027	4%	\$0
2028	4%	\$0
2029	4%	\$0
2030	4%	\$0
2031	4%	\$0
2032	4%	\$0
2033	4%	\$0
2034	4%	\$0
2035	4%	\$0
2036	4%	\$0



# What-If Scenario: Potable Re-Use Project - \$20M Cash / \$20M Debt

Fiscal Year	Rate Revenue Increase	Debt Proceeds
2027	6.5%	\$0
2028	6.5%	\$0
2029	6.5%	\$0
2030	6.5%	\$0
2031	6.5%	\$0
2032	6.5%	\$0
2033	6.5%	\$0
2034	6.5%	\$0
2035	6.5%	\$10M
2036	6.5%	\$10M



# Significant Variables

- New connection growth rates
  - › Timing and magnitude of GSD new connections and impact on existing rate revenue generation
  - › Timing and magnitude of GWSD and UCSB new connections and impact on percent of flows (i.e., share of total O&M)
- Inflationary estimates and future capital projects are also cost drivers

# Financial Plan Discussion

- Because of GSD's strong starting position, results fall in a narrow band of roughly 3% to 4% revenue increases
- This allows for increases to be lower than the District's weighted average cost increases (5% to 6% per year)
  - › Due to a drawdown of cash reserves above the policy target
- Increases beyond the 10-year window would need to approximate the average cost increase to maintain cash reserves and debt coverage above minimums

# Rate Study Project Schedule

Meeting Type / Meeting Body	Meeting Items	Dates
Project Kickoff	Project Overview	March 5, 2025
GSD Staff Virtual Meetings	Data Review Financial Plan Development Financial Plan Options Review	Financial Data Mar/Apr 2025 Flow and Loading Study Jun/Jul 2025 Financial Model Update Jul/Aug 2025 Revenue Reconciliation Jul-Sept 2025 Parcel Database Reconciliation Aug-Oct
Finance Committee Meeting #1	Financial Plan Results	November 2025
GSD Staff Virtual Meetings	Cost of Service Analysis Rate Design Rate Alternative Options & Bill Impacts	November-January 2025
Finance Committee Meeting #2	Rate Alternatives / Rate Proposal	January 2026
N/A	Draft Rate Study Report	January-February 2026
Rate Authorization - Board of Directors	Authorize Notice	February 2026
Notice to Customers	45 Day Minimum Protest Period	N/A
Public Hearing	Rate Adoption	Date: April 2026
<i>New Rates in Effect (Implementation)</i>		<i>July 1, 2026 (FY 2026-27)</i>

# **GENERAL MANAGER'S REPORT**

## **GOLETA SANITARY DISTRICT GENERAL MANAGER'S REPORT**

The following summary report describes the District's activities from December 2, 2025, through December 15, 2025. It provides updated information on significant activities under three major categories: Collection System, Treatment/Reclamation and Disposal Facilities, and General and Administration Items.

### **1. COLLECTION SYSTEM REPORT**

#### **LINES CLEANING**

Staff has been conducting priority lines cleaning throughout the District.

#### **CCTV INSPECTION**

Staff has been conducting priority CCTV inspections throughout the District.

#### **REPAIR AND MAINTENANCE**

The District's Vactor combination sewer cleaning truck is back in service following the replacement of the air spring brake valve. As previously reported, the truck was out of service due to a leak within the air brake system.

The District's Vactor RamJet hydro jetting sewer cleaning truck was driven by staff to Haaker Equipment Company in La Verne on December 9, 2025 for diagnosis and repair of an ongoing water flow issue in the pump system.

#### **MODOC MULTI-USE PATH**

Tierra Contracting replaced the barrel and cone sections of a manhole on Modoc Road. The manhole frame and cover were previously located in the east bound lane. With the installation of the new multi-use path by the County of Santa Barbara, the frame and cover location would have ended up in the new curb and gutter. In order to move the frame and cover from this location, the concentric brick manhole with a 36-inch opening was replaced with an eccentric concrete manhole with a 24-inch opening. These changes moved the frame and cover out of the location of the new curb and gutter to within the new shoulder of the multi-use path. Staff inspected the work.

#### **WINTER STORM PREPARATIONS**

Staff continues with winter storm preparation activities. Staff continues with creek crossing and critical easement inspections. Staff is brush clearing in easement areas.

#### **CUESTA VERDE ODOR ISSUE**

Staff continues to collect gas monitor readings on Cuesta Verde in response to an ongoing odor issue associated with the force main lateral from the Santa Barbara Wildlife Care Network (SBWCN) effluent pumpstation.

#### **FORTE RANCH HOMEOWNERS' ASSOCIATION PAVING**

The Forte Ranch Homeowners Association recently hired a contractor to pave the roads within their property. The contractor that performed the work raised 26 of the District manhole covers to grade without raising the frames. The work performed does not meet District requirements and will require replacement of the 26 frames and covers. The

covers were altered in a way that will not allow them to be reused with the existing frames. Staff was not contacted about the work that was performed and only discovered the work during routine CCTV inspections. Staff have inspected all of the manholes within the project area.

## **2. TREATMENT, RECLAMATION AND DISPOSAL FACILITIES REPORT**

For the first nine days of December 2025 the Plant averaged 5.18 million gallons a day (MGD). The first four days of the month the Reclamation Plant averaged .74 (MGD). This lower-than-average production was due to Goleta Water District not pulling water. The Reclamation Plant was restarted 12/10/2025 in anticipation of warmer weather.

Construction on the BESP Phase 1 project continues with the power and control lines for the 24-inch Primary Effluent line connection to Biofilter #1. The Heat Loop is almost ready to be reinstalled and connected to the Boiler system. The final concrete pour for the heat exchanger pad was completed 12/10/2025.

Conex boxes have been delivered and set in place for additional storage. Economy Tree is on site removing palms in preparation for the solar project. The Maintenance Department has completed the replacement of Grit Pump #3. We have started testing and integrating the new Bisulfite skid along with programming with SCADA.

## **3. GENERAL AND ADMINISTRATIVE ITEMS**

### **Financial Report**

The District account balances as of December 15, 2025, shown below, are approximations to the nearest dollar and indicate the overall funds available to the District at this time.

Operating Checking Accounts:	\$ 540,330
Investment Accounts (including interest earned):	\$ 43,451,590
Total District Funds:	\$ 43,991,920

The following transactions are reported herein for the period 12/02/2025 – 12/15/2025

Regular, Overtime, Cash-outs, and Net Payroll:	\$ 184,299
Claims:	\$ 888,287
Total Expenditures:	\$ 1,072,586
Total Deposits:	\$ 612,358

Transfers of funds:

LAIF to Community West Bank Operational (CWB):	\$ - 0 -
CWB Operational to CWB Money Market:	\$ - 0 -
CWB Money Market to CWB Operational:	\$ - 0 -
CWB Operational to CA-Class Investment Account	\$ - 0 -
CA-Class Investment Account to CWB Operational	\$ - 0 -

The District's investments comply with the District's Investment Policy adopted per Resolution No. 16-606. The District has adequate funds to meet the next six months of normal operating expenses.

**Local Agency Investment Fund (LAIF)**

LAIF Monthly Statement – November, 2025

LAIF Quarterly Report – November, 2025

PMIA/LAIF Performance – November, 2025

PMIA Effective Yield – November, 2025

**Community West Bank (CWB)**

CWB Money Market and ICS Accounts – November, 2025

**CA-Class Investment Account**

CA-Class Investment Account – November, 2025

**Deferred Compensation Accounts**

CalPERS 457 Deferred Compensation Plan – October, 2025

Lincoln 457 Deferred Compensation Plan – November, 2025

**Personnel**

Rachael Ortiz, our Administrative Assistant retired from the District after nine years of service on Friday December 5, 2025. Administrative staff gathered for a retirement lunch on Thursday, December 4, 2025.

Our annual employee recognition event will be held on Thursday, February 19, 2026 at Harry's Plaza Café at 5:30pm. All Board members and guests are encouraged to attend.

