

**MCWD2
POLICY MANUAL**

POLICY MANUAL



2024

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MCWD2 POLICY MANUAL

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Purpose

It is the intent of the Board of Directors of the Mendocino County Waterworks District II (MCWD2) to maintain a Policy Manual. The Policy Manual is a comprehensive listing of the Board's current policies, including the rules and regulations enacted by the Board from time to time. The Policy Manual will serve as a resource for Directors, staff and members of the public in determining the manner in which MCWD2 business matters are to be conducted.

If any policy, or portion of a policy contained herein, is in conflict with rules, regulations or legislation having authority over MCWD2, then said rules, regulations or legislation shall prevail.

As of the date of the adoption of this Policy Manual, the District is governed by a Board of Directors (each a "Director") and a contract General Manager (the "General Manager") through the Gualala Community Services District. "General Manager" as used in this Policy Manual shall include a contract employee or permanent employee of the MCWD2.

Adoption/Amendment of Policies

Consideration by the Board of Directors to adopt a new policy or to amend an existing policy may be initiated by any Director or the General Manager. The proposed adoption or amendment shall be initiated by a Director or the General Manager by submitting a written draft of the proposed new or amended policy to the Board Chairperson and the General Manager, which may be submitted in person or by any communication method approved by the District, and requesting that the item be included for consideration on the agenda of the next appropriate regular meeting of the Board of Directors. Any member of the Board may place an item on a future agenda by making a formal request to the General Manager at a meeting of the Board. The General Manager will place Board items on a future Board agenda when reasonable, based on the staff time and research necessary to prepare the item for Board consideration.

Adoption of a new policy or amendment of an existing policy shall be accomplished at a regular meeting of the Board of Directors in accordance with the District's state statutes regarding the constitution of a majority vote.

Copies of the proposed new or amended policy shall be included in the agenda-information packet for any meeting in which they are scheduled for consideration (listed on the agenda). A copy of the proposed new or amended policy(ies) shall be made available to each Director for review at least 72 hours, per the Brown Act, prior to any meeting at which the policy(ies) are to be considered.

Basis of Authority

The Board of Directors is the legislative body and unit of authority within the District. Power is centralized in the elected Board collectively and not in an individual Director. As individuals, Directors may not commit the District to any policy, act, or expenditure.

Directors do not represent any fractional segment of the community but are, rather, a part of the body that represents and acts for the community as a whole. Routine matters concerning the operational aspects of the District are delegated to District staff members.

CODE OF ETHICS:

Background information:

Mendocino County Waterworks District No. 2's Code of Ethics (the "Code") to provide clear, positive statements of ethical behavior reflecting the core values of the District and the communities it serves.

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The Code includes practical strategies for addressing ethical questions and a useful framework for decision-making and handling the day-to-day operations of the District. The Code is developed to reflect the issues and concerns of today's complex and diverse society.

Goals of the Code of Ethics:

- a) To make MCWD2 a better District built on mutual respect and trust.
- b) To promote and maintain the highest standards of personal and professional conduct among all involved in District government, District staff, volunteers, and members of the District's Board. All elected and appointed officials, officers, employees, members of advisory committees, and volunteers of the District, herein called "Officials" for the purposes of this policy.
- c) The Code is a touchstone for members of the District Board and staff in fulfilling their roles and responsibilities.

As a representative of MCWD2, I will be ethical. In practice, this value looks like:

- a) I am trustworthy, acting with the utmost integrity and moral courage. I am truthful. I do what I say. I am dependable.
- b) I make impartial decisions, free of bribes, unlawful gifts, narrow political interests, financial, and other personal interests that impair my independence of judgment or action.
- c) I am fair, distributing benefits and burdens according to consistent and equitable criteria.
- d) I extend equal opportunities and due process to all parties in matters under consideration. If I engage in unilateral meetings and discussions, I do so without making voting decisions or any improper or unauthorized representations on behalf of the District.
- e) I show respect for persons, confidences, and information designated as "confidential."
- f) I use my title(s) only when conducting official District business for information purposes or as an indication of background and expertise carefully considering whether I am exceeding or appearing to exceed my authority.
- g) I will avoid actions that might cause the public or others to question my independent judgment.
- h) I maintain a constructive, creative, and practical attitude toward the District's affairs and a deep sense of social responsibility as a trusted public servant.

As a representative of MCWD2, I will be professional. In practice, this value looks like:

- a) I apply my knowledge and expertise to my assigned activities and to the interpersonal relationships that are part of my job in a consistent, confident, competent, and productive manner.
- b) I approach my job and work-related relationships with a positive, collaborative attitude.
- c) I keep my professional education, knowledge, and skills current and growing.

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As a Representative of MCWD2, I will be service-oriented. In practice, this value looks like:

- a) I provide friendly, receptive, and courteous service to everyone.
- b) I attune to and care about the needs and issues of citizens, public Officials and District workers.
- c) In my interactions with constituents, I am interested, engaged and responsive.

As a representative of MCWD2, I will be fiscally responsible. In practice, this value looks like:

- a) I make decisions after prudent consideration of their financial impact, taking into account the long-term financial needs of the District, especially its financial stability.
- b) I demonstrate concern for the proper use of District assets (e.g., personnel, time, property, equipment, funds) and follow established procedures.
- c) I make good financial decisions that seek to preserve programs and services for District residents.
- d) I have knowledge of and adhere to the District's fiscal policies.

As a representative of MCWD2, I will be organized. In practice, this value looks like:

- a) I act in an efficient manner, making decisions and recommendations based upon research and facts, taking into consideration short- and long-term goals.
- b) I follow through in a responsible way, keeping others informed and responding in a timely fashion.
- c) I am respectful of established District processes and guidelines.

As a representative of MCWD2, I will be communicative. In practice, this value looks like:

- a) I positively convey the District's care for and commitment to its citizens.
- b) I communicate in various ways, that I am approachable, open-minded, and willing to participate in dialog.
- c) I engage in effective two-way communication, by listening carefully, asking questions, and determining an appropriate response which adds value to conversations.

As a representative of MCWD2, I will be collaborative. In practice, this value looks like:

- a) I act in a cooperative manner with groups and other individuals, working together in a spirit of tolerance and understanding.
- b) I work towards consensus building and gain value from diverse opinions.
- c) I accomplish the goals and responsibilities of my individual position, while respecting my role as a member of a team.
- d) I consider the broader regional and state-wide implications of the District's decisions and issues.

As a representative of MCWD2, I will be progressive. In practice, this value looks like:

- a) I exhibit a proactive, innovative approach to setting goals and conducting the District's business.
- b) I display a style that maintains consistent standards; but is also sensitive to the need for compromise, "thinking outside the box" and improving existing paradigms when necessary.
- c) I promote intelligent and thoughtful innovation in order to forward the District's policy agenda and District services.

Enforcement:

Any Official found to be in violation of this Code may be subject to Censure by the District Board. Any member of any advisory Committee found in violation may be subject to dismissal from the Committee. In the case of an employee, appropriate action shall be taken by the General Manager or by an authorized designee.

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Conflict of Interest

The Political Reform Act, Government Code §81000, et seq., requires state and local government agencies to adopt and promulgate conflict-of-interest codes. The Fair Political Practices Commission (“FPPC”) has adopted a regulation (2 Cal. Code of Regs. §18730) which contains the terms of a standard conflict of interest code. It can be incorporated by reference and may be amended by the FPPC after public notice and hearings to conform to amendments in the Political Reform Act. The Board approved and adopted the FPPC’s standard conflict of interest on August 17, 2023. Therefore, the terms of 2 Cal. Code of Regs. §18730 and any amendments to it duly adopted by the FPPC are hereby incorporated by reference and, along with the attached Appendix , in which members of the Board of Directors and employees are designated, and in which disclosure categories are set forth, constitute the conflict of interest code of the Mendocino County Waterworks District 2.

Role of the Board

As the legislative body for the agency, the Board is responsible for approving the District’s budget, setting policy goals and objectives and adopting strategic plans. The primary functions of the District staff members are to execute Board policy and other Board actions and to keep the Board well informed.

Individual members of the Board should not make attempts to pressure or influence staff decisions, recommendations, workloads, schedules, and department priorities, without the prior knowledge and approval of the Board as a whole. If a Board member wishes to influence the actions, decisions, recommendations, workloads, work schedule, and priorities of staff, that member must prevail upon the Board to do so as a matter of Board policy.

Board members also have a responsibility of information flow. It is critical that they make extensive use of staff and agency reports and Board meeting minutes. Board members should come to meetings prepared; having read the agenda packet materials and supporting documents, as well as any additional information or memoranda provided on agency projects or evolving issues. Additional information may be requested from staff, if necessary.

Individual Board members, as well as the Board as a whole, are permitted complete freedom of access to any information requested of staff and shall receive the full cooperation and candor of staff in being provided with any requested information. The General Manager or Legal Counsel will pass critical information to all Board members.

There are limited restrictions when information cannot be provided. Draft documents (e.g. staff reports in progress, etc.) are under review and not available for release until complete and after review by District staff. In addition, there are legal restrictions on the agency’s ability to release certain personnel information even to members of the Board. Any concerns Board members may have regarding the release of information or the refusal of staff to release information, should be discussed with Legal Counsel for clarification.

Policies:

There shall be mutual respect from both staff and Board members of their respective roles and responsibilities at all times. There is a need for access to staff by Directors and at the same time, unlimited access could result in work priority conflicts for staff.

Purpose:

The purpose of the policies listed below is to facilitate Board/staff communications consistent with these

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principles.

All requests for information or questions by the Board to staff outside of a Board or Committee meeting, shall be directed to the General Manager or Legal Counsel as appropriate and shall include the desired time and date for receiving the information. Staff will confirm the date they can provide the information. So that all Board members are equally informed, all written informational material requested by any Director shall be submitted by staff to all Board members with the notation indicating which Board member requested the information. If a Board member requests information from any other member of the staff, staff may either direct the matter to the General Manager or may ask the Board member to contact the General Manager directly.

Individual Directors cannot directly assign work to staff members. Board-initiated projects will follow organizational channels, through the General Manager, unless there is an emergency. As no formal procedure will answer all cases, the following should be considered as a guide and used with restraint and judgment:

- a) Directors should clear all short-term requests of Staff with the General Manager prior to contacting individual members of the staff and, in most cases, the General Manager should direct and handle the request for the Director.
- b) For long-term, involved studies or where the matter includes confidential material, the General Manager should be contacted, and the subject matter discussed with the full Board at a Board meeting prior to staff working on the assignments.
- c) In the event that staff is a participant or representative of a Committee or Work Group of the Board, the Board may contact the staff member directly to request or provide information or confer regarding matters of the Committee or Work Group.

At Board meetings and other public meetings, respectful communication is expected. Staff is encouraged to give their professional recommendations, and the Board should recognize that staff may make recommendations that could be viewed as unpopular with the public and with individual Board members. Board members may request clarification and ask questions of staff at public meetings, and Directors are encouraged to participate in healthy discussions amongst each other regarding items under discussion on the Agenda. However, Directors should refrain from debate with staff at Board meetings about staff recommendations or other items being discussed. Staff must recognize that the Board, as the decision maker, is free to reject or modify a staff recommendation and that the Board's wishes will be implemented by staff even if it was contrary to a staff recommendation.