**Future Agenda Items**

- 2025 Audit Report
- Sewer Service Rate Study Cost of Service Analysis
- Summary of Nitrogen Removal Alternatives Findings
- President Pro Temp appointment
- Annual Board Committee and Liaison appointments
- Website accessibility improvements and update

California State Treasurer  
**Fiona Ma, CPA**



Local Agency Investment Fund  
P.O. Box 942809  
Sacramento, CA 94209-0001  
(916) 653-3001

December 01, 2025

[LAIF Home](#)  
[PMIA Average Monthly Yields](#)

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GOLETA SANITARY DISTRICT

GENERAL MANAGER  
ONE WILLIAM MOFFETT PLACE  
GOLETA, CA 93117

[Tran Type Definitions](#)

**Account Number:** 70-42-002

November 2025 Statement

**Account Summary**

Total Deposit:	0.00	Beginning Balance:	4,238.37
Total Withdrawal:	0.00	Ending Balance:	4,238.37



## PMIA/LAIF Performance Report as of 12/03/25



### Quarterly Performance Quarter Ended 9/30/25

LAIF Apportionment Rate <sup>(2)</sup> :	4.34
LAIF Earnings Ratio <sup>(2)</sup> :	0.00011893333163814
LAIF Administrative Cost <sup>(1)*</sup> :	0.26
LAIF Fair Value Factor <sup>(1)</sup> :	1.001929581
PMIA Daily <sup>(1)</sup> :	4.19
PMIA Quarter to Date <sup>(1)</sup> :	4.24
PMIA Average Life <sup>(1)</sup> :	254

### PMIA Average Monthly Effective Yields<sup>(1)</sup>

November	<b>4.096</b>
October	4.150
September	4.212
August	4.251
July	4.258
June	4.269

### Pooled Money Investment Account Monthly Portfolio Composition<sup>(1)</sup>

**10/31/25**

**\$156.2 billion**

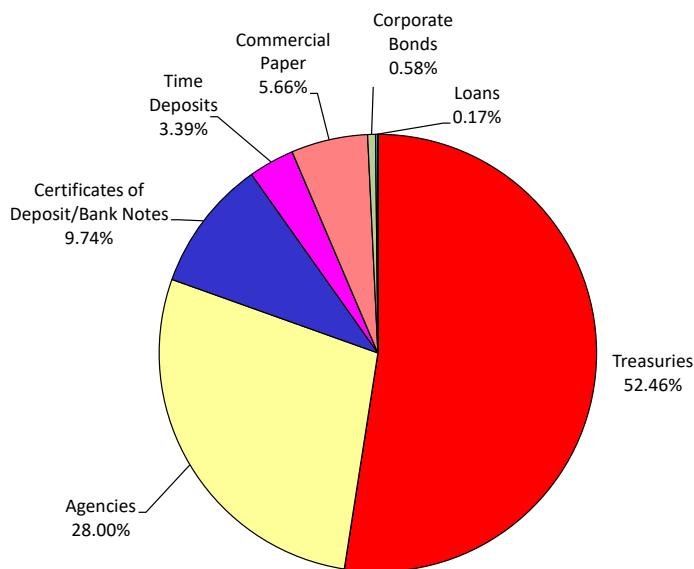


Chart does not include \$961,000.00 in mortgages, which equates to 0.001%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1).

\*The percentage of administrative cost equals the total administrative cost divided by the quarterly interest earnings. The law provides that administrative costs are not to exceed 5% of quarterly EARNINGS of the fund. However, if the 13-week Daily Treasury Bill Rate on the last day of the fiscal year is below 1%, then administrative costs shall not exceed 8% of quarterly EARNINGS of the fund for the subsequent fiscal year.

Source:

(1) State of California, Office of the Treasurer

(2) State of California, Office of the Controller



12/10/25

## POOLED MONEY INVESTMENT ACCOUNT

## PMIA Average Monthly Effective Yields

 Max: 12.844  
 Min: 0.203

YEAR	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1990	8.571	8.538	8.506	8.497	8.531	8.538	8.517	8.382	8.333	8.321	8.269	8.279
1991	8.164	8.002	7.775	7.666	7.374	7.169	7.098	7.072	6.859	6.719	6.591	6.318
1992	6.122	5.863	5.680	5.692	5.379	5.323	5.235	4.958	4.760	4.730	4.659	4.647
1993	4.678	4.649	4.624	4.605	4.427	4.554	4.438	4.472	4.430	4.380	4.365	4.384
1994	4.359	4.176	4.248	4.333	4.434	4.623	4.823	4.989	5.106	5.243	5.380	5.528
1995	5.612	5.779	5.934	5.960	6.008	5.997	5.972	5.910	5.832	5.784	5.805	5.748
1996	5.698	5.643	5.557	5.538	5.502	5.548	5.587	5.566	5.601	5.601	5.599	5.574
1997	5.583	5.575	5.580	5.612	5.634	5.667	5.679	5.690	5.707	5.705	5.715	5.744
1998	5.742	5.720	5.680	5.672	5.673	5.671	5.652	5.652	5.639	5.557	5.492	5.374
1999	5.265	5.210	5.136	5.119	5.086	5.095	5.178	5.225	5.274	5.391	5.484	5.639
2000	5.760	5.824	5.851	6.014	6.190	6.349	6.443	6.505	6.502	6.517	6.538	6.535
2001	6.372	6.169	5.976	5.760	5.328	4.958	4.635	4.502	4.288	3.785	3.526	3.261
2002	3.068	2.967	2.861	2.845	2.740	2.687	2.714	2.594	2.604	2.487	2.301	2.201
2003	2.103	1.945	1.904	1.858	1.769	1.697	1.653	1.632	1.635	1.596	1.572	1.545
2004	1.528	1.440	1.474	1.445	1.426	1.469	1.604	1.672	1.771	1.890	2.003	2.134
2005	2.264	2.368	2.542	2.724	2.856	2.967	3.083	3.179	3.324	3.458	3.636	3.808
2006	3.955	4.043	4.142	4.305	4.563	4.700	4.849	4.946	5.023	5.098	5.125	5.129
2007	5.156	5.181	5.214	5.222	5.248	5.250	5.255	5.253	5.231	5.137	4.962	4.801
2008	4.620	4.161	3.777	3.400	3.072	2.894	2.787	2.779	2.774	2.709	2.568	2.353
2009	2.046	1.869	1.822	1.607	1.530	1.377	1.035	0.925	0.750	0.646	0.611	0.569
2010	0.558	0.577	0.547	0.588	0.560	0.528	0.531	0.513	0.500	0.480	0.454	0.462
2011	0.538	0.512	0.500	0.588	0.413	0.448	0.381	0.408	0.378	0.385	0.401	0.382
2012	0.385	0.389	0.383	0.367	0.363	0.358	0.363	0.377	0.348	0.340	0.324	0.326
2013	0.300	0.286	0.285	0.264	0.245	0.244	0.267	0.271	0.257	0.266	0.263	0.264
2014	0.244	0.236	0.236	0.233	0.228	0.228	0.244	0.260	0.246	0.261	0.261	0.267
2015	0.262	0.266	0.278	0.283	0.290	0.299	0.320	0.330	0.337	0.357	0.374	0.400
2016	0.446	0.467	0.506	0.525	0.552	0.576	0.588	0.614	0.634	0.654	0.678	0.719
2017	0.751	0.777	0.821	0.884	0.925	0.978	1.051	1.084	1.111	1.143	1.172	1.239
2018	1.350	1.412	1.524	1.661	1.755	1.854	1.944	1.998	2.063	2.144	2.208	2.291
2019	2.355	2.392	2.436	2.445	2.449	2.428	2.379	2.341	2.280	2.190	2.103	2.043
2020	1.967	1.912	1.787	1.648	1.363	1.217	0.920	0.784	0.685	0.620	0.576	0.540
2021	0.458	0.407	0.357	0.339	0.315	0.262	0.221	0.221	0.206	0.203	0.203	0.212
2022	0.234	0.278	0.365	0.523	0.684	0.861	1.090	1.276	1.513	1.772	2.007	2.173
2023	2.425	2.624	2.831	2.870	2.993	3.167	3.305	3.434	3.534	3.670	3.843	3.929
2024	4.012	4.122	4.232	4.272	4.332	4.480	4.516	4.579	4.575	4.518	4.477	4.443
2025	4.336	4.333	4.313	4.281	4.272	4.269	4.258	4.251	4.212	4.150	4.096	

7100 N. Financial Dr. STE 101  
Fresno, CA 93720

GOLETA SANITARY DISTRICT  
1 WILLIAM MOFFETT PL  
GOLETA CA 93117-3901

### Overdraft Options

#### Occasional Overdraft Service Opt-In/Opt-Out

If you have opted-in to Occasional Overdraft Service, you are under no obligation to continue. If you would like to change your selection and opt-out of this program, you are able to do so at any time. For more information about our program, please go to [www.communitywestbank.com](http://www.communitywestbank.com), stop by one of our banking centers and ask for a copy of the Occasional Overdraft Service Description Policy or contact Customer Service at (800) 298-1775.

### Summary of Accounts

Account Type	Account Number	Ending Balance
PUBLIC MONEY MARKET	XXXXXXXXXXXXXX554	\$250,000.00

### PUBLIC MONEY MARKET - XXXXXXXXXXXXXXX554

#### Account Summary

Date	Description	Amount
11/01/2025	Beginning Balance	\$250,000.00
	2 Credit(s) This Period	\$5,912.99
	2 Debit(s) This Period	\$5,912.99
11/28/2025	Ending Balance	\$250,000.00

#### Interest Summary

Description	Amount
Interest Earned From 11/01/2025 Through 11/28/2025	
Annual Percentage Yield Earned	35.63%
Interest Days	28
Interest Earned	\$5,912.99
Interest Paid This Period	\$5,912.99
Interest Paid Year-to-Date	\$15,730.80
Minimum Balance	\$250,000.00
Average Ledger Balance	\$250,000.00

#### Other Credits

Date	Description	Amount
11/06/2025	Remaining Int Due for ICS Acct Oct 2025	\$5,147.82
11/28/2025	INTEREST	\$765.17
2 item(s) totaling		\$5,912.99

#### Other Debits

Date	Description	Amount
11/06/2025	TRANSFER TO ICS SHADOW DDA ACCOUNT XXXXXXXXXXXXXXX8650	\$5,147.82
11/28/2025	TRANSFER TO ICS SHADOW DDA ACCOUNT XXXXXXXXXXXXXXX8650	\$765.17
2 item(s) totaling		\$5,912.99



Community West Bank  
7100 N Financial Dr Ste 101  
Fresno, CA 93720

RETURN SERVICE REQUESTED



138365-28A

Goleta Sanitary District  
One William Moffett Place  
Goleta, CA 93117

# Community West Bank

Contact Us  
**559-298-1775**  
[www.communitywestbank.com](http://www.communitywestbank.com)

Account  
**Goleta Sanitary District**

Date  
**11/30/2025**

Page  
**1 of 6**



## IntraFi Cash Service<sup>SM</sup>, or ICS<sup>®</sup>, Monthly Statement

The following information is a summary of activity in your account(s) for the month of November 2025 and the list of FDIC-insured institution(s) that hold your deposits as of the date indicated. These deposits have been placed by us, as your agent and custodian, in deposit accounts through IntraFi Cash Service. Funds in your deposit accounts at the FDIC-insured institutions at which your funds have been placed will be "deposits," as defined by federal law. Certain conditions must be satisfied for "pass-through" FDIC deposit insurance coverage to apply. To meet the conditions for pass-through FDIC deposit insurance, deposit accounts at FDIC-insured banks in IntraFi's network that hold deposits placed using an IntraFi service are titled, and deposit account records are maintained, in accordance with FDIC regulations for pass-through coverage.

### Summary of Accounts

Account ID	Deposit Option	Interest Rate	Opening Balance	Ending Balance
*****554	Demand	3.99%	\$37,218,867.18	\$37,347,128.36
<b>TOTAL</b>			<b>\$37,218,867.18</b>	<b>\$37,347,128.36</b>

## DETAILED ACCOUNT OVERVIEW

Account ID: \*\*\*\*\*554

Account Title: Goleta Sanitary District

### Account Summary - Demand

Statement Period	11/1-11/30/2025	Average Daily Balance	\$37,227,851.65
Previous Period Ending Balance	\$37,218,867.18	Interest Rate at End of Statement Period	3.99%
Total Program Deposits	5,994.97	Annual Percentage Yield Earned	4.07%
Total Program Withdrawals	(0.00)	YTD Interest Paid	1,509,476.45
Interest Capitalized	122,266.21		
<b>Current Period Ending Balance</b>	<b>\$37,347,128.36</b>		

### Account Transaction Detail

Date	Activity Type	Amount	Balance
11/03/2025	Deposit	\$847.15	\$37,219,714.33
11/07/2025	Deposit	5,147.82	37,224,862.15
11/28/2025	Interest Capitalization	122,266.21	37,347,128.36

### Summary of Balances as of November 30, 2025

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
Alerus Financial, N.A.	Grand Forks, ND	3931	\$247,811.48
Amerant Bank, N.A.	Coral Gables, FL	22953	247,811.48
Ameris Bank	Atlanta, GA	20504	247,811.48
Apple Bank	New York, NY	16068	247,811.47
Associated Bank, N.A.	Green Bay, WI	5296	247,811.48
Atlantic Union Bank	Glen Allen, VA	34589	247,811.48
Avidbank	San Jose, CA	57510	247,811.48
Axos Bank	San Diego, CA	35546	247,811.48
BOKF, National Association	Tulsa, OK	4214	247,811.48
Banc of California	Los Angeles, CA	24045	247,811.48
Bangor Savings Bank	Bangor, ME	18408	247,811.48
Bank OZK	Little Rock, AR	110	247,803.59
Bank of Baroda	New York, NY	33681	247,811.48
Bank of India	New York, NY	33648	247,811.47
Bank of New Hampshire	Laconia, NH	18012	247,811.48
BankUnited	Miami Lakes, FL	58979	247,811.44
Bankers Trust Company	Des Moines, IA	953	247,811.48
Banner Bank	Walla Walla, WA	28489	247,811.48
Bar Harbor Bank & Trust	Bar Harbor, ME	11971	247,811.48
Barclays Bank Delaware	Wilmington, DE	57203	247,811.47
Bell Bank	Fargo, ND	19581	247,811.48
Benchmark Community Bank	Kenbridge, VA	20484	247,811.48
Bridgewater Bank	Saint Louis Park, MN	58210	247,811.48
Busey Bank	Champaign, IL	16450	247,811.48

## DETAILED ACCOUNT OVERVIEW

Account ID: \*\*\*\*\*554

Account Title: Goleta Sanitary District



### Summary of Balances as of November 30, 2025

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
CLBC Bank USA	Chicago, IL	33306	247,811.48
Cadence Bank	Tupelo, MS	11813	247,811.48
California Bank of Commerce, N.A.	San Diego, CA	57044	247,811.48
Cathay Bank	Los Angeles, CA	18503	247,811.46
Cedar Rapids Bank and Trust Company	Cedar Rapids, IA	57244	247,811.48
Centennial Bank	Conway, AR	11241	247,811.48
Central National Bank	Waco, TX	22396	247,786.06
Choice Financial Group	Grafton, ND	9423	247,811.48
Citizens Bank, National Association	Providence, RI	57957	247,811.48
City National Bank of Florida	Miami, FL	20234	247,811.48
Columbia Bank	Fair Lawn, NJ	28834	247,757.13
Columbia Bank	Roseburg, OR	17266	247,811.48
Commercial Bank of California	Irvine, CA	57417	247,811.48
Customers Bank	Malvern, PA	34444	247,811.48
Dime Community Bank	Hauppauge, NY	6976	247,811.48
EagleBank	Silver Spring, MD	34742	247,811.48
East West Bank	Pasadena, CA	31628	247,811.48
Eastern Bank	Boston, MA	32773	247,811.48
Encore Bank	Little Rock, AR	34562	247,811.48
Equity Bank	Andover, KS	25858	247,811.48
Farmers National Bank of Danville	Danville, KY	2740	247,811.48
First Bank	Creve Coeur, MO	12229	247,811.48
First Bank Chicago	Highland Park, IL	17470	247,811.48
First Carolina Bank	Rocky Mount, NC	35530	247,757.13
First Commonwealth Bank	Indiana, PA	7468	247,811.48
First Financial Bank	Abilene, TX	3066	247,811.48
First Foundation Bank	Irvine, CA	58647	247,811.48
First Guaranty Bank	Hammond, LA	14028	247,811.48
First Horizon Bank	MEMPHIS, TN	4977	247,811.48
First Interstate Bank	Billings, MT	1105	247,811.48
First Merchants Bank	Muncie, IN	4365	247,811.48
First National Bank of Oklahoma	Oklahoma City, OK	4211	247,811.48
First National Bank of Omaha	Omaha, NE	5452	247,811.48
First National Bank of Pennsylvania	Greenville, PA	7888	247,811.48
First State Community Bank	Farmington, MO	17323	247,811.48
First United Bank and Trust Company	Durant, OK	4239	247,811.46
First Utah Bank	Salt Lake City, UT	22738	247,811.48
First-Citizens Bank & Trust Company	Raleigh, NC	11063	247,811.48
Five Star Bank	Warsaw, NY	659	247,811.48

## DETAILED ACCOUNT OVERVIEW

Account ID: \*\*\*\*\*554

Account Title: Goleta Sanitary District

### Summary of Balances as of November 30, 2025

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
Flagstar Bank, N.A.	Hicksville, NY	32541	247,811.48
Franklin Savings Bank	Farmington, ME	19836	54.34
Fulton Bank, N.A.	Lancaster, PA	7551	247,811.48
Glacier Bank	Kalispell, MT	30788	247,811.48
Great Southern Bank	Reeds Spring, MO	29546	247,811.48
Gulf Coast Bank and Trust Company	New Orleans, LA	32974	247,811.48
Hanover Community Bank	Mineola, NY	58675	247,811.48
Heritage Bank	Olympia, WA	29012	247,811.48
INB	Springfield, IL	3664	247,811.48
INTRUST Bank NA	Wichita, KS	4799	247,811.48
Independent Bank	Ionia, MI	27811	247,811.48
Inwood National Bank	Dallas, TX	19080	247,811.48
Israel Discount Bank of New York	New York City, NY	19977	247,811.48
Ives Bank	Danbury, CT	15912	10.74
Kennebunk Savings Bank	Kennebunk, ME	13063	175,532.49
KeyBank National Association	Cleveland, OH	17534	247,811.48
Lake City Bank	Warsaw, IN	13102	247,811.48
Lake Forest Bank & Trust Co, N.A.	Lake Forest, IL	27589	0.10
Lead Bank	Kansas City, MO	8283	247,740.38
Liberty National Bank	Lawton, OK	11522	247,811.48
MVB Bank, Inc	Fairmont, WV	34603	247,811.48
Mascoma Bank	Lebanon, NH	18013	247,811.48
Mechanics Bank	Walnut Creek, CA	1768	247,811.48
Mercantile Bank	Grand Rapids, MI	34598	247,811.48
Merchants Bank of Indiana	Carmel, IN	8056	0.15
Metro City Bank	Doraville, GA	58181	247,811.47
MidFirst Bank	Oklahoma City, OK	4063	247,811.48
Middletown Valley Bank	Middletown, MD	14017	247,811.48
Midland States Bank	Effingham, IL	1040	247,811.48
Midwest BankCentre	St. Louis, MO	1058	247,811.33
Morton Community Bank	Morton, IL	18429	247,811.48
NBH Bank	Greenwood Village, CO	59052	247,811.48
Northeast Bank	Lewiston, ME	19690	247,811.48
Northern Bank & Trust Company	Woburn, MA	18266	247,811.48
Old National Bank	Evansville, IN	3832	247,811.47
Outdoor Bank	Manhattan, KS	17685	247,811.48
People's Bank of Seneca	Seneca, MO	34146	247,811.48
Peoples National Bank, N.A.	Mt. Vernon, IL	3809	247,811.48
Pinnacle Bank	Omaha, NE	10634	247,811.48