Board members should not make public comments critical of the performance of a District staff member. Any concerns by a Director over the behavior or work of a district employee during a Board meeting should be directed to the General Manager privately to ensure the concern is resolved. All complaints about employees from Directors should be submitted privately to the General Manager or, if a complaint concerns the General Manager, to Legal Counsel.

Staff will respect the right of Directors to refuse to provide information or answers to staff and recognize that Directors may be bound by other rules of law or procedure that do not permit the Director to speak about the subject matter presented. If a Director violates any of the policies regarding communications as stated in this policy, any member of staff has the right to request that the Director speak directly with the General Manager about the subject matter presented without any fear of reprisal.

Legal Counsel and Auditor

The Board of Directors shall appoint a Legal Counsel to assist the Board and District in all applicable issues and activities.

Legal Counsel shall be the legal adviser of the District, including the Board as a whole, the General

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Manager and department heads. Legal Counsel shall perform such duties as may be prescribed by the Board of Directors. Such duties include, but are not limited to, providing legal assistance necessary for formulation and implementation legislative policies and projects; represent the District's interests, as determined by the District, in litigation, administrative hearings, negotiations and similar proceedings; and to keep the Board and District staff apprised of court rulings and legislation affecting the legal interest of the District. Legal Counsel is required to review and approve as to form District legal documents, i.e. contracts, agreements, etc. The Legal Counsel shall present and report on all legal issues and Closed Session items before the Board. The Legal Counsel shall serve at the pleasure of the Board and shall be compensated for services as determined by the Board.

- a) The Legal Counsel reports to the Board as a whole but is available to each Director for consultation regarding legal matters particular to that Board member's participation. No Board member may request a legal opinion of legal counsel without concurrence by the Board, except as such requests relate to questions regarding that member's participation. The Legal Counsel shall be available to the District General Manager for consultation on applicable issues and activities.

The District Auditor shall be appointed by the Board by a majority vote in a public meeting. The Board shall determine the duties and compensation of the Auditor. The Auditor shall serve at the pleasure of the Board. Selection of the Auditor shall be done in a noticed public meeting and at least every five years.

- a) The Board may appoint a committee to oversee the work of an independent auditor, who will report to the Board, to conduct an annual audit of the District's books, records, and financial affairs in accordance with state law and the Finance Committee Charter for Audit Compliance. The General Manager will install and maintain an accounting system that will completely, and at all times, show the financial condition of the District.

General Manager's Role

The General Manager may be an employee of the District, or may serve as General Manager on a contract basis. The General Manager is the administrative head of the District under the direction of the Board of Directors. He or she shall be responsible for the efficient administration of all the District's affairs which are under the General Manager's control. The General Manager plans, organizes, directs, coordinates, and evaluates all District operations, programs, and resources in accordance with short- and long-range goals, policy statements, and directives from the Board.

The General Manager's Duties:

The District's General Manager shall be responsible for:

- a) The implementation of policies established by the Board of Directors for the operation of the District;
- b) The planning, direction, and coordination of the day-to-day operations of the District through the appropriate department heads or managers including administration, financing, maintenance, engineering, human resources, and others to effect operational efficiency;
- c) The appointment, supervision, discipline, and dismissal of the District's employees, consistent with the employment policies established by the Board of Directors;
- d) Attending and participating in District Board meetings, preparing and present reports as necessary, representing the Board before external organizations including other agencies, governmental and regulatory entities, business and community groups;
- e) The supervision of the District's facilities and services; and
- f) The supervision of the District's finances.

The District's General Manager serves at the pleasure of the Board. The Board will provide policy direction and instruction to the General Manager on matters within the authority of the Board during duly convened

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board meetings. Members of the Board will deal with matters within the authority of the General Manager through the General Manager and not through other District employees. Members of the Board will refrain from making requests directly to District employees (other than the General Manager) to undertake analyses, perform other work assignments, or change the priority of work assignments. As members of the public, Directors may request non-confidential, factual information regarding District operations from District employees. If requesting public records, Directors must follow the District's Request for Public Records Policy.

RECORDS RETENTION GUIDELINES

Purpose:

In order to establish guidelines for the retention of District records and to identify those records which are no longer required for or important to District operations, and are therefore appropriate for destruction, the District has adopted a Records Retention Policy (Resolution No. 23-24-11). In addition, the following guidelines are established for the retention of District records. In the event of a conflict between the Policy and these the guidelines, the Policy will prevail.

Certain records are identified on the attachment as "Permanent Records" which shall be retained permanently in District records. Some Permanent Records should be retained in their original form, including minute books, resolutions and ordinances; records relating to the District's formation, and formation of any improvement or assessment districts; wastewater collection and treatment system design, installation and repair records; deeds, easements and other real property records; insurance policies; annual and audited financial reports; and court judgments and settlement agreements. Other permanent records may be photographed, microfilmed or reproduced on optical disk or other medium to facilitate their retention as required by this Policy.

In normal operations of the District, duplicate records are often created. Unless the Board of Directors provides otherwise, the General Manager may authorize the destruction of any duplicate record so long as the original or a permanent photographic reproduction or optical disk copy of the record is created and maintained in accordance with this Policy.

In accordance with *Government Code §60201*, the District may utilize alternative storage methods for those records which are not required to be maintained in their original form. Upon Board authorization, District records may be photographed, micro-photographed, reproduced by electronic video images on magnetic surfaces, recorded in the electronic data processing system, recorded on optical disk, produced on film or any other reliable medium which does not permit additions, deletions or changes to the original document. This preservation must comply with minimum standards or guidelines recommended by the American National Standards Institute or the Association for Information of Image Management for recording of permanent records or non-permanent records.

Such reproductions shall be maintained in conveniently accessible files with provision being made by the District for preserving, examining and using files. The reproductions can be certified, and such certified reproductions shall be deemed to be original public records for all purposes pursuant to *Government Code §60203*. Certification of the record must comply with standards approved by the California Attorney General, including a statement of identity, description and disposition or location of the records reproduced and the date, reason and authorization for such reproduction.

The General Manager shall oversee the process for destruction of District records in accordance with the District's Policy and these guidelines. Records (whether originals or reproductions) can be destroyed by the District unless it is determined that a compelling reason then exists to continue retention of the document. Alternatively, those records which are maintained in their original form during the

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retention period could, upon expiration of the retention period be converted to microfilm or other photographic reproduction for so long as circumstances reasonably dictate.

ACCOUNTS RECEIVABLE POLICY

Purpose and Scope:

It is the policy of the District that accounts receivable be reviewed monthly by the board, as it is critical to the cash flow of the District and requires continued follow-up and attention.

Procedures

- a) The accounts receivable balances are reviewed monthly by the Administrative Assistant or the General manager, along with the Board of Directors.
- b) Notices are sent for all accounts 30 or more days past their due date.
- c) Specified in GC §61115(c), to provide for a basic penalty for the nonpayment of charges of not more than 10 percent, plus an additional penalty of not more than 1 percent per month for the nonpayment of the charges and the basic penalty. The board of directors may provide for the collection of these penalties.
- d) Credit memos are limited to control of the Administrative Assistant, after consulting with the General Manager or his or her designee.
- e) At month-end closing, an accounts receivable schedule is prepared, reviewed, and reconciled to the General Ledger. The trial balance report is compared to the General Ledger for accuracy.
- f) An appropriate allowance for bad debt is carried on the Balance Sheet. Every attempt is made for collection. At year-end it is determined if there are uncollectible items and, if so, those are written off by the Administrative Assistant, upon approval by the General Manager or the Board of Directors. Any amount over the approved allowance for bad debt must be approved by the Board of Directors prior to write off.

ASSET PROTECTION AND FRAUD

Purpose and Scope:

To establish policy and procedures for clarifying acts that are considered to be fraudulent, describing the steps to be taken when fraud or other dishonest activities are suspected, and providing procedures to follow in accounting for missing funds, restitution, and recoveries.

The MCWD2 is committed to protecting its assets against the risk of loss or misuse. Accordingly, it is the policy of the MCWD2 to identify and promptly investigate any possibility of fraudulent or related dishonest activities against the MCWD2 and, when appropriate, to pursue available legal remedies.

Definitions:

- a) Fraud – Fraud and other similar irregularities include, but are not limited to:
 - 1) Claim for reimbursement of expenses that are not job-related or authorized by District policy;
 - 2) Forgery, falsification, or unauthorized alteration of documents or records (including but not limited to checks, promissory notes, time sheets, independent contractor agreements, purchase orders, budgets, etc.);

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- 3) Misappropriation of District assets (including but not limited to funds, securities, supplies, furniture, equipment, etc.);
 - 4) Inappropriate use of District resources (including but not limited to labor, time, and materials);
 - 5) Improprieties in the handling or reporting of money or financial transactions;
 - 6) Authorizing or receiving payment for goods not received or services not performed;
 - 7) Computer-related activity involving unauthorized alteration, destruction, forgery, or manipulation of data or misappropriation of District-owned or –licensed software;
 - 8) Misrepresentation of information;
 - 9) Theft of equipment or other goods;
 - 10) Any apparent violation of federal, state, or local laws related to dishonest activities or fraud;
 - 11) Seeking or accepting anything of material value from those doing business with the District including vendors, consultants, contractors, lessees, applicants, and grantees. Materiality is determined by the District's Conflict of Interest Code which incorporates the Fair Political Practices Commission's regulations;
 - 12) Any other conduct, actions or activities treated as fraud or misappropriation under any federal or state law, rule or regulation.
- b) Employee – In this context, “employee” refers to any individual or group of individuals who receive compensation, either full- or part-time, including members of the Board of Directors, from the MCWD2. The term also includes any volunteer who provides services to the MCWD2 through an authorized arrangement with the District or a District organization.
- c) Management – In this context, “management” refers to any manager, supervisor, or other individual who manages or supervises District’s resources or assets.
- d) Internal Audit Committee – In this context, if the claim of fraud involves anyone other than the District’s General Manager, the Internal Audit Committee shall consist of the General Manager, the District’s Legal Counsel and any other persons appointed to the Internal Audit Committee by the General Manager. If the claim of fraud involves the District’s General Manager, the Internal Audit Committee shall consist of the President of the Board of Directors of the District, the District’s Legal Counsel and those persons appointed to the Internal Audit Committee by the President of the Board. Nothing contained in this policy shall be construed as requiring the General Manager or the President of the Board to appoint other persons to the Internal Audit Committee. Individuals appointed to the Internal Audit Committee by the General Manager or the President of the Board other than the District’s Legal Counsel shall serve at the pleasure of the General Manager or the President of the Board.
- e) External Auditor – In this context, “External Auditor” refers to independent audit professionals appointed by the District’s Board of Directors to perform annual audits of the District’s financial statements.

It is the District's intent to fully investigate any suspected acts of fraud, misappropriation, or other similar irregularity. An objective and impartial investigation will be conducted regardless of the position, title, and length of service or relationship with the District of any party who might be or become involved in or become the subject of such investigation.

The District is responsible for instituting and maintaining a system of internal controls to provide reasonable assurance of the prevention and detection of fraud, misappropriations, and other irregularities. Management staff should be familiar with the types of improprieties that might occur within their areas of responsibility and be alert for any indications of such conduct.