## DETAILED ACCOUNT OVERVIEW

Account ID: \*\*\*\*\*554

Account Title: Goleta Sanitary District



### Summary of Balances as of November 30, 2025

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
Pinnacle Bank	Nashville, TN	35583	247,811.48
Pinnacle Bank	Keene, TX	20231	247,811.48
PlainsCapital Bank	Lubbock, TX	17491	247,811.48
Planters Bank, Inc.	Hopkinsville, KY	34254	247,811.48
Popular Bank	New York, NY	34967	247,811.48
Potomac Bank, Inc.	Charles Town, WV	9023	247,811.48
Preferred Bank	Los Angeles, CA	33539	247,811.48
Primis Bank	McLean, VA	57968	247,811.48
Provident Bank	Jersey City, NJ	12010	247,811.48
Raymond James Bank	St. Petersburg, FL	33893	247,811.48
River City Bank	Sacramento, CA	18983	247,811.48
Rockland Trust Company	Rockland, MA	9712	247,811.41
Seacoast National Bank	Stuart, FL	131	247,811.48
Security First Bank	Rapid City, SD	5415	247,811.48
Shore United Bank, N.A.	Easton, MD	4832	247,811.48
Simmons Bank	Pine Bluff, AR	3890	247,811.48
South State Bank, N.A.	Winter Haven, FL	33555	247,811.48
SouthEast Bank	Farragut, TN	57348	247,811.48
Southern Bank	Poplar Bluff, MO	28332	247,811.48
Southside Bank	Tyler, TX	18297	247,811.45
State Bank of India	New York City, NY	33682	247,811.48
Stifel Bank	St. Louis, MO	57358	247,811.37
Summit State Bank	Santa Rosa, CA	32203	247,811.48
Sunflower Bank NA	Salina, KS	4767	247,811.48
Susser Bank	Arlington, TX	34885	247,811.48
Synovus Bank	Columbus, GA	873	247,811.47
Texas Capital Bank	Dallas, TX	34383	247,811.48
Texas Partners Bank	San Antonio, TX	58581	247,811.48
The Camden National Bank	Camden, ME	4255	247,811.48
The Farmers & Merchants State Bank	Archbold, OH	5969	247,811.48
The Huntington National Bank	Columbus, OH	6560	247,811.58
The Middlefield Banking Company	Middlefield, OH	13716	247,811.48
Town Bank, N.A.	Hartland, WI	34717	54.31
TowneBank	Portsmouth, VA	35095	247,779.29
Tradition Capital Bank	Edina, MN	58057	247,811.48
Traditional Bank, Inc.	Mount Sterling, KY	2711	247,811.48
Tri Counties Bank	Chico, CA	21943	247,811.48
TriState Capital Bank	Pittsburgh, PA	58457	247,811.48
Truist Bank	Charlotte, NC	9846	247,811.48

## DETAILED ACCOUNT OVERVIEW

Account ID: \*\*\*\*\*554

Account Title: Goleta Sanitary District

### Summary of Balances as of November 30, 2025

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
UMB Bank, National Association	Kansas City, MO	8273	247,811.41
UniBank for Savings	Whitinsville, MA	90290	247,811.48
Union Bank & Trust	Lincoln, NE	13421	247,811.48
United Bank	Fairfax, VA	22858	247,811.48
United Community Bank	Greenville, SC	16889	247,811.48
Univest Bank and Trust Co.	Souderton, PA	7759	247,811.48
Valley National Bank	Morristown, NJ	9396	247,811.48
Washington Federal Bank	Seattle, WA	28088	247,811.48
Webster Bank, National Association	Waterbury, CT	18221	247,811.48
WesBanco Bank, Inc.	Wheeling, WV	803	247,811.48
West Bank	West Des Moines, IA	15614	247,811.48
Western Alliance Bank	Phoenix, AZ	57512	247,811.48
Wilmington Savings Fund Society, FSB	Wilmington, DE	17838	247,811.48
Woodforest Natl Bank	The Woodlands, TX	23220	247,811.48
Zions Bancorporation, N. A.	Salt Lake City, UT	2270	247,811.48



0000029-0000122 PDFT 863253

**Goleta Sanitary District  
1 William Moffett Place  
Goleta, CA 93117**

## Summary Statement

November 30, 2025

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Investor ID: CA-01-0030

### California CLASS

#### California CLASS

Average Monthly Yield: 4.0391%

		Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
CA-01-0030-0001	Goleta Sanitary District	5,830,107.89	0.00	0.00	19,350.37	226,191.19	5,832,042.93	5,849,458.26
<b>TOTAL</b>		<b>5,830,107.89</b>	<b>0.00</b>	<b>0.00</b>	<b>19,350.37</b>	<b>226,191.19</b>	<b>5,832,042.93</b>	<b>5,849,458.26</b>



# Account Statement

November 30, 2025

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Account Number: CA-01-0030-0001

## Goleta Sanitary District

### Account Summary

Average Monthly Yield: 4.0391%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
California CLASS	5,830,107.89	0.00	0.00	19,350.37	226,191.19	5,832,042.93	5,849,458.26

### Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
11/01/2025	Beginning Balance			5,830,107.89	
11/30/2025	Income Dividend Reinvestment	19,350.37			
11/30/2025	Ending Balance			5,849,458.26	

## California CLASS

## California CLASS

Date	Dividend Rate	Daily Yield
11/01/2025	0.000000000	4.1305%
11/02/2025	0.000000000	4.1305%
11/03/2025	0.000113933	4.1584%
11/04/2025	0.000112741	4.1150%
11/05/2025	0.000110793	4.0439%
11/06/2025	0.000109876	4.0105%
11/07/2025	0.000329421	4.0080%
11/08/2025	0.000000000	4.0080%
11/09/2025	0.000000000	4.0080%
11/10/2025	0.000220178	4.0183%
11/11/2025	0.000000000	4.0183%
11/12/2025	0.000110276	4.0251%
11/13/2025	0.000110748	4.0423%
11/14/2025	0.000331685	4.0355%
11/15/2025	0.000000000	4.0355%
11/16/2025	0.000000000	4.0355%
11/17/2025	0.000110314	4.0265%
11/18/2025	0.000110334	4.0272%
11/19/2025	0.000109585	3.9999%
11/20/2025	0.000109264	3.9881%
11/21/2025	0.000328182	3.9929%
11/22/2025	0.000000000	3.9929%
11/23/2025	0.000000000	3.9929%
11/24/2025	0.000109694	4.0038%
11/25/2025	0.000110022	4.0158%
11/26/2025	0.000221590	4.0440%
11/27/2025	0.000000000	4.0440%
11/28/2025	0.000334881	4.0744%
11/29/2025	0.000000000	4.0744%
11/30/2025	0.000000000	4.0744%

Performance results are shown net of all fees and expenses and reflect the reinvestment of dividends and other earnings. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.**

## **CalPERS 457 Plan**

**October 31, 2025**

This document includes important information to help you compare the investment options under your retirement plan. If you want additional information about your investment options, you can go to <https://calpers.voya.com>.

A free paper copy of the information available on the website can be obtained by contacting:

Voya Financial  
Attn: CalPERS 457 Plan  
P.O. Box 389  
Hartford, CT 06141  
(800) 260-0659

### **Document Summary**

This document has two parts. Part I consists of performance information for the plan investment options. This part shows you how well the investments have performed in the past. Part I also shows the total annual operating expenses of each investment option.

Part II provides additional information concerning Plan administrative fees that may be charged to your individual account.

# CalPERS 457 PLAN

## Part I. Performance Information For Periods Ended October 31, 2025

<https://calpers.voya.com>

Table 1 focuses on the performance of investment options that do not have a fixed or stated rate of return. Table 1 shows how these options have performed over time and allows you to compare them with an appropriate benchmark for the same time periods<sup>1</sup>. Past performance does not guarantee how the investment option will perform in the future. Your investment in these options could lose money. Information about an investment option's principal risks is available on the website listed above.