For claims of fraud not involving the General Manager, the General Manager or an Internal Audit Committee appointed by the General Manager shall have primary responsibility for investigation of activity covered by this policy. For claims of fraud involving the General Manager, the President of the Board or an Internal Audit Committee appointed by the President shall have primary responsibility for investigation of activity covered by this policy. The District's General Counsel shall advise the Committee, the General Manager and/or the Board President on all such investigations.

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Throughout the investigation, the Internal Audit Committee will inform the General Manager of pertinent investigative findings

An employee will be granted whistle-blower protection when acting in accordance with this policy so long as he or she has not engaged in activity that violates this policy. When informed of a suspected impropriety, neither the District nor any person acting on its behalf shall:

- a) Dismiss or threaten to dismiss an employee providing the information,
- b) Discipline, suspend, or threaten to discipline or suspend such an employee,
- c) Impose any penalty upon such an employee, or
- d) Intimidate or coerce such an employee.

Violations of this whistle-blower protection policy will result in discipline up to and including termination.

Upon conclusion of an investigation, the results will be reported to the General Manager or, if the investigation involves the General Manager, the Board President, either of whom shall advise the Board of Directors.

Following review of investigation results, the General Manager or the Board, as the case may be, will take appropriate action regarding employee misconduct. Disciplinary action can include employment discipline up to and including termination, referral for criminal prosecution, or both.

The General Manager or the General Counsel will pursue every reasonable effort, including court-ordered restitution, to obtain recovery of District losses from the offender, other responsible parties, insurers, or other appropriate sources unless the Board should otherwise direct in consultation with General Counsel.

Procedures:

Board of Directors Responsibilities:

- a) If a Board Member has reason to suspect a fraud has occurred, he or she shall immediately contact the General Manager or the Board President, if the activity involves the General Manager, and the District's Legal Counsel.
- b) The Board Member shall not attempt to investigate the suspected fraud or discuss the matter with anyone other than the General Manager or Board President, as the case may be, and the District's Legal Counsel.
- c) The alleged fraud or audit investigation shall not be discussed with the media by any person other than the General Manager or the Board President after consultation with the District's Legal Counsel and any Internal Audit Committee appointed as to the matter.

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Management Responsibilities:

- A) The General Manager is responsible for being alert to and reporting fraudulent or related dishonest activities in his/her areas of responsibility.
- B) The General Manager should be familiar with the types of improprieties that might occur in his or her area of responsibility and be alert for any indication that improper activity, misappropriation, or dishonest activity did occur or is occurring.
- C) When an improper activity is detected or suspected, the General Manager should determine whether an error or mistake has occurred or if there may be dishonest or fraudulent activity.
- D) If the General Manager determines a suspected activity may involve fraud or related dishonest activity, he/she will report the incident to the Board President. If the activity involves the General Manager, it shall be reported to the Board President or the District's Legal Counsel.
- E) The General Manager should not attempt to conduct individual investigations, interviews, or interrogations other than as directed by the Board president or the General Counsel. However, management staff are responsible for taking appropriate corrective actions to implement adequate controls to prevent recurrence of improper actions.
- F) The General Manager should support the District's responsibilities and cooperate fully with the Internal Audit Committee, other involved departments, and law enforcement agencies in the detection, reporting, and investigation of criminal acts, including the prosecution of offenders.
- G) The General Manager must give full and unrestricted access to all necessary records and Personnel to those responsible for identifying, investigating and remedying fraud and related dishonest acts. All District assets, including furniture, desks, and computers, are open to inspection at any time. No District officer, agent or employee has a reasonable expectation of privacy in District property and other resources to preclude such inspection.
- H) In dealing with suspected dishonest or fraudulent activities, great care must be taken. Therefore, the General Manager should avoid the following:
 - 1) Incorrect accusations;
 - 2) Alerting suspected individuals that an investigation is underway;
 - 3) Treating employees unfairly; and
Making statements that could lead to claims of false accusations or other offenses.
- I) In handling dishonest or fraudulent activities, management has the responsibility to:
 - 1) Make no contact (unless requested) with the suspected individual to determine facts or demand restitution. Under no circumstances should there be any reference to "what you did", "the crime", "the fraud", "the misappropriation", etc.;
 - 2) Avoid discussing the case, facts, suspicions, or allegations with anyone outside the District, unless specifically directed to do so by the Board President; and
 - 3) Avoid discussing the case with anyone inside the District other than employees who have a need to know such as the Internal Audit Committee, or the District's Legal Counsel.
 - 4) Direct all inquiries from the suspected individual, or his or her representative, to the General Manager, the Board President, or the District's Legal Counsel. All inquiries by an attorney representing a suspected individual should be directed to the General Manager or the District's Legal Counsel. All inquiries from the media should be directed to the General Manager or the Board President, if the activity involves the General Manager.
 - 5) Take appropriate corrective and disciplinary action, up to and including dismissal, after consulting with the General Manager and Legal Counsel, in conformance with District policy and applicable law.

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Employee Responsibilities:

- a) A suspected fraudulent incident or practice observed by, or made known to, an employee must be reported to the employee's supervisor for reporting to the proper management official.
- b) When an employee believes his or her supervisor may be involved in inappropriate activity, the employee shall make the report to the next higher level of management and/or the General Manager. If the activity involves the General Manager, it shall be reported to the Board President or the District's Legal Counsel.
- c) A reporting employee shall refrain from further investigation of the incident, confrontation with the alleged violator, or further discussion of the incident with anyone, unless requested by the General Manager, Internal Audit Committee, the District's Legal Counsel, or law enforcement personnel.

Internal Audit Committee Responsibilities:

- a) Upon assignment by the General Manager or the Board President, an Internal Audit Committee will promptly investigate the allegations.
- b) In all circumstances where their reason to suspect a criminal fraud has occurred, the Internal Audit Committee, in consultation with the District General Manager or the Board President and Legal Counsel, if the General Manager is suspected of involvement in the fraud, will contact the appropriate law enforcement agency.
- c) The Internal Audit Committee shall be available and receptive to relevant, confidential information to the extent allowed by law after consultation with the District's Legal Counsel.
- d) If evidence is uncovered showing possible dishonest or fraudulent activities, the Internal Audit Committee will:
 - 1) Discuss the findings with management and the General Manager;
 - 2) Advise management, if the case involves District staff members, to meet with the General Manager (or his/her designated representative) to determine if disciplinary action should be taken;
 - 3) Report to the External Auditor such activities to assess the effect of the illegal activity on the District's financial statements;
 - 4) Coordinate with the District's risk manager regarding notification to insurers and filing of insurance claims;
 - 5) Take immediate action, after consultation with the Legal Counsel, to prevent the theft, alteration, or destruction of evidence. Such action shall include, but is not limited to:
 - a) Removing relevant records and placing them in a secure location, or limiting access to those records
 - b) Preventing the individual suspected of committing the fraud from having access to the records.
 - 6) In consultation with the District Legal Counsel and the local law enforcement agency, the Internal Audit Committee may disclose particulars of the investigation to potential witnesses if such disclosure would further the investigation.
 - 7) If the Internal Audit Committee is contacted by the media regarding an alleged fraud or audit investigation, the Internal Audit Committee will refer the media to the General Manager or Board President, if the activity involves the General Manager.
 - 8) At the conclusion of the investigation, the Internal Audit Committee will document the results in a confidential memorandum report to the General Manager or the Board President for action. If the report concludes that the allegations are founded and the District's Legal Counsel has determined that a crime has occurred, the report will be forwarded to the appropriate law enforcement agency.
 - 9) The Internal Audit Committee shall make recommendations to the appropriate department as to the prevention of future similar occurrences.

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- 10) Upon completion of the investigation, including all legal and personnel actions; all records, documents, and other evidentiary material, obtained from the department under investigation will be returned by the Internal Audit Committee to that department.

Exceptions:

There will be no exceptions to this policy unless provided and approved in writing by the General Manager or the Board President and the District Legal Counsel. The Board of Directors reserves the right to amend, delete, or revise this policy at any time by formal action of the Board of Directors.

BUDGET PREPARATION

An annual fiscal year budget proposal shall be prepared by the Budget Committee starting each April. Before review by the Board of Directors, the Board's Budget Committee shall consist of the General Manager, Administrative Assistant, and two appointed board members. The proposed annual budget as reviewed and amended by the Budget Committee shall be reviewed by the Board at its regular meeting in June. The proposed annual budget as amended by the Board during its review shall be adopted at its regular meeting in July.

CREDIT CARD USE

Purpose and Scope:

The purpose of this policy is to prescribe the internal controls for management of District credit cards. This policy applies to all individuals who are authorized to use District credit cards and/or who are responsible for managing credit card accounts and/or paying credit card bills.

Implementation:

A credit card shall be issued to the General Manager and Operation Staff. Credit cards shall not be issued or used by members of the Board of Directors. Directors will use their personal credit cards for lawful expenses of the District and seek reimbursement on a form provided by the District for that purpose.

- a) All credit card bills shall be paid timely to avoid late fees and finance charges.
- b) All credit card expenses shall be reasonable and necessary to the furtherance of District business. No personal expenses shall be charged on a District credit card. If a transaction involves both personal and District business, the employee shall pay for the transaction personally and request reimbursement by the District of the appropriate portion of the expense.
- c) All credit card transactions shall have third-party documents (receipts) attached and the District purpose annotated by the cardholder.
- d) The Board of Directors shall review and approve credit card transactions by the General Manager. The General Manager shall review and approve credit-card transactions by the Operation Staff.
- e) All records of the District involving credit card use, including receipts, invoices, and requests for reimbursement are disclosable public records to be maintained consistently with the District's records management policy.

CONTRACTORS AND CONSULTANTS

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The District employs outside contractors or consultants for construction, engineering, planning, and environmental review projects, auditing, and other purposes approved by the Board of Directors. The District's procedure is as follows:

- a) Except in cases of emergency repairs, where a state of emergency has been declared by the Board of Directors, construction projects shall be advertised for bid in at least one local newspaper of general circulation, the local contractors bidding news if available, the North Coast Builders Exchange, and utilizing the States website for construction projects. The bid opening is open to the public and will be specified in the bid documents.
- b) If public bidding requirements apply under law or the terms of any grant contract, those requirements shall be complied with to the exclusion of the previous paragraph.

Consultants will be approved by the Board of Directors on the recommendation of the General Manager. The General Manager and/or Board of Directors will make their decision based on the consultant's experience and qualifications. The consultant will also be required to provide an explanation of scope of work, hours to complete, and applicable cost estimate for their services that will be used in their evaluation in the selection process. Consultants for engineering, architectural, and other professional services shall be evaluated based upon qualification and not on cost of services per state law.

Every person involved in the solicitation, selection, and approval of consultants shall comply with applicable conflicts of interest laws, including Government Code section 1090, the Political Reform Act of 1974, and the District's conflict of interest's code.

EXPENSE AUTHORIZATION

All purchases made for the District by staff shall be authorized by the General Manager and shall be in conformance with the approved District budget.

Any commitment of District funds for a purchase or expense greater than \$5,000 shall first be submitted to the Board of Directors for approval or shall be in conformance with prior Board action and/or authorizations.

Requests for reimbursement to the District must have a good faith basis. Submission of a request for a reimbursement without such a basis shall subject the requestor to appropriate sanctions, up to and including termination of employment and referral to an appropriate law enforcement agency for prosecution.

PURCHASING

To purchase small items — such as office supplies, auto parts, and other miscellaneous items costing less than \$500 — vendors will be asked to submit pricing information by telephone or written quotation. District accounts are then awarded to those firms that provide the best prices, discounts, etc. Acquisitions are processed on purchase order forms that list instructions to vendors.

To purchase items costing more than \$500 and up to \$5000 quotations will be solicited from vendors and received by telephone or written quotation, preferably from two or more sources, before selecting a supplier and processing a purchase order. The General Manager or designated staff must approve purchase orders.

For items over \$5000 or orders of large quantities, the District will provide suppliers with a list of items to be purchased. Suppliers will provide written quotes for consideration and recommendation to the Board of

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Directors for award of contract. Items on the list will be purchased from the supplier quoting the lowest prices and having an acceptable delivery date.

Vehicles will be purchased through the State's Vehicle Procurement Program, unless they can be acquired at the same cost or less expensively from local sources by competitive quotation bids in accordance with section 2135.2.

This policy covers the purchase of goods, not services and not public works construction services. Those matters are addressed in other policies of the District.

GRANT PROCEDURES

Grant documents are reviewed and approved by General Manager prior to being approved by the Board of Directors. The General Manager shall review each grant to ensure the District will be in compliance with all of the financial provisions set forth in the grant being applied for. Original signed documents will be filed in accordance with the District Records retention Policy. The General Manager will assign appropriate account and customer numbers for each new grant. A log of all grants will be maintained by administrative staff detailing all grant numbers, effective dates, and reporting as required.

RECEIVING/DEPOSITING REMITTANCES

It is the policy of the District that the General Manager shall cause appropriate staff to timely receive and deposit remittances and to ensure accountability.

Procedures for incoming Checks:

- a) General Manager or Administrative Assistant opens mail, receiving all checks and stamping "for deposit only".
- b) Using approved account codes, General Manager or Administrative Assistant logs each check on a weekly spreadsheet.
 - If the application of any check to a particular fund or account of the District is unclear, General Manager or Administrative Assistant logs as "Temporary Clearing Account".
- c) General Manager or Administrative Assistant stamps any accompanying paperwork "Paid" and files it under the appropriate folder.
 - If there is no accompanying paperwork, General Manager or Administrative Assistant will match check to open invoice(s) and proceed with above.
- d) Once a week, the spreadsheet is given to the General Manager or a board member.
- e) Daily, checks are given to the designated staff person.
- f) The designated staff person records each check in the accounting program.
 - Any checks logged as "Temporary Clearing Account" go to the General Manager or Administrative Assistant for appropriate coding.
- g) General Manager or Administrative Assistant prepares the bank deposit.
- h) Administrative Assistant verifies correct coding and dollar amounts coding and accounting for any check classified as payment for an administrative service will be verified by the General Manager.
- i) The designated staff person deposits with bank.
- j) The designated staff person records the deposit in the General Ledger.
- k) All checks & employee timecards will be signed and approved every other Friday on Non payroll weeks.

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DEBT MANAGEMENT

Purpose:

This Debt Policy is intended to comply with Government Code Section 8855(i) and shall govern all debt issued by the District. The District hereby recognizes that a fiscally prudent debt policy is required to:

- a) Maintain the District's sound financial position.
- b) Ensure the District has the flexibility to respond to changes in future service priorities, revenues, and operating expenses.
- c) Protect the District's creditworthiness.
- d) Ensure that all debt is structured to protect current and future taxpayers, ratepayers, and constituents of the District.
- e) Ensure that the District's debt is consistent with the District's planning goals and objectives and capital improvement program or budget, as applicable.

Purposes for Which Debt May Be Issued

Long-Term Debt.

Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment, and land to be owned and operated by the District. Long-term debt financings are appropriate:

- a) When a project to be financed is necessary to provide District services.
- b) When the project to be financed will benefit constituents over several years.
- c) When total debt does not constitute an unreasonable burden to the District and its taxpayers or ratepayers.
- d) When the debt is used to refinance outstanding debt to reduce the total cost of the debt or to realize other benefits of a debt restructuring, such as increased flexibility in the use of cash and reserves.

Long-term debt financings will not generally be considered appropriate for current operating expenses and routine maintenance expenses. The District may use long-term debt financings subject to the following conditions:

- a) The project to be financed must be approved by the District Board.
- b) The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed by more than 20%.
- c) The District estimates that sufficient revenues will be available to service the debt through its maturity.
- d) The District determines that the issuance of the debt will comply with the applicable state and federal law.

Short-term debt.

Short-term debt may be issued to provide financing for the District's operational cash flows to maintain a steady and even cash flow balance as in anticipation of periodic receipts of property taxes and other revenues. Short-term debt may also be used to finance short-lived capital projects; for example, the District may undertake lease-purchase financing for equipment consistently with debt limit requirements of article XVI of the California Constitution, article XVI, § 18.

Types of Debt

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The following types of debt are allowable under this Debt Policy:

- a) General obligation bonds (GO Bonds)
- b) Bond or grant anticipation notes (BANs)
- c) Lease revenue bonds, certificates of participation (COPs) and lease-purchase transactions
- d) Other revenue bonds and COPs
- e) Tax and other revenue anticipation notes (TRANs)
- f) Land-secured financings, such as special tax revenue bonds issued under the Mello-Roos Community Facilities Act of 1982, as amended, and limited obligation bonds issued under applicable assessment statutes
- g) Tax increment financing to the extent permitted under State law
- h) Refunding Obligations
- i) State Revolving Loan Funds
- j) Lines of Credit

The District Board may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy. Debt shall be issued as fixed-rate debt unless the District makes a specific determination as to why a variable rate issue would be beneficial to the District in a specific circumstance.

Relationship of Debt to Capital Improvement Program and Budget

The District is committed to long-term capital planning. The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the District's capital budget and capital improvement plan.

The District shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues ("pay as you go"). The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear.

The District shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the District's public purposes.

Policy Goals Related to Planning Goals and Objectives

The District is committed to long-term financial planning, maintaining appropriate reserves and employing prudent practices in governance, management and budget administration. The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the District's annual operations budgets.

It is a policy goal of the District to protect taxpayers, ratepayers, and constituents by using conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical total borrowing costs.

The District will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

When refinancing debt, it shall be the policy goal of the District to realize, whenever possible, and subject to any overriding non-financial policy considerations, (i) minimum net present value debt service savings

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approximately 3.0% of the refunded principal amount, and (ii) present value debt service savings equal to or greater than any escrow fund negative arbitrage. The cost of refinancing will always be less than the savings.

The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements in circumstances when the sole purpose of such debt financing is to temporarily reduce annual budgetary expenditures. Capital investments intended to reduce District operating costs indefinitely, as by improving the efficiency of its operations, are appropriate for long-term debt.

The District shall seek to time debt issues to avoid need for unplanned general fund expenditures for capital improvements or equipment.

Internal Control Procedures

When issuing debt, in addition to complying with the terms of this Debt Policy, the District shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds. Without limiting the foregoing, the District will periodically review the requirements of and will remain in compliance with the following:

- a) Any continuing disclosure undertakings entered into by the District in accordance with SEC Rule 15c2-12 (17 CFR § 240.15c2-12 "Municipal securities disclosure").
- b) Any federal tax compliance requirements, including, without limitation, arbitrage and rebate compliance.
- c) The District's investment policies as they relate to the use and investment of bond proceeds.

Proceeds of debt will be held either (a) by a third-party trustee or fiscal agent, which will disburse such proceeds to or upon the order of the District upon the submission of one or more written requisitions by the General Manager of the District (or his or her written designee), or (b) by the District, to be held and accounted for in a separate fund or account to ensure debt proceeds are expended only for the purposes for which the debt was issued, the expenditure of which will be carefully documented by the District in records compliance with current accounting standards and subject to the District's annual audit.

DISPOSAL OF SURPLUS PROPERTY OR EQUIPMENT

Sale of Surplus Equipment:

- a) Board of Directors takes action to declare equipment surplus.
- b) Item is advertised for sale with notation of location/hours/days it can be seen and deadline date for submission of sealed bids. (Advertisement also notes that the District reserves the right to reject any or all bids, equipment sold AS IS.)
- c) Sealed bids are opened at the next Regular Board Meeting and action is taken by the Board to accept or reject highest bid.
- d) Bidders are notified of Board's action.
- e) Junked Certificates are obtained for vehicles that are sold to protect the District from liability.

Sale of Real Estate: Surplus land shall be disposed of pursuant to the requirements of the Surplus Land Act (Gov. Code Section 54220 *et. seq.*)

- a) Board takes action to declare property surplus or exempt surplus land, and authorizes District staff to obtain appraisal.
- b) As applicable, property is offered to public agencies and required parties at the appraised price.
- c) If property is not purchased by a public agency, it may be listed on the open market or disposed of pursuant to a competitive bidding process.

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Conflicts of Interest: As required by Government Code section 1090, no officer or employee of the District who plays any role in declaring District property surplus may bid on or purchase that property.

ELECTRONIC RESOURCES POLICY AND PROCEDURES

The District makes every effort to provide its employees with technology resources to conduct business more effectively. The District has installed personal computers, local area networks (LANs), electronic mail (email), cell phones and access to the Internet. The purpose of the District's Electronic Resources Policy and Procedures is to establish uniform guidelines for use of this technology, including the use of the Internet and email.

Policy

District technology, including computers, fax machines, and internet licenses are provided for District business and are not to be used for personal gain, private purposes, or to support or advocate non-District-related business or purposes. All data and electronic messages, including information accessed via the Internet and sent or received through electronic mail (email) systems, are the property of the District. All records whether paper or electronic, may be subject to disclosure under the California Public Records Act and are not private. ¹Notwithstanding the foregoing, email should only be used for the transmission of information and should not be used for preserving information for future reference. Information to be retained may be stored electronically on the system/network and/or may be converted to a hard copy and archived in a District physical file cabinet.

There is no expectation of personal privacy in any use of District computer systems and software, including email and the Internet. The District may, at any time, review the contents of all records, data and communication transmitted, received and stored by its electronic systems. This review may include accessing and disclosing all electronic documents, information and messages including email and Internet records.

The District purchases, owns and administers the necessary software and licenses and cell phones to provide access to email and Internet services and voice communications in the office, in the field and for emergency communications. Users may not rent, copy or loan District software or its documentation, nor use alternative software to access District systems. Users may be subject to discipline for negligence for introducing unauthorized software or viruses into District systems whether or not damage arises from that conduct.

The District is not responsible for items originating from the Internet and reserves the right to restrict employee access to the Internet or to certain Internet content.

Examples of prohibited uses:

- a) Using the Internet to view, obtain or disseminate any sexually oriented material, images or messages.
- b) Using the Internet and/or email systems to send or distribute disruptive, offensive, abusive, threatening, slanderous, racial or sexually harassing materials
- c) Using District computer systems for private purposes, personal gain, solicitation of commercial ventures, religious or political causes, chain letters, or other non-job-related purposes.
- d) Downloading or installation of software that has not been approved by the District and scanned for viruses.