Table 1 also shows the Total Annual Operating Expenses of each investment option. Total Annual Operating Expenses are expenses that reduce the rate of return of the investment option<sup>2</sup>. The cumulative effect of fees and expenses can substantially reduce the growth of your retirement savings. Visit the U.S. Department of Labor's website for an example showing the long-term fees and expenses at <http://www.dol.gov/ebsa>. Fees and expenses are only one of many factors to consider when you decide to invest in an option. You may also want to think about whether an investment in a particular option, along with your other investments, will help you achieve your financial goals.

**Table 1 - Variable Net Return Investments**

Name of Fund / <i>Name of Benchmark</i>	Performance		Annualized Performance				Total Annual Operating Expenses <sup>3</sup>		
	3 Month	1 Year	5 Years	10 Years	Since Inception	Inception Date	As a %	Per \$1000	
<b>Equity Funds</b>									
State Street Russell All Cap Index Fund - Class I <i>Russell 3000 Index</i>	8.05	20.60	16.51	13.75	13.34	10/07/13	0.19%	\$1.90	
State Street Global All Cap Equity ex-US Index Fund - Class I <i>MSCI ACWI ex-USA IMI Index (net)</i>	9.51	25.34	11.07	7.61	6.13	10/07/13	0.20%	\$2.00	
<b>Fixed Income</b>									
State Street US ShortTerm Gov't/Credit Bond Index Fund - Class I <i>Bloomberg US 1-3 yr Gov't/Credit Bond Index</i>	1.50	4.91	1.58	1.61	1.40	10/07/13	0.20%	\$2.00	
State Street US Bond Fund Index - Class I <i>Bloomberg US Aggregate Bond Index</i>	2.88	6.00	-0.47	1.61	1.88	10/07/13	0.19%	\$1.90	
<b>Real Assets</b>									
State Street Real Asset Fund - Class A <i>State Street Custom Benchmark<sup>4</sup></i>	5.46	13.22	11.19	6.57	4.47	10/08/13	0.32%	\$3.20	
<b>Cash (Cash Equivalents)</b>									
State Street STIF <i>ICE BofA US 3-Month Treasury Bill Index</i>	1.06	4.43	3.05	2.02	1.78	09/02/14	0.21%	\$2.10	
<b>Target Retirement Date Funds<sup>5</sup></b>									
CalPERS Target Income Fund <i>SIP Income Policy Benchmark<sup>6</sup></i>	4.60	11.29	4.90	4.63	5.28	12/01/08	0.20%	\$2.00	
CalPERS Target Retirement 2020 <i>SIP 2020 Policy Benchmark<sup>6</sup></i>	4.86	12.09	6.29	5.40	6.81	12/01/08	0.20%	\$2.00	
CalPERS Target Retirement 2025 <i>SIP 2025 Policy Benchmark<sup>6</sup></i>	5.58	14.15	8.09	6.62	7.81	12/01/08	0.20%	\$2.00	
CalPERS Target Retirement 2030 <i>SIP 2030 Policy Benchmark<sup>6</sup></i>	6.33	16.23	9.77	7.60	8.75	12/01/08	0.20%	\$2.00	
CalPERS Target Retirement 2035 <i>SIP 2035 Policy Benchmark<sup>6</sup></i>	6.97	18.08	11.50	8.65	9.62	12/01/08	0.20%	\$2.00	
CalPERS Target Retirement 2040 <i>SIP 2040 Policy Benchmark<sup>6</sup></i>	7.78	20.39	13.19	9.72	10.35	12/01/08	0.20%	\$2.00	
CalPERS Target Retirement 2045 <i>SIP 2045 Policy Benchmark<sup>6</sup></i>	8.21	21.58	13.69	10.25	10.64	12/01/08	0.20%	\$2.00	
CalPERS Target Retirement 2050 <i>SIP 2050 Policy Benchmark<sup>6</sup></i>	8.21	21.59	13.69	10.25	10.70	12/01/08	0.20%	\$2.00	
CalPERS Target Retirement 2055 <i>SIP 2055 Policy Benchmark<sup>6</sup></i>	8.21	21.58	13.69	10.24	9.05	10/07/13	0.20%	\$2.00	
CalPERS Target Retirement 2060 <i>SIP 2060 Policy Benchmark<sup>6</sup></i>	8.21	21.59	13.69	-	12.03	11/01/18	0.20%	\$2.00	
CalPERS Target Retirement 2065 <i>SIP 2065 Policy Benchmark<sup>6</sup></i>	8.21	21.58	-	-	17.72	12/01/22	0.20%	\$2.00	
<b>Broad-Based Benchmarks<sup>7</sup></b>									
<i>Russell 3000 Index</i>	8.11	20.81	16.74	14.08	-	-	-	-	
<i>MSCI ACWI ex-USA IMI Index (net)</i>	8.99	24.62	11.10	7.68	-	-	-	-	
<i>Bloomberg US Aggregate Bond Index</i>	2.94	6.16	-0.24	1.90	-	-	-	-	

## Part II. Explanation of CalPERS 457 Plan Expenses

October 31, 2025

<https://calpers.voya.com>

Table 2 provides information concerning Plan administrative fees and expenses that may be charged to your individual account if you take advantage of certain features of the Plan. In addition to the fees and expenses described in Table 2 below, some of the Plan's administrative expenses are paid from the Total Annual Operating Expenses of the Plan's investment options.

Table 2 - Fees and Expenses				
Individual Expenses <sup>8</sup>				
Service	Fee Amount	Frequency	Who do you pay this fee to?	Description
Loan Origination Fee	\$50	Per loan application	Voya	The charge covers the processing of your loan and applies each time you request a loan from your retirement account. This fee is deducted from your Plan account.
Maintenance Fee (For loans taken on or after April 1, 2020)	\$35 (\$8.75 assessed quarterly)	Annual	Voya	The charge covers the maintenance costs of your loan and applies on a quarterly basis. This fee is deducted from your Plan account.
Self-Managed Account (SMA) Maintenance Fee	\$50	Annual fee deducted monthly on a pro-rata basis	Voya	Schwab Personal Choice Retirement Account is available to you if your Employer has elected it as an option. This fee is deducted pro rata on a monthly basis from your core fund investments <sup>9</sup> in your CalPERS 457 account. For more information about SMAs, including a complete list of fees charged by Schwab for different types of investment transactions, please contact Schwab at (888) 393-PCRA (7272). Fees may also be incurred as a result of actual brokerage account trades. Before purchasing or selling any investment through the SMA, you should contact Schwab at (888) 393-PCRA (7272) to inquire about any fees, including any undisclosed fees, associated with the purchase or sale of such investment.
Self-Managed Account (SMA) Plan Administrative Fee	0.19% (\$1.90 per \$1,000)	Annual fee deducted monthly on a pro-rata basis	Voya	The SMA Plan Administrative fee pays for recordkeeping costs for assets in your SMA account. This fee is deducted pro rata on a monthly basis from your core fund investments in your CalPERS 457 account. The SMA Plan Administrative Fee is subject to change based on total Plan assets.

### **Footnotes for Table 1 and Table 2:**

<sup>1</sup> Fund returns shown are net of investment management and administrative expenses and fees unless otherwise noted. Benchmark performance returns do not reflect any management fees, transaction costs or expenses. Benchmarks are unmanaged. You cannot invest directly in a benchmark.

<sup>2</sup> Historical annual operating expenses are not available. Reported annual operating expenses are estimated based on Voya recordkeeping, and State Street Investment Management capped investment fees, and operating expenses.

<sup>3</sup> Total annual operating expenses are comprised of investment management and administrative expenses and fees incurred by the funds.

<sup>4</sup> State Street Real Asset Fund has a custom benchmark comprised of 25% Bloomberg Enhanced Roll Yield Index, 25% S&P® Global Large MidCap Commodity and Resources Index, 10% Dow Jones US Select REIT Index, 20% Bloomberg US Government Inflation-Linked 1-10 Year Bond Index, and 20% S&P® Global Infrastructure Index.

<sup>5</sup> If the ending market value (EMV) falls to zero in any one month, the inception date resets to the next month with an EMV. Performance is then calculated from the new inception date.

<sup>6</sup> The benchmark for each Target Retirement Date Fund is a composite of asset class benchmarks that are weighted according to each Fund's policy target weights. The asset class benchmarks are Russell 3000 Index, MSCI ACWI ex-USA IMI Index (net), Bloomberg US Aggregate Bond Index, the State Street Investment Management customized benchmark for Real Assets (see footnote 4), and ICE BofA US 3-Month Treasury Bill Index.

<sup>7</sup> Broad-based benchmarks grouped here provide comparative performance standards for domestic equity, international equity and fixed income.

<sup>8</sup> The CalPERS Board of Administration periodically reviews the plan administrative fees and adjusts fees to reflect expenses incurred by the Plan. Participant fees are charged to reimburse CalPERS for actual administrative fees of the Plan.

<sup>9</sup> Core fund investments are listed in Table 1 above the Target Retirement Date funds. Core funds include: State Street Russell All Cap Index Fund (Class I), State Street Global All Cap Equity ex-US Index Fund (Class I), State Street US Short Term Government/Credit Bond Index Fund (Class I), State Street US Bond Fund Index (Class I), State Street Real Asset Fund (Class A), and State Street Short Term Investment Fund ("STIF").



## Multi-Fund® Select

### Performance Update

Quoted performance data represents past performance. Past performance does not guarantee nor predict future performance. Current performance may be lower or higher than the performance data quoted. Please keep in mind that double-digit returns are highly unusual and cannot be sustained.

Variable products are sold by prospectus. Consider the investment objectives, risks, charges, and expenses of the variable product and its underlying investment options carefully before investing. The prospectus contains this and other information about the variable product and its underlying investment options. Please review the prospectus available online for additional information. Read it carefully before investing.

Investment return and principal value of an investment will fluctuate so that an investor's unit values, when redeemed, may be worth more or less than their original cost.

### Monthly hypothetical performance adjusted for contract fees \*

INVESTMENT OPTIONS	ASSET CLASS	INCEP. DATE	CHANGE FROM PREVIOUS DAY 12/09/2025	YTD AS OF 12/09/2025	YTD AS OF 11/28/2025	1 MO. AS OF 11/28/2025	3 MO. AS OF 11/28/2025	AVERAGE ANNUAL TOTAL RETURN (%) AS OF 11/28/2025				
								1 YR.	3 YR.	5 YR.	10 YR.	SINCE INCEP.
<b>MAXIMUM CAPITAL APPRECIATION MCA</b>												
DWS Alternative Asset Allocation VIP Portfolio - Class B1, 2, 3 , 4, 5	Maximum Capital Appreciation	02/02/2009	-0.29	8.68	8.01	0.94	3.28	5.82	5.58	4.59	3.39	3.97
LVIP Baron Growth Opportunities Fund - Service Class <sup>8, 9</sup>	Maximum Capital Appreciation	10/01/1998	0.38	-12.93	-11.00	0.68	-6.05	-16.26	0.26	-0.17	7.36	9.22
LVIP Franklin Templeton Multi-Factor Emerging Markets Equity Fund - Service Class <sup>1, 7, 9</sup>	Maximum Capital Appreciation	06/18/2008	-0.61	29.77	27.99	-1.73	8.16	27.66	14.34	8.91	5.94	3.40
LVIP Macquarie SMID Cap Core Fund - Service Class <sup>8, 9, 12</sup>	Maximum Capital Appreciation	07/12/1991	-0.10	7.94	6.78	5.12	4.88	-0.54	9.83	9.03	8.21	8.72
LVIP SSGA Small-Cap Index Fund - Service Class <sup>8, 9, 22</sup>	Maximum Capital Appreciation	04/18/1986	0.21	13.01	10.33	0.85	5.55	2.47	9.66	6.29	7.33	6.53
LVIP T. Rowe Price Structured Mid-Cap Growth Fund - Service Class <sup>8, 9</sup>	Maximum Capital Appreciation	02/03/1994	-0.37	11.17	9.98	-1.47	-1.49	4.35	15.23	7.58	11.39	7.14
<b>LONG TERM GROWTH LTG</b>												
American Funds IS Global Growth Fund - Class 21	Long Term Growth	04/30/1997	-0.26	19.36	16.72	-1.23	4.73	15.60	16.02	7.92	10.69	9.16
American Funds IS Growth Fund - Class 2	Long Term Growth	02/08/1984	0.05	19.10	16.99	-1.07	4.94	17.13	25.42	13.68	16.55	12.41
American Funds IS International Fund - Class 21	Long Term Growth	05/01/1990	-0.73	22.14	19.34	-2.71	6.27	16.04	11.06	3.03	5.37	6.31
Fidelity VIP Contrafund Portfolio - Service Class 2	Long Term Growth	01/03/1995	-0.34	19.24	17.00	-0.53	3.99	16.42	24.73	14.32	13.96	11.05
Fidelity VIP Growth Portfolio - Service Class 2	Long Term Growth	10/09/1986	-0.07	14.56	12.58	-1.52	5.26	12.48	22.90	13.34	16.06	10.35
LVIP BlackRock Real Estate Fund - Service Class <sup>1, 8, 9, 14, 15</sup>	Long Term Growth	04/30/2007	-0.46	6.17	7.83	2.21	1.16	1.89	5.63	2.54	2.62	0.83
LVIP Dimensional U.S. Core Equity 1 Fund - Service Class <sup>9</sup>	Long Term Growth	12/28/1981	-0.11	13.82	12.55	0.89	4.50	8.62	15.70	12.60	11.76	9.72
LVIP Macquarie Mid Cap Value Fund - Service Class <sup>8, 9, 12</sup>	Long Term Growth	12/28/1981	-0.36	11.28	11.46	3.35	4.57	4.68	10.16	11.51	8.75	9.92
LVIP Mondrian International Value Fund - Service Class <sup>1, 9</sup>	Long Term Growth	05/01/1991	-0.33	32.10	30.50	3.60	5.75	28.92	16.99	10.26	6.12	5.60
LVIP SSGA International Index Fund - Service Class <sup>1, 9, 22, 23</sup>	Long Term Growth	04/30/2008	-0.25	26.71	24.43	0.62	3.70	22.47	13.69	7.76	6.16	2.78
LVIP SSGA S&P 500 Index Fund - Service Class <sup>9, 22, 24</sup>	Long Term Growth	05/01/2000	-0.09	16.08	14.82	0.12	5.95	13.29	18.79	13.58	12.94	6.61
LVIP Vanguard Domestic Equity ETF Fund - Service Class <sup>3, 4</sup>	Long Term Growth	04/29/2011	-0.10	15.04	13.73	0.17	5.33	11.35	17.36	12.24	12.15	11.18
LVIP Vanguard International Equity ETF Fund - Service Class <sup>1 , 3, 4</sup>	Long Term Growth	04/29/2011	-0.12	27.16	25.21	0.20	5.11	23.02	13.20	6.62	6.31	4.12
Macquarie VIP Small Cap Value Series - Service Class <sup>8, 12</sup>	Long Term Growth	12/27/1993	0.20	6.98	5.65	3.47	1.31	-2.73	5.74	9.43	6.95	8.61
MFS VIT Utilities Series - Service Class <sup>14</sup>	Long Term Growth	01/03/1995	-0.06	12.51	16.41	2.10	8.99	9.29	7.69	7.94	8.38	9.44