¹ Please refer to the Records Retention Policy on Page 14 in regard to email retention.

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- e) Sending unencrypted confidential documents via the Internet without direction from District management to do so in the course of District business.
- f) Any other use that may compromise the integrity of the District and its business in any way.
- g) A good rule of thumb when using the computer and email is “never put anything in an email that you would not want to see on the front page of the newspaper.”

To promote employee computer and Internet proficiency and as an employee benefit, certain incidental employee personal use is allowed. This use is only permitted during employee personal time. Examples include educational enhancement and personal communications, which conform to the above prohibited uses. Personal use is secondary and should not (i) interfere with the agency’s operation of Electronic Communications Resources, (ii) interfere with the user’s employment or other obligations to the District, or (iii) burden the District with noticeable incremental costs. The District reserves the right to limit or discontinue incidental personal use of its technology resources at any time. More than occasional and incidental personal use of District resources is forbidden by State law.

The acquisition of hardware and software shall follow the normal budgetary and purchasing procedures, ensuring budget authorization is in place. Requests for acquiring hardware and software shall be recommended to the General Manager for evaluation and recommendation to the Board of Directors.

Equipment Operation and Maintenance:

- a) The General Manager or Technology staff (in-house or agreement/contract) shall assist in evaluating District functional needs and recommend appropriate options for improvement of District technology resources.
- b) The General Manager or Technology staff shall maintain an on-site office automation library of proven and reliable software and hardware requiring minimum technical support that is easy to use, enhances District productivity, and is compatible with District technology systems.
- c) The General Manager or Technology staff shall maintain an on-site inventory control of all workstation hardware and software.
- d) The General Manager or Technology staff shall provide on-site training and consulting advice on approved software and make recommendations as appropriate.
- e) The General Manager or Technology staff shall maintain the District technology systems including all personal computer workstations and client server network for the purpose of retrieving data files, sharing licensed applications and nightly data backup.
- f) The General Manager or Technology staff shall periodically review the District technology systems for adherence to operating standards and implement approved upgrades.
- g) The General Manager or Technology staff shall backup District databases daily, weekly, monthly, quarterly and annually for archival and retrieval purposes.

EMERGENCY PREPAREDNESS

It is the policy of the District to create and maintain an active emergency preparedness program to manage the District’s critical functions during any emergency and to protect District staff. The District will coordinate the emergency plan, function and response with those responders from the public and private entities and organizations charged with emergency services.

Emergency Defined:

“Emergency” means the actual or threatened existence of conditions of disaster or of extreme peril to critical District functions and the health and safety of staff or the public, caused by such conditions as fire, severe storm, riot, hazardous materials releases, earthquake, power outages, dam failures, freezes, water supply contamination, and other conditions which may be beyond the capability of the services, personnel,

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equipment, and facilities of this District, and response to which may require the combined forces of other agencies.

Emergency Preparedness:

The Board of Directors authorizes the establishment of an Emergency Preparedness Program, which consists of the nationally recognized four phases of emergency management: mitigation, preparedness/planning, response, and recovery. District actions will include developing and maintaining a District-wide emergency plan, identifying and training District staff to activate and use the plan, appointing District staff to critical positions identified in the emergency plan, and appointing staff to represent the District in negotiations or consultations with other agencies on matters pertaining to response to the emergency and recovery of damaged systems and costs incurred during the emergency.

Standardized Emergency Management System:

The California Office of Emergency Services regulates the Standardized Emergency Management System (SEMS), which was created pursuant to Government Code § 8607 following the East Bay Hills Firestorm in 1991. To ensure reimbursement for claims filed after a disaster, all District emergency plans, procedures, and training will follow the SEMS regulations, and coordinate with the District-wide emergency plan.

District Emergency Declaration:

When an emergency condition arises, the General Manager may, in consultation with the Board President, declare a "District Emergency." The Board must ratify the declaration within 14 days at a regular, special or emergency Board meeting.

Authorization During District Emergencies:

The General Manager's Declaration of a District Emergency is a public acknowledgment of the serious situation the District faces, and that the District's resources may not be adequate to respond to the emergency. The Board of Directors, in consultation with the General Manager, may delegate to the General Manager the authority to suspend competitive bidding and enter into emergency contracts as provided in the Public Contract Code.

Mutual Aid:

The California Master Mutual Aid Agreement (Government Code §§ 8561–8617) allows for the implementation of mutual aid during threatened, actual, or declared emergencies. The General Manager, in accordance with the Emergency Plan, may request mutual aid assistance from other agencies, or commit District resources to other agencies requesting aid. The General Manager may sign appropriate documents to effectuate mutual aid and other emergency response agreements.

Continuity of Management:

The District's emergency plan will list at least two successors to critical staff identified in the plan, including the General Manager. If the primary person is unable to respond to an emergency, each successor, in order, may assume all the duties and powers of the primary person.

Status Reports:

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The General Manager will provide annual reports to the Board of Directors on the progress of the Emergency Preparedness Program. Additional reports will be given to the Board on the effectiveness of the plan and District response within 60 days of the occurrence of a declared District Emergency.

WORKERS' COMPENSATION

All employees are covered for Workers' Compensation, effective the first day of employment. Workers' Compensation provides employees and/or their beneficiaries with certain benefits in the event of a work-related illness, injury, or accidental death. The District pays the full cost of this coverage, whether through a self-insurance mechanism or an insurance product. If an employee sustains a work-related illness or injury, he or she must report the illness or injury to the General Manager or his or her supervisor in the absence of the General Manager, within 24 hours of the occurrence. Failure to do so could result in a delay of benefits.

All payments for lost wages or salary due to a work-related illness or injury, medical treatment, and any other benefits will be made by the workers' compensation claims administrator or insurance carrier as required by law. Workers' Compensation benefit payments may be coordinated with any accrued sick leave or vacation leave as part of a medical or disability leave of absence. For more information about Workers' Compensation benefits, please contact General Manager or your supervisor.

The District provides medical treatment for work-related injuries and illnesses through designated hospitals or clinics. Clinics are selected due to their experience in treating work-related injuries; an emergency hospital may be needed in major injury situations and used for first treatment pending added review by General Manager.

Employees who are injured in a work-related accident will be referred to the designated clinic unless the District has received a written notice that the employee wishes to be treated by his/her own health care provider. This notification must have been submitted to the employee's supervisor before any injury.

Any supervisor who learns that an employee has incurred a work-related illness or injury shall provide that employee with a notice of his or her right to seek workers' compensation benefits in a form provided by General Manager and shall promptly report doing so to General Manager.

Notices of workers compensation benefits shall be posted annually as required by California law by or at the direction of General Manager. A form for such notices is available at: <https://www.dir.ca.gov/dwc/NoticePoster.pdf>.

CUSTOMER RELATIONS

Employees are expected to be polite, courteous, prompt, and attentive to every customer. Never regard a customer's question or concern as an interruption or an annoyance. All employees must make every effort to achieve complete, accurate, and timely communications — responding promptly and courteously to all proper requests for information and to all complaints.

Never place a telephone caller on hold for an extended period. Direct incoming calls to the appropriate person and make sure the call is received. Through your conduct, show your desire to assist the customer in obtaining the help he or she needs. If you are unable to help a person requesting assistance, find someone who can.

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All correspondence and documents, whether to customers or others, must be neatly prepared and error-free. Attention to accuracy and detail in all paperwork demonstrates your commitment to those with whom we do business.

When an employee encounters an uncomfortable situation that he or she does not feel capable of handling, the General Manager or supervisor should be called immediately for assistance. Employees should never argue with a customer. If a problem develops, or if a customer remains dissatisfied, ask your supervisor to assist in a resolution.

Public Complaints

A public complaint is an allegation by a member of the public of a violation or misinterpretation of a District policy, state, or federal law by an individual who has been adversely affected by that alleged violation or misinterpretation.

Complaints shall be resolved as follows:

- a) An individual with a complaint shall first discuss the matter with the General Manager to resolve the matter informally if possible.
- b) If an individual registering a complaint is not satisfied with the disposition of the complaint by the General Manager, it shall be forwarded to the General Manager. At the option of the General Manager, he/she may conduct conferences and take testimony or written documentation in the resolution of the complaint. The General Manager shall memorialize his/her decision in writing, providing the individual registering the complaint with a copy.
- c) If an individual filing a complaint is not satisfied with the disposition of the matter by the General Manager, he/she may request consideration by the Board of Directors by filing said request in writing within ten (10) days of receiving the General Manager's decision. The Board may consider the matter at its next regular meeting, call a special meeting, or decline to consider the matter further. In making a decision, the Board may conduct conferences, hear testimony, and review the materials provided to the General Manager. The Board's final decision shall be memorialized in writing, copied to the individual registering the complaint. The action of the Board, including an action to decline to consider a complaint, is the final action of the District, not subject to further internal appeal.

This policy is not intended to prohibit or deter a member of the community or a staff member from appearing before the Board to orally present testimony, a complaint, or a statement in regard to actions of the Board, District programs and services, or pending considerations of the Board as permitted by the Brown Act. Nothing in this policy shall alter the duties of District employees to protect the District's confidences and avoid insubordination and as otherwise provided by law and District policy.

ACCOMMODATIONS FOR DISABILITY

The employment related provisions of the Fair Employment and Housing Act ("FEHA") and the Americans with Disabilities Act ("ADA") apply to all employees and job applicants seeking employment with the District. Under the ADA, a qualified individual with a disability is an individual who, with or without reasonable accommodation, can perform the essential functions of the position in which the individual is employed.

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The District will attempt to provide reasonable accommodation for known physical or mental disabilities if a job applicant or employee is otherwise qualified, unless undue hardship related to the necessity of business operations would result, in accordance with federal or state law. An applicant or employee who requires accommodation in order to perform the essential functions of the job should inform the General Manager, or his or her supervisor, to request an evaluation of such an accommodation. The District will participate in the interactive process with the employee in order to determine whether or not a reasonable accommodation, which does not present undue hardship to the District, exists.

Employee or applicant should contact his or her supervisor or the General Manager for further information.

DEMOTION – NON-DISCIPLINARY

The General Manager may demote an employee, with the written consent of the employee, to a vacant position in lieu of layoff, provided the employee possesses the desired qualifications for the position to which he/she is assigned.

At least five working days before a non-disciplinary demotion becomes effective, written notice of the action shall be provided to the employee and the payroll department.

The General Manager shall provide the employee with written job duties within five working days of starting the new position and a written performance review within six months. The employee shall be subject to a probationary period, generally a six-month period. In the event that the employee does not perform satisfactorily within the probationary period, the General Manager shall have the discretion of extending the employee's probationary period or terminating the employee.

DISCIPLINARY ACTION

The District expects all of its employees to act in the best interest of the District and its customers and residents. It is the responsibility of all employees to observe all rules, guidelines, and operating procedures of the District. The District further expects that each of its employees will act in a polite and professional manner when dealing with members of the public and other employees. These General Rules of Conduct, along with the "Examples of Unacceptable Conduct" listed below, are not meant to be all-inclusive, but rather to provide illustrations of acceptable conduct versus problematic conduct.

Examples of Unacceptable Conduct

The following list presents examples of some of the types of unacceptable conduct that may result in disciplinary action, up to and including immediate termination. This list is not an exhaustive list of what conduct may result in discipline, but is merely meant to be illustrations of unacceptable conduct:

- a) Discourteous treatment of the public or fellow employees.
- b) Use, possession, or being under the influence of alcohol, marijuana, or illegal drugs while on duty or on District premises.
- c) Habitual absence or tardiness.
- d) Abuse of sick leave.

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- e) Disorderly conduct.
- f) Incompetence or inefficiency.
- g) Being wasteful of material, property, or working time.
- h) Violation of any lawful or reasonable regulation or order made and given by an employee's supervisor.
- i) Neglect of duty.
- j) Dishonesty or fraud.
- k) Misuse of District property.
- l) Willful disobedience or Insubordination.
- m) Conduct unbecoming a District employee.
- n) Violation of the District's Unlawful Harassment Policy.
- o) Possession of firearms or dangerous weapons on District property.
- p) Theft.
- q) Falsifying records
- r) Any act or failure to act during or outside of work hours, which is detrimental to the best interest of the District as determined by the General Manager or the Board.

The District also reserves the right to discipline an employee for unsatisfactory job performance including incompetence and/or inefficiency, permanent or chronic physical or mental ailment (including impairment from alcohol or drugs) or other condition which renders the employee unable to perform the essential duties of his or her job, or failure to satisfactorily perform job tasks or responsibilities.

Prior to Disciplinary Action

Depending on the nature of the conduct or the performance deficiency, the District will generally give an employee an oral warning, which is corrective and is non-disciplinary in nature, prior to taking formal disciplinary action. An oral warning is encouraged but is not required before issuing formal disciplinary action.

An oral warning is a communication to an employee that his or her performance or behavior must be improved and failure to do so may result in discipline. An employee's supervisor or the General Manager may note the date, time, and content of oral warning, but no record of an oral warning shall be placed in the employee's personnel file unless subsequent disciplinary action is taken.

Types of Disciplinary Action

Disciplinary action includes verbal warning, written warning, suspension, reduction in salary, demotion, or termination of employment.

Written Warning:

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A formal written notice to an employee that further disciplinary action will be taken unless his or her performance or behavior improves. A copy of the written reprimand is given to the employee and the original is placed in the employee's personnel file. The employee must acknowledge receipt of the written warning by signing the letter at the time of presentation; this signature signifies only the receipt of the document; it does not signify the employee's agreement with the allegations.

Suspension:

The temporary removal of an employee from his or her duties without pay for disciplinary purposes for up to thirty (30) working days. Employees suspended from his or her employment with the District forfeit all rights, privileges, and salary with the exception of group health and life insurance benefits.

Reduction in Salary:

A decrease in salary paid to an employee for a specified period of time for disciplinary purposes.

Demotion:

The removal of an employee from a position to another position carrying a lower maximum rate of pay as a result of a disciplinary action.

Discharge:

The removal of an employee from District services, as provided for in these Guidelines.

DRUG AND ALCOHOL TESTING

Pre-Employment Drug Testing.

As a part of the District's employment screening process, all applicants to whom a conditional offer of employment is made must successfully test negative for controlled substances, per procedures described below. The offer of employment is conditioned on a negative drug test result. Applicants will be informed of the District's drug testing policy in the employment application and process.

Testing of Employees in Designated Safety-Sensitive Position.

Employees in health and safety sensitive positions, including, but not limited to, the following management and non-management positions: vehicle and heavy machinery drivers with commercial licenses/operators (who are subject to random drug-testing under the Department of Motor Vehicles), and utility crew members, will be required to submit to random drug testing under the procedures described below. This testing shall occur at random by an independent, third party drug testing company performing such testing. If an employee refuses to cooperate with the administration of the drug test, the refusal will be handled in the same manner as a positive test result.

Reasonable Suspicion Testing.

If an employee's supervisor or manager has a verifiable and confirmed reasonable suspicion by at least two (2) people, including any Board Members, who are qualified by having reasonable suspicion training, that the employee is working in an impaired condition or otherwise engaging in conduct that violates these Guidelines, then the employee will be asked about any observed behavior or impaired condition and offered an opportunity to give a reasonable explanation. If the employee is unable to explain the behavior, he or she will

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be requested to take a drug and/or alcohol test in accordance with the procedures described herein. If the employee refuses to cooperate with the administration of the drug and/or alcohol test, the refusal will be handled in the same manner as a positive test result, which results in discipline, up to and including termination.

On-the-Job Inquiry.

Should an injury occur while working, a drug and/or alcohol test may be administered if the injured employee's supervisor has a reasonable suspicion that an employee was injured due to drug or alcohol use.

Procedures for Drug Testing.

If employee is a member of a District-recognized collective bargaining unit and is subject to an alcohol and/or drug test based on reasonable suspicion, the District will meet and confer with the respective collective bargaining group before testing.

The District will refer the applicant or employee to an independent, National Institute on Drug Abuse ("NIDA"), certified medical clinic or laboratory, which will administer the test. The District shall require drug testing for: A) pre-employment testing, B) random testing, and C) reasonable suspicion testing. The District will pay the cost of the test. If the employee is determined by verifiable and confirmed reasonable suspicion observation as unable to drive or impaired for driving, then a District supervisor or General Manager will transport the individual to a medical facility for immediate testing or treatment.

The employee will have the opportunity to alert the clinic or laboratory personnel to any prescription or non-prescription drugs that he or she has taken that may affect the outcome of the test. The clinic or laboratory will handle the required testing. The District will have no control over the clinic or laboratory's testing methods. The clinic or laboratory will inform the District as to whether or not the applicant passed or failed the drug test. If an employee fails the test, he or she will be considered to be in violation of these Guidelines and will be subject to discipline, up to and including termination.

Acknowledgment and Consent.

Any employee subject to testing under this policy will be directed to sign a form acknowledging the procedures governing testing and authorizing (1) the collection of a urine sample for the purpose of determining the presence of alcohol and/or drugs, and (2) the release to the District of medical information regarding the test results. Refusal to sign the authorization form or to submit to the drug and/or test, will result in the revocation of an applicant's job offer, or will be considered the same as a positive test leading to termination.

Confidentiality.

All alcohol and drug testing records will be treated as confidential.

EMPLOYEE PROMOTION

An employee may be promoted only if the employee has the desirable qualifications for the higher-level position and has meet the criteria described in the MCWD2 Personnel Manual. Desirable qualifications shall be ascertained on the same application, examination, interview, criteria, and evaluation as those for an initial appointment in accordance with the most current Job Description. An employee who has meet the requirements to be promoted will receive a minimum of a five (5) percent pay increase above their previous payroll amount.

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A promoted employee shall be required to successfully complete a six (6) month probation period. If a promoted employee is unable to perform the required duties of the new higher-level position and has not successfully completed the probation period, the employee may be restored to the position from which he or she was promoted, if the position is available, or be required to successfully complete an additional six (6) month probationary period.

GRIEVANCE PROCEDURES

The purpose of this policy is to provide a procedure by which an employee may formally claim that he or she has been affected by a violation, misapplication, or misinterpretation of a law, District policy, rule, regulation, or instruction.

Specifically excluded from the grievance procedure are subjects involving the amendment of state or federal law, resolutions adopted by the District's Board of Directors, ordinances or minute orders, including decisions regarding wages, hours, and terms and conditions of employment, and claims or complaints of alleged discrimination or harassment (as there is an alternate procedure for those complaints).

Grievance Procedure Steps

Level I, Preliminary Informal Resolution:

Any employee who believes he or she has a grievance shall present the evidence thereof in writing to his or her immediate supervisor within thirty (30) calendar days after the employee knew, or reasonably should have known, of the circumstances which form the basis for the alleged grievance. The immediate supervisor shall hold discussions with the employee within five (5) working days and attempt to resolve the matter within ten (10) working days after the discussions. The supervisor shall provide a written decision to the employee either denying or granting the employee's grievance. It is the intent of this informal meeting that at least one (1) personal conference be held between the employee and the immediate supervisor. If the grievance is against the employee's supervisor, the employee may skip Level I and advance to Level II, provided that he or she complies with all applicable time limits and other requirements for Level I (i.e., the employee must still file the initial grievance within 30 calendar days).

Level II, General Manager:

If the grievance has not been resolved at Level I, the grievant may appeal his or her grievance in writing on a form provided by the District (attached hereto as Appendix "A") to the General Manager within ten (10) working days after the supervisor has issued his or her written decision.

The statement shall include the following:

- (a) A concise statement of the grievance including specific reference to any law, policy, rule, regulation, and/or instruction deemed to be violated, misapplied or misinterpreted;
- (b) The circumstances involved;
- (c) The decision rendered by the immediate supervisor at Level I, if any;
- (d) The dates when: (i) the grievance was first discussed with the immediate supervisor; (ii) the Level I response was issued, and (iii) the employee submitted the grievance to Level II; and

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- (d) The specific remedy sought.

The General Manager shall communicate his or her decision within ten (10) calendar days after receiving the grievance. Decisions will be in writing setting forth the decision and the reasons therefore and will be transmitted promptly to all parties in interest. If the General Manager does not respond within the time limits, the grievant may appeal to the next level. Time limits for appeal shall begin the day following receipt of the General Manager's written decision. Within the above time limits, either party may request a personal conference with the other. If a personal conference is requested, the General Manager shall have ten (10) calendar days from the date of the conference to issue his or her decision.

Level III, Board of Directors:

In the event the grievant is not satisfied with the District Manager's decision at Level II, the grievant may appeal the decision to the District Board of Directors' within five (5) days. The statement shall include a copy of the original grievance; a copy of the written decision by the General Manager; and a clear, concise statement of the reasons for the appeal to Level III. The Board shall consider the appeal and make a final determination within thirty days of receipt of the complaint.

Basic Rules

If an employee does not present the grievance or does not appeal the decision rendered regarding the grievance within the time limits specified above, the grievance shall be considered resolved and no further appeal will be allowed.

By agreement in writing, the parties may extend any and all-time limitations specified above.

The General Manager may temporarily suspend the grievance processing on a District-wide basis in an emergency situation. Employees covered by this policy may appeal this decision to the Board of Directors.

A copy of all formal grievance decisions shall be placed in the employee's permanent personnel file.

Expungement of Written Reprimands

A written reprimand may be expunged upon sustained corrective behavior, as determined by the General Manager, after a period of three (3) years from the date of the reprimand. It is the responsibility of the employee to request that his or her personnel file be purged of the written reprimand.

The General Manager will consider the following factors in making his or her decision to expunge a written reprimand:

1. whether the employee received further discipline of any kind;
2. employee's performance evaluation reviews are at least satisfactory in all categories; and
3. that only one (1) expungement can occur during their employment with the District.