INVESTMENT OPTIONS	ASSET CLASS	INCEP. DATE	CHANGE FROM PREVIOUS DAY 12/09/2025	YTD AS OF 12/09/2025	YTD AS OF 11/28/2025	1 MO. AS OF 11/28/2025	3 MO. AS OF 11/28/2025	AVERAGE ANNUAL TOTAL RETURN (%) AS OF 11/28/2025					
								1 YR.	3 YR.	5 YR.	10 YR.	SINCE INCEP.	
<b>GROWTH AND INCOME GI</b>													
American Funds IS Growth-Income Fund - Class 2	Growth and Income	02/08/1984	-0.21	16.75	15.99	0.76	5.26	15.91	20.10	13.70	12.59	10.45	
Fidelity VIP Freedom 2020 Portfolio <sup>SM</sup> - Service Class 23, 6	Growth and Income	04/26/2005	-0.23	11.04	10.84	-0.16	2.51	8.68	8.73	4.09	5.84	5.33	
Fidelity VIP Freedom 2025 Portfolio <sup>SM</sup> - Service Class 23, 6	Growth and Income	04/26/2005	-0.23	12.20	11.79	-0.20	2.71	9.46	9.63	4.82	6.45	5.90	
Fidelity VIP Freedom 2030 Portfolio <sup>SM</sup> - Service Class 23, 6	Growth and Income	04/26/2005	-0.23	13.06	12.47	-0.25	2.88	10.05	10.48	5.61	7.27	6.25	
Fidelity VIP Freedom 2035 Portfolio <sup>SM</sup> - Service Class 23, 6	Growth and Income	04/08/2009	-0.27	14.22	13.43	-0.31	3.07	10.87	11.86	7.02	8.35	10.17	
Fidelity VIP Freedom 2040 Portfolio <sup>SM</sup> - Service Class 23, 6	Growth and Income	04/08/2009	-0.31	16.05	14.84	-0.45	3.34	12.23	13.61	8.50	9.18	10.75	
Fidelity VIP Freedom 2045 Portfolio <sup>SM</sup> - Service Class 23, 6	Growth and Income	04/08/2009	-0.36	16.97	15.55	-0.54	3.36	12.86	14.26	8.88	9.37	10.94	
Fidelity VIP Freedom 2050 Portfolio <sup>SM</sup> - Service Class 23, 6	Growth and Income	04/08/2009	-0.37	16.95	15.50	-0.55	3.37	12.87	14.26	8.88	9.37	11.01	
LVIP BlackRock Equity Dividend Fund - Service Class 9, 12	Growth and Income	07/28/1988	-0.24	9.64	8.67	2.42	3.72	1.68	4.67	7.34	6.83	7.36	
LVIP JPMorgan Retirement Income Fund - Service Class 2, 9, 12	Growth and Income	04/27/1983	-0.11	10.19	10.04	0.39	2.83	8.22	8.36	3.49	4.08	6.11	
LVIP Macquarie U.S. REIT Fund - Service Class 8, 9, 12, 14, 15	Growth and Income	05/04/1998	-0.21	-1.32	0.88	2.33	0.16	-5.91	4.56	5.33	3.10	6.39	
LVIP Macquarie Wealth Builder Fund - Service Class 2, 9, 12	Growth and Income	08/03/1987	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
<b>INCOME I</b>													
LVIP BlackRock Inflation Protected Bond Fund - Service Class 1, 9, 13	Income	04/30/2010	-0.06	4.34	4.78	0.04	0.19	3.80	2.89	1.56	1.64	1.43	
LVIP Fidelity Institutional AM Total Bond Fund - Service Class 9, 12, 13	Income	05/16/2003	-0.08	5.00	5.79	0.49	2.03	3.93	3.53	-1.44	1.17	3.04	
LVIP Franklin Templeton Core Bond Fund - Service Class 9, 12, 13	Income	12/28/1981	-0.09	5.42	6.21	0.47	1.95	4.30	3.37	-1.65	0.84	5.58	
LVIP Macquarie Diversified Floating Rate Fund - Service Class 9, 12, 13, 18, 19	Income	04/30/2010	0.00	3.23	3.06	0.18	0.82	3.41	4.19	2.03	1.44	0.86	
LVIP Macquarie High Yield Fund - Service Class 9, 12, 13, 20	Income	07/28/1988	-0.07	7.11	6.75	0.69	1.28	6.45	7.45	2.90	4.20	5.02	
LVIP Mondrian Global Income Fund - Service Class 1, 9, 10, 13	Income	05/04/2009	-0.15	4.57	5.38	-0.28	0.05	1.85	0.48	-4.30	-0.95	0.45	
LVIP SSGA Bond Index Fund - Service Class 9, 13, 22	Income	04/30/2008	-0.09	5.15	5.97	0.50	1.94	4.06	2.91	-1.88	0.40	1.29	
PIMCO VIT Total Return Portfolio - Administrative Class 7, 13	Income	12/31/1997	-0.10	7.14	8.04	0.55	2.81	6.37	4.73	-0.88	1.32	3.46	
<b>PRESERVATION OF CAPITAL PC</b>													
LVIP Government Money Market Fund - Service Class 7-Day Current (Net/Gross) Yield as of 10/31/2025: 3.53%/4.16% <sup>9, 17</sup>	Preservation of Capital	01/07/1982	0.01	2.54	2.45	0.20	0.63	2.74	3.25	1.71	0.66	2.50	
<b>RISK MANAGED - ASSET ALLOCATION RMAA</b>													
LVIP Global Conservative Allocation Managed Risk Fund - Service Class 1, 2, 3, 9, 16	Risk Managed - Asset Allocation	05/03/2005	-0.12	7.99	7.97	0.64	2.79	5.55	7.33	2.55	3.43	4.05	
LVIP Global Growth Allocation Managed Risk Fund - Service Class 1, 2, 3, 9, 16	Risk Managed - Asset Allocation	05/03/2005	-0.16	11.49	10.81	0.62	3.65	8.21	10.07	4.92	4.66	4.21	
LVIP Global Moderate Allocation Managed Risk Fund - Service Class 1, 2, 3, 9, 16	Risk Managed - Asset Allocation	05/03/2005	-0.15	9.58	9.16	0.57	3.39	6.67	8.88	3.99	4.14	4.20	
LVIP SSGA Global Tactical Allocation Managed Volatility Fund - Service Class 1, 2, 3, 9, 11	Risk Managed - Asset Allocation	05/03/2005	-0.05	12.28	11.47	0.64	4.00	9.30	10.03	5.88	5.02	3.82	
<b>ASSET ALLOCATION ASA</b>													
Fidelity VIP Freedom 2055 Portfolio <sup>SM</sup> - Service Class 23, 7	Asset Allocation	04/11/2019	-0.32	16.98	15.51	-0.53	3.35	12.86	14.26	8.89	N/A	10.17	
Fidelity VIP Freedom 2060 Portfolio <sup>SM</sup> - Service Class 23, 7	Asset Allocation	04/11/2019	-0.40	16.95	15.53	-0.54	3.43	12.91	14.26	8.89	N/A	10.19	
LVIP BlackRock Global Allocation Fund - Service Class 1, 2, 9	Asset Allocation	04/26/2019	-0.15	16.08	14.81	0.27	4.07	12.90	11.01	5.26	N/A	7.18	
LVIP T. Rowe Price 2020 Fund - Service Class 3, 6, 9	Asset Allocation	05/01/2007	-0.15	11.04	10.67	0.44	3.26	8.44	9.52	4.71	5.37	3.93	
LVIP T. Rowe Price 2030 Fund - Service Class 3, 6, 9	Asset Allocation	05/01/2007	-0.15	12.89	12.25	0.48	3.85	9.59	10.99	6.20	6.33	4.38	
LVIP T. Rowe Price 2040 Fund - Service Class 3, 6, 9	Asset Allocation	05/01/2007	-0.17	15.84	14.71	0.57	4.69	11.68	13.43	8.30	7.61	4.76	
LVIP T. Rowe Price 2050 Fund - Service Class 3, 6, 9	Asset Allocation	04/29/2011	-0.19	17.24	15.85	0.61	5.02	12.76	14.52	9.16	8.40	6.21	
LVIP T. Rowe Price 2060 Fund - Service Class 3, 6, 9	Asset Allocation	04/30/2020	-0.19	17.39	15.99	0.59	5.03	12.86	14.57	9.42	N/A	13.12	

INVESTMENT OPTIONS	ASSET CLASS	INCEP. DATE	CHANGE FROM PREVIOUS DAY 12/09/2025	YTD AS OF 12/09/2025	YTD AS OF 11/28/2025	1 MO. AS OF 11/28/2025	3 MO. AS OF 11/28/2025	AVERAGE ANNUAL TOTAL RETURN (%) AS OF 11/28/2025				
								1 YR.	3 YR.	5 YR.	10 YR.	SINCE INCP.
<b>RISK MANAGED - US LARGE CAP RMUSL</b>												
LVIP BlackRock Dividend Value Managed Volatility Fund - Service Class <sup>9, 10, 11</sup>	Risk Managed - US Large Cap	02/03/1994	-0.26	8.61	7.75	2.60	2.75	1.76	7.72	9.53	7.35	6.57
LVIP Blended Large Cap Growth Managed Volatility Fund - Service Class <sup>9, 10, 11</sup>	Risk Managed - US Large Cap	02/03/1994	-0.09	5.09	4.05	-1.17	5.44	5.01	19.23	11.65	10.65	7.36
<b>RISK MANAGED - US MID CAP RMUSM</b>												
LVIP Blended Mid Cap Managed Volatility Fund - Service Class <sup>8, 9, 10, 11</sup>	Risk Managed - US Mid Cap	05/01/2001	-0.87	2.92	1.76	-1.40	-2.11	-3.18	10.60	4.76	8.42	4.48
LVIP JPMorgan Select Mid Cap Value Managed Volatility Fund - Service Class <sup>8, 9, 10, 11</sup>	Risk Managed - US Mid Cap	05/01/2001	-0.28	-0.75	-0.52	2.81	1.31	-6.61	6.69	8.60	5.77	5.75
<b>RISK MANAGED - GLOBAL/INTERNATIONAL RMGI</b>												
LVIP Franklin Templeton Global Equity Managed Volatility Fund - Service Class <sup>1, 9, 10, 11</sup>	Risk Managed - Global/International	08/01/1985	-0.28	10.71	9.32	1.49	3.99	6.10	11.28	8.37	6.50	6.78
LVIP SSGA International Managed Volatility Fund - Service Class <sup>1, 3, 9, 11</sup>	Risk Managed - Global/International	12/31/2013	-0.24	20.80	18.58	0.51	3.76	16.79	11.72	5.92	3.82	2.24
<b>ESG/SOCIALLY CONSCIOUS ESC</b>												
AB VPS Sustainable Global Thematic Portfolio - Class B <sup>1</sup>	ESG/Socially Conscious	01/11/1996	-0.23	5.90	4.93	-3.16	-0.87	0.62	6.73	3.16	8.51	5.36
LVIP Macquarie Social Awareness Fund - Service Class <sup>9, 12, 21</sup>	ESG/Socially Conscious	05/02/1988	-0.29	14.16	13.22	0.97	5.57	11.02	18.21	12.46	11.82	9.98

\* These returns are measured from the inception date of the fund and predate its availability as an investment option in the variable annuity (separate account). This hypothetical representation depicts how the investment option would have performed had the fund been available in the variable annuity during the time period. It includes deductions for the M&E charge and the contract administrative fee. If selected above, the cost for the i4LIFE® Advantage feature or a death benefit will be reflected. The cost for other riders with quarterly charges is not reflected. No surrender charge and no annual contract charge is reflected.