RECRUITMENT AND HIRING

Recruitment:

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Announcement: All recruitments for classification vacancies within the District shall be publicized by such methods as the General Manager deems appropriate, consistent with District standards. Special recruiting shall be conducted, if necessary, to ensure that all segments of the community are aware of the forthcoming positions. Announcements shall specify the title and compensation of the classification; the nature of the work to be performed delineating the essential and marginal functions of the job; the minimum qualifications for the classification; the manner of making application; the examination components; and other pertinent information.

Applications: Every applicant for examination shall file a formal, signed District employment application. Other methods of acceptable application due to an applicant's disability will be considered. Application forms shall require information covering training, experience, and other pertinent information as required by the General Manager. The General Manager may also require applicants to submit additional job-related information.

Disqualification:

At any point in the recruitment and selection process, the General Manager may refuse to declare an applicant an eligible candidate, or may withhold or withdraw from certification, prior to appointment by the General Manager, anyone who:

- Has failed to provide proof for any of the requirements established in the announcement for the classification for which he or she applied;
- Has been convicted of a felony of such a nature as to have an adverse effect on the candidate's ability to perform the duties of the position;
- Has a history of dismissal from any position in public or private service for any cause which would be a cause for dismissal from District employment;
- Has practiced or attempted to practice any deception or fraud in his or her application, examination, or in securing eligibility; or
- Is otherwise not qualified for employment with the District.

Hiring:

Decisions regarding employment are based upon an individual's qualifications for the applicable position as described below.

Vacancies: Employees of the District are encouraged to apply for any vacant positions for which they are qualified. The District awards vacant positions to the applicants who are best suited to meet the needs of the District, regardless of whether the applicant is a current District employee or not.

Selection of employees. All persons considered for employment with the District shall be qualified to perform the duties of the position for which they are employed. Before reporting for their first day of work, employees may be required to undergo a medical examination and drug/alcohol testing, which confirms their ability to perform the essential functions of the job.

- a) **Citizenship Verification:** All employees must provide necessary documentation to prove identity and their right to work in the United States in accordance with Federal and State Immigration and Naturalization laws. Failure to provide such documentation will result in disqualification from selection or immediate termination.

Probationary Period.

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The purpose of the probationary period is to give the District and the new employee the opportunity to determine whether employment relationship suits both parties. New employees may be eligible for health benefits under the Affordable Care Act after sixty (60) days of employment, if not enrolled in the District's health care coverage. During the probationary period, the District evaluates the employee's job performance, and it is expected that the employee will use this time period to determine whether the District employment is satisfactory to him or her. Generally, employee evaluations shall be performed at the end of the three (3) month probationary period. The employee's supervisor will conduct a written performance evaluation to ascertain the advisability of continued employment on a regular basis. However, written evaluations may be done at any time during the probationary period if determined to be necessary by the Supervisor or the General Manager

Regardless of whether the supervisor completes a written performance evaluation, all employees are at-will and the District retains the right to terminate employment with or without cause, during the probationary period, in accordance with California law. Similarly, the probationary employee can end his or her employment at any time with at least two (2) weeks' written notice.

New employees hired for regular positions serve a probationary period of three (3) months, commencing with their first day of employment. The General Manager, in conjunction with the employee's supervisor, may extend the probationary period one or more times if it is determined that such an extension is appropriate. The status of regular employment following the probationary period shall only occur after a successful evaluation has taken place, and only if confirmed in writing by the District.

SEPARATION FROM DISTRICT EMPLOYMENT

Resignation:

To leave District service in good standing, an employee must file a written notice of resignation with the General Manager at least two (2) weeks before the effective date of separation of employment from the District. The General Manager may, however, grant good standing with less notice if he or she determines the circumstances warrant. Resignations may not be withdrawn without the General Manager's approval.

Layoffs:

Whenever, in the judgment of the District Board of Directors, it becomes necessary, due to the lack of work, lack of funds, or other economic reason, or because the necessity for a position no longer exists, the Board of Directors may abolish any position of employment, and the employee holding such position may be laid off or offered the option of moving to another position within the District, if a position is available and if the employee is qualified without disciplinary action and without the right of appeal.

Notification:

Employees to be laid off will be given, whenever possible, at least fourteen calendar days prior notice, if possible.

Order of Layoff:

Employees are generally laid off in the inverse order of their seniority in their classification in the department, although this order is subject to business needs. Seniority is determined based upon date of hire in the department. Within each class, and subject to business needs, employees will generally be laid off in the following order: temporary, part-time, probationary, and regular.

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In cases where there are two (2) or more employees in the classification in the department from which the layoff is to be made who have the same seniority date, such employees will be laid off on the basis of the last evaluation rating in the class, providing such rating has been on file at least thirty (30) days and no more than twelve (12) months prior to lay off, as follows: (1) all employees having ratings of "improvement needed;" (2) all employees having ratings of "competent;" (3) all employees having rating of "outstanding."

Transfer in Lieu of Layoff: An employee affected by layoff may be transferred to a vacant position within the same or comparable classification, or a vacant position in any former classification, first within the affected department and then District-wide, which the employee once held as a regular employee, provided that the employee meets the minimum qualifications of said positions and the compensation is at the same or lower rate of pay.

Re-employment Rights for Laid Off Employees: Regular employees who have been laid off shall be automatically placed on a re-employment list for two (2) years from the date of layoff for the classification from which they were laid off.

Dismissal of Regular Employees

A regular employee may be dismissed at any time by the General Manager for cause and after following the proper disciplinary termination procedures as outlined in the "Disciplinary Termination" section of these policies.

A probationary employee may be terminated at any time during a probationary period without right of appeal or hearing. In case of such termination, the General Manager shall notify the probationary employee in writing that he or she is being separated from District service.

Dismissal of the General Manager shall be as outlined in the employment agreement between the General Manager and the District.

Exit Interview:

For the purpose of ascertaining potential eligibility for unemployment insurance benefits, all employees separating from the District for any reason shall be given an interview prior to termination. The interview shall be conducted by a representative of the General Manager and shall produce specific information as to the causes and reasons for the separation. The information shall be recorded on a standard form provided by the District, which the employee shall be required to sign. A copy of the complete report shall be transmitted to the employee's immediate supervisor and/or the General Manager for comment and be returned for retention in the employee's personnel file.

Property Return Agreement.

Upon employment with the District, each employee may complete a Property Return Agreement if they receive any District property. Property includes, but is not limited to, laptops, cell phones, PDAs, equipment, keys, reports, proprietary information, and any other job-related materials. All District property must be returned prior to departure.

Employment Reference Checks:

All inquiries regarding a current or former District employee must be referred to the General Manager. Should an employee receive a written request for a reference, he or she must refer the request to the General Manager for handling. Employees may not issue a reference letter to any current or former employee without the permission of the General Manager.

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Under no circumstances should an employee release any information about a current or former employee over the telephone. All telephone inquiries regarding any current or former employees of the District must be referred to the District Manager.

In response to an outside request for information regarding a current or former District employee, the General Manager will only verify an employee's name, date of employment, and job title. No other data regarding any current or former District employee will be released unless the employee authorizes the District to release such information in writing, or the District is required by law to furnish any information.

If, however, an employee is contacted to give a personal reference regarding a current or former District employee, he or she is permitted to do so and should emphasize to the inquirer that the reference is personal only and not on behalf of the District. Failure to follow these directions may be cause for disciplinary action up to and including termination.

UNLAWFUL HARASSMENT

Harassment and discrimination in employment on the basis of sex, race, color, national origin, ancestry, citizenship, religion (including religious dress and grooming practices), age (40 and over), physical or mental disability, medical condition, sexual orientation, gender identity or gender expression, veteran status, marital status, registered domestic partner status, genetic information, or any other protected basis is prohibited by federal and state law. The District does not tolerate unlawful discrimination or harassment in the workplace or in a work-related situation. Unlawful discrimination and harassment are a violation of these Guidelines. Section 3140 shall also include and apply to members of the District Board of Directors, independent contractors, unpaid interns, volunteers, persons providing services to the District pursuant to a contract, and other persons with whom District employees may come into contact while working.

Unlawful harassment in employment may take many forms. Some examples include, but are not limited to:

- Verbal conduct such as epithets, derogatory comments, slurs, or unwanted comments and jokes;
- Visual conduct such as derogatory posters, cartoons, drawings, or gestures;
- Physical conduct such as blocking normal movement, restraining, unwanted touching, or otherwise physically interfering with work of another individual;
- Threatening or demanding that an individual submit to certain conduct or to perform certain actions in order to keep or get a job, to avoid some other loss, or as a condition of job benefits, security, or promotion; and
- Retaliation by any of the above means for having reported harassment or discrimination or having assisted another employee to report harassment or discrimination.
- Communication via electronic media of any type that includes any conduct that is prohibited by state and/or federal law or by District policy.

Please note that prohibited harassment is not just sexual harassment, but harassment based on any protected category.

Sexual harassment under state and federal laws is defined as unwelcomed sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

- Submission to such conduct is made either explicitly or implicitly as a term or condition of an individual's employment;
- Submission to or rejection of such conduct by an individual is used as the basis for employment

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decisions affecting such individual;

- Such conduct has the purpose or effect of substantially interfering with a person's work performance or creating an intimidating, hostile, or offensive work environment; or adversely
- Affected the employee's performance, appraisal, assigned duties, or any other condition of employment or career development; or
- Such conduct is offered in order to receive special treatment or in exchange for or in consideration of any personal action.

Prohibited acts of sexual harassment can take a variety of forms ranging from unwanted verbal or physical actions from subtle pressure for sexual activity to physical assault. Sexual harassment conduct need not be motivated by sexual desire to be unlawful or to violate this policy. For example, hostile acts toward an employee because of his/her gender can amount to sexual harassment, regardless of whether the treatment is motivated by sexual desire.

Examples of the kinds of conduct included in the definition of sexual harassment are:

- 1) Direct or indirect threats or suggestions of sexual relations or sexual contact which is not freely or mutually agreeable to both parties.
- 2) Continual or repeated verbal abuses of a sexual nature including graphic commentaries on the person's body; sexually suggestive objects or pictures placed in the work area that may embarrass or offend the person, sexually degrading words to describe the person, or propositions of a sexual nature.
- 3) The following is a list of some, but not all, actions employees are to avoid that could be interpreted as sexual harassment:
 - Unwelcome sexual advances and propositions;
 - Offensive flirtations with sexual overtones;
 - Sexual innuendo;
 - Obscene and suggestive comments;
 - Humor or jokes about sex or gender specific traits;
 - Sexual or graphic comments about an individual's body, dress, or overall appearance; or
 - Sexually suggestive or explicit graffiti, illustrations, visual or printed material in the workplace, including inappropriate emails, internet sites, and social media postings.

Abusive conduct or workplace bullying of the District's employees, by any person in or from the work environment, is strictly prohibited. Abusive conduct or workplace bullying is the conduct of any employer or employee in the workplace, with malice, that a reasonable person would find hostile, offensive, and unrelated to an employer's legitimate business interest. Abusive conduct or workplace bullying includes, but is not limited to:

- Repeated infliction of verbal abuse;
- Derogatory remarks, insults, epithets;
- Verbal or physical conduct that a reasonable person would find threatening, intimidating, or humiliating; or
- Gratuitous sabotage or undermining of a person's work performance.