**Risk disclosures:** The following summarizes some of the risks associated with the underlying funds available for investment. For risks specific to each investment option, please see each fund's prospectus.

- 1: International:** Investing internationally involves risks not associated with investing solely in the United States, such as currency fluctuation, political or regulatory risk, currency exchange rate changes, differences in accounting and the limited availability of information.
- 2: Asset Allocation Portfolios:** Asset allocation does not ensure a profit, nor protect against loss in a declining market.
- 3: Fund of funds:** Each fund is operated as a fund of funds that invests primarily in one or more other funds, rather than in individual securities. A fund of this nature may be more expensive than other investment options because it has additional levels of expenses. From time to time, the Fund's advisor may modify the asset allocation to the underlying funds and may add new funds. A Fund's actual allocation may vary from the target strategic allocation at any point in time. Additionally, the Fund's advisor may directly manage assets of the underlying funds for a variety of purposes.
- 4: Exchange-traded funds:** Exchange-traded funds (ETFs) in this lineup are available through collective trusts or mutual funds. Investors cannot invest directly in an ETF.
- 5: Alternative Funds:** Certain funds (sometimes called "alternative funds") expect to invest in (or may invest in some) positions that emphasize alternative investment strategies and/or nontraditional asset classes and, as a result, are subject to the risk factors of those asset classes and/or investment strategies. Some of those risks may include general economic risk, geopolitical risk, commodity-price volatility, counterparty and settlement risk, currency risk, derivatives risk, emerging markets risk, foreign securities risk, high-yield bond exposure, index investing risk, exchange-traded notes risk, industry concentration risk, leveraging risk, real estate investment risk, master limited partnership risk, master limited partnership tax risk, energy infrastructure companies risk, sector risk, short sale risk, direct investment risk, hard assets sector risk, active trading and "overlay" risks, event-driven investing risk, global macro strategies risk, temporary defensive positions and large cash positions. If you are considering investing in alternative investment funds, you should ensure that you understand the complex investment strategies sometimes employed and be prepared to tolerate the risks of such asset classes. For a complete list of risks, as well as a discussion of risk and investment strategies, please refer to the fund's prospectus. The fund may invest in derivatives, including futures, options, forwards and swaps. Investments in derivatives may cause the fund's losses to be greater than if it invested only in conventional securities and can cause the fund to be more volatile. Derivatives involve risks different from, or possibly greater than, the risks associated with other investments. The fund's use of derivatives may cause the fund's investment returns to be impacted by the performance of securities the fund does not own and may result in the fund's total investment exposure exceeding the value of its portfolio.
- 6: Target-date funds:** The target date is the approximate date when investors plan to retire or start withdrawing their money. Some target-date funds make no changes in asset allocation after the target date is reached; other target-date funds continue to make asset allocation changes following the target date. (See the prospectus for the funds allocation strategy.) The principal value is not guaranteed at any time, including at the target date. An asset allocation strategy does not guarantee performance or protect against investment losses. A "fund of funds" may be more expensive than other types of investment options because it has additional levels of expenses.
- 7: Emerging Markets:** Investing in emerging markets can be riskier than investing in well-established foreign markets. International investing involves special risks not found in domestic investing, including increased political, social and economic instability, all of which are magnified in emerging markets.
- 8: Small & Mid Cap:** Funds that invest in small and/or midsize company stocks may be more volatile and involve greater risk, particularly in the short term, than those investing in larger, more established companies.

**9: Manager of managers funds:** Subject to approval of the fund's board, Lincoln Financial Investments Corporation (LFI) has the right to engage or terminate a subadvisor at any time, without a shareholder vote, based on an exemptive order from the Securities and Exchange Commission. LFI is responsible for overseeing all subadvisors for funds relying on this exemptive order.

**10: Multimanager:** For those LVIP funds that employ a multimanager structure, Lincoln Financial Investments Corporation (LFI) is responsible for overseeing the subadvisor(s). While the investment styles employed by the fund's subadvisors are intended to be complementary, they may not, in fact, be complementary, they may not, in fact, be complementary. A multimanager approach may result in more exposure to certain types of securities risks and in higher portfolio turnover.

**11: Managed Volatility Strategy:** The fund's managed volatility strategy is not a guarantee, and the fund's shareholders may experience losses. The fund employs hedging strategies designed to reduce overall portfolio volatility. The use of these hedging strategies may limit the upside participation of the fund in rising equity markets relative to unhedged funds, and the effectiveness of such strategies may be impacted during periods of rapid or extreme market events.

**12: Macquarie Investment Management:** Investments in Macquarie VIP Series, Delaware Funds, Ivy Funds, LVIP Macquarie Funds or Lincoln Life accounts managed by Macquarie Investment Management Advisers, a series of Macquarie Investments Management Business Trust, are not and will not be deposits with or liabilities of Macquarie Bank Limited ABN 46008 583 542 and its holding companies, including their subsidiaries or related companies, and are subject to investment risk, including possible delays in prepayment and loss of income and capital invested. No Macquarie Group company guarantees or will guarantee the performance of the series or funds or accounts, the repayment of capital from the series or funds or account, or any particular rate of return.

**13: Bonds:** The return of principal in bond funds is not guaranteed. Bond funds have the same interest rate, inflation, credit, duration, prepayment and market risks that are associated with the underlying bonds owned by the fund or account.

**14: Sector Funds:** Funds that target exposure to one region or industry may carry greater risk and higher volatility than more broadly diversified funds.

**15: REIT:** A real estate investment trust (REIT) involves risks such as refinancing, economic conditions in the real estate industry, declines in property values, dependency on real estate management, changes in property taxes, changes in interest rates and other risks associated with a portfolio that concentrates its investments in one sector or geographic region.

**16: Risk Management Strategy:** The fund's risk management strategy is not a guarantee, and the fund's shareholders may experience losses. The fund employs hedging strategies designed to provide downside protection during sharp downward movements in equity markets. The use of these hedging strategies may limit the upside participation of the fund in rising equity markets relative to other unhedged funds, and the effectiveness of such strategies may be impacted during periods of rapid or extreme market events.

**17: LVIP Government Money Market Fund:** You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at \$10.00 per share for LVIP Government Money Market Fund, it cannot guarantee it will do so. An investment in the Fund is not a bank account and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor is not required to reimburse the Fund for losses, and you should not expect that the sponsor will provide financial support to the Fund at any time, including during periods of market stress.

The 7-day yield quotation more closely reflects the current earnings of the money market fund than the total return quotation.

**18: Ultra Short Bond Funds:** During periods of extremely low short-term interest rates, the fund may not be able to maintain a positive yield and, given a historically low interest rate environment, may experience risks associated with rising rates.

**19: Floating rate funds:** Floating rate funds should not be considered alternatives to CDs or money market funds and should not be considered as cash alternatives.

**20: High-yield or mortgage-backed funds:** High-yield funds may invest in high-yield or lower rated fixed income securities (junk bonds) or mortgage-backed securities with exposure to subprime mortgages, which may experience higher volatility and increased risk of nonpayment or default.

**21: ESG:** An environmental, social, governance (ESG) standards strategy (also referred to as engagement, green, impact, responsible, social aware, sustainable) generally prohibits investment in certain types of companies, industries and segments of the U.S. economy. Thus this strategy may (i) miss opportunities to invest in companies, industries or segments of the U.S. economy that are providing superior performance relative to the market as a whole and (ii) become invested in companies, industries and segments of the U.S. economy that are providing inferior performance relative to the market as a whole.

**22: Index:** An index is unmanaged, and one cannot invest directly in an index. Indices do not reflect the deduction of any fees.

**23: MSCI:** The fund described herein is indexed to an MSCI® index. It is not sponsored, endorsed, or promoted by MSCI®, and MSCI® bears no liability with respect to any such fund or to an index on which a fund is based. The prospectus and statement of additional information contain a more detailed description of the limited relationship MSCI®, has with Lincoln Investment Advisors Corporation and any related funds.

**24: S&P:** The Index to which this fund is managed is a product of S&P Dow Jones Indices LLC (SPDJI) and has been licensed for use by one or more of the portfolio's service providers (licensee). Standard & Poor's® and S&P®, S&P GSCI® and S&P 500® are registered trademarks of S&P Global, Inc. or its affiliates (S&P); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC (Dow Jones). The trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by the licensee. The licensee's products are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, or their third party licensors, and none of these parties or their respective affiliates or third party licensors make any representation regarding the advisability of investing in such products, nor do they have liability for any errors, omissions, or interruptions of the Index.

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**DISTRICT  
CORRESPONDENCE**  
**Board Meeting of December 15, 2025**



**Date:**      **Correspondence Received From:**

1. 12/12/2025      Air Pollution Control District (APCD)  
Santa Barbara, CA 93110

**Subject:** Incomplete Authority to Construct Application 16416

***Hard Copies of the Correspondence are available at the District's Office for review***