Policy Publicizing. All employees shall be informed of the District's unlawful harassment policy and complaint process prior to their need to know, and again when any complaint is filed. Also, said policy and complaint process shall be readily available to all employees and members of the general public utilizing the District's facilities and services.

- a) All new employees shall be given a copy of the sexual harassment policy at the time of hiring and said

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policy's contents shall be discussed with said employee at that time by the division manager within whose division they will be working.

- b) An annual bulletin may also be prepared and distributed to all employees informing them of the District's sexual harassment policy.

Complaint Process

Any employee who believes he or she is the victim of unlawful harassment, abusive conduct, or discrimination on any prohibited basis, or who has observed such conduct, or believes he or she is subject to retaliation ("Unlawful Harassment") may file a formal or informal confidential complaint without fear of reprisal or embarrassment.

An informal complaint is made verbally by the employee to the immediate supervisor and/or HR Manager/Personnel Manager. Although filing the complaint with the immediate supervisor is preferred, the employee is free to file a complaint with any supervisory employee.

A formal complaint is made in writing using the "Employee Grievance Form," see "Appendix A" . Said form should be submitted by the employee to their immediate supervisor and/or HR/Personnel Manager. Although submitting the formal complaint with the immediate supervisor and/or HR/Personnel Manager is preferred, the employee is free to submit a formal complaint with any supervisory employee, including the General Manager, or with the President of the Board of Directors, if the employee's immediate supervisor is the General Manager and the General Manager is unavailable or personally involved in said complaint.

Complaint Response Process

Any supervisory employee who receives a formal or informal Unlawful Harassment complaint shall maintain the confidentiality of the complainant to the extent possible and shall personally deliver said complaint immediately and directly to the division manager, or to the General Manager if the division manager is unavailable or personally involved in said complaint. If the General Manager is unavailable or personally involved in said complaint, then said complaint shall be delivered to the President of the Board of Directors.

After a formal or informal complaint is received, an impartial investigation shall be conducted by the manager of the division, the General Manager, or another impartial investigator within a timely manner.

A written record of any investigation of an alleged Unlawful Harassment complaint shall be maintained. Findings will be sent to the General Manager. The General Manager shall immediately inform, in total confidentiality, the Personnel Committee of the Board if one exists or the entire Board of Directors. If the General Manager is personally involved in the complaint, such findings will instead be provided directly to the Personnel Committee of the Board if one exists or to the entire Board of Directors to determine options and/or remedial action, if appropriate.

All discussions resulting from said investigation shall be kept confidential to the extent possible by all informed of said investigation.

The person initiating the complaint has the right to be accompanied by an advocate(s) when discussing alleged incidents. Said person shall be advised of this right prior to the commencement of such discussions. Said advocate may support and/or represent the complainant but should not interfere with the integrity of the investigation or the investigatory process.

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Disciplinary Procedures and Sanctions

If upon the conclusion of the investigation of the alleged Unlawful Harassment claim, the investigator determines that harassment, discrimination, retaliation, or other prohibited conduct has occurred, appropriate corrective and remedial action shall be taken by the General Manager/Board of Directors against the harasser in accordance with the circumstances involved. The District will also take appropriate action to deter future misconduct. Any employee determined by the District to be responsible for harassment, discrimination, retaliation, or other prohibited conduct will be subject to appropriate disciplinary action, up to, and including, termination. Employees should also know that if they engage in unlawful harassment, they can be held personally liable for the misconduct.

Retaliation

Retaliation against any individual for making a report, or for participating in an investigation, under this policy is strictly prohibited. Individuals are protected by law and by District policy from retaliation for opposing unlawful discriminatory practices, for filing an internal complaint under this policy or for filing a complaint with the California Department of Fair Employment and Housing (“DFEH”) or Federal Equal Employment Opportunity Commission (“EEOC”), or for otherwise participating in any proceedings conducted by the District under this policy or by either of these agencies.

Employee should also be aware that the EEOC and the DFEH investigate and prosecute complaints of prohibited harassment, discrimination, and retaliation in employment. Information is available at www.eeoc.gov and www.dfeh.ca.gov.

INCLUSIVE WORKPLACE POLICY

Purpose

The District is dedicated to maintaining a safe and productive workplace environment for all employees. This policy sets forth guidelines to address the needs of transgender and gender non-conforming employees and clarifies how the law should be implemented in situations where questions may arise about how to protect the legal rights or safety of such employees. This inclusive workplace policy does not anticipate every situation that might occur with respect to transgender or gender non-conforming employees, and the needs of each transgender or gender non-conforming employee must be assessed on a case-by-case basis. However, in all cases, the goal is to ensure the safety, comfort, and healthy development of transgender or gender non-conforming employees while maximizing the employee’s workplace integration and minimizing stigmatization of the employee.

Discrimination/ Harassment

It is unlawful and violates the District’s policy to discriminate in any way against an employee because of the employee’s actual or perceived gender identity and/or gender expression. Additionally, it also is unlawful and contrary to this policy to retaliate against any person objecting to or supporting enforcement of legal protections against gender identity and/or gender expression discrimination in employment.

- a) Investigation. Any incident of discrimination, harassment, or violence based on gender identity or expression will be given immediate and effective attention, including, but not limited to, investigating the incident, taking suitable corrective action, and providing employees and staff with appropriate resources.

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- b) Complaint. Any employee who believes he, she, or they are the victim of unlawful harassment or discrimination based on gender identity or gender expression shall promptly file a complaint with the immediate supervisor and/or the General Manager.

SMOKE-FREE WORKPLACE

Smoking is prohibited within the buildings, facilities and vehicles of MCWD2. Those who smoke are requested to do so outdoors away from entrances or windows of buildings and covered parking lots. Extra care should be taken when working around combustible materials, or out in the field near equipment or supplies.

Personnel who smoke in the field should use extreme caution and dispose of cigarettes in a responsible and safe manner, not littering or throwing residual parts on the ground or street or areas of drains, etc.

BOARD ACTIONS AND DECISIONS

Actions by the Board of Directors include but are not limited to the following:

- a) Adoption or rejection of regulations or policies;
- b) Adoption or rejection of a resolution;
- c) Adoption or rejection of an ordinance;
- d) Approval or rejection of any contract or expenditure;
- e) Approval or rejection of any proposal which commits District funds or facilities, including employment and dismissal of personnel; and,
- f) Approval or disapproval of matters that require or may require the District or its employees to take action and/or provide services.

Action can only be taken by the vote of the majority of the Board of Directors. Three (3) Directors [if five-member Board, four if seven-member Board] represent a quorum for the conduct of business.

A member abstaining in a vote is considered as absent for that vote. A member abstaining due to a conflict of interest does not count towards a quorum.

Example. If three of five Directors are present at a meeting, a quorum exists, and business can be conducted unless the abstention is due to a conflict of interest. However, if one Director abstains on a particular action and the other two cast "aye" votes, no action is taken because a "majority of the Board" did not vote in favor of the action.

Example. If an action is proposed requiring a two-thirds vote and two Directors abstain, the proposed action cannot be approved because four of the five Directors would have to vote in favor of the action.

Example. If a vacancy exists on the Board and a vote is taken to appoint an individual to fill said vacancy, three Directors must vote in favor of the appointment for it to be approved. If two of the four Directors present abstain, the appointment is not approved.

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The Board may give directions that are not formal action. Such directions do not require formal procedural process. Such directions include the Board's directives and instructions to the General Manager.

The President shall determine by consensus a Board directive and shall state it for clarification. Should any two Directors challenge the statement of the President, a voice vote may be requested.

A formal motion may be made to place a disputed directive on a future agenda for Board consideration, or to take some other action (such as refer the matter to the General Manager for review and recommendation, etc.).

Informal action by the Board is still Board action and shall only occur regarding matters that appear on the agenda for the Board meeting during which said informal action is taken.

Nothing in this policy prevents the Board from providing direction to the General Manager in response to public comments or under Board member or General Manager comments, as allowed under the Brown Act. No vote or action shall be taken.

BOARD MEETING AGENDA

Agenda preparation

The General Counsel, in cooperation with the General Manager, shall prepare an agenda for each regular and special meeting of the Board of Directors in accordance with the Brown Act. Any Director may contact the General Manager and request an item to be placed on the agenda no later than 5:00 P.M. on the day that is 48 hours prior to the closing of the agenda for the next meeting date.

Public requests. Any member of the public may request that a matter directly related to District business be placed on the agenda of a regularly scheduled meeting of the Board of Directors, subject to the following conditions:

- a) The request must be in writing and be submitted to the General Manager [or other responsible managing employee] together with supporting documents and information, if any, at least seven business days prior to the date of the meeting.
- b) The General Manager shall be the sole judge of whether the public request is or is not a "matter directly related to District business."
- c) The General Manager shall determine the timing of when the item will be placed on the agenda.
- d) The public member requesting the agenda item may appeal the General Manager's decision at the next regular meeting of the Board of Directors. Any Director may request that the item be placed on the agenda of the Board's next regular meeting.
- e) No matter which is legally a proper subject for consideration by the Board in closed session will be accepted under this policy.
- f) The Board of Directors may place limitations on the total time to be devoted to a public request issue at any meeting and may limit the time allowed for any one person to speak on the issue at the meeting.

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Agenda descriptions

All Board agendas shall include an unambiguous description of each item on the agenda to be discussed, including closed-session items, as provided for in the Brown Act. The General Manager shall ensure that the description gives notice to the public of the essential nature of the business to be considered.

Agenda posting. Agendas for regular meetings shall be posted 72 hours in advance of the meeting and agendas for special meetings shall be posted 24 hours in advance of the meeting. The posting must occur in a place that is freely accessible to the public and on the District's website. The internet posting shall occur on the District's primary website homepage through a prominent, direct link to the current agenda. The agenda shall also be accessible in an open format.

Agenda packages

When distributing agenda packages and other materials to members of the Board of Directors, those materials should be provided to all members at the same time. Agenda packages, except for closed session materials, should also be made available to the public once distributed to the Board.

Public comment.

For regular meetings the Board shall provide the public with an opportunity to address not only any item on the agenda but any item within the subject matter jurisdiction of the District.

For special meetings, the Board shall provide the public with an opportunity to address any item on the agenda.

The Board may not prohibit public criticism, but shall control the order of the proceedings, including placing reasonable time limits on public comment.

The Board may not require members of the public to give names or sign a register as a condition of attendance or speaking.

Closed sessions

The Board may conduct a closed session during a noticed meeting for certain matters, as identified on the agenda, where it is necessary to conduct business in private. Major reasons for permissible closed sessions, as authorized by the Brown Act, include real property transactions, labor negotiations, and pending litigation. The Board shall allow public comment on any closed session item before going into closed session.

Items not on the agenda

The Board shall not discuss or take action on any item that does not appear on the posted agenda except that the Board may act on items not on the agenda to address emergency situations, subsequent need items, and hold-over items from a continued previous meeting held within the prior five days. The Board may also respond to public comments and make announcements.

BOARD MEETING CONDUCT

Rules of order

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Meetings of the Board of Directors shall be conducted by the President in a manner consistent with the policies of the District.

Agenda timing

All Board meetings shall commence at the time stated on the agenda and shall be guided by same. The placement of an item on the agenda shall not be deemed a requirement that the items proceed in any particular order. The Board President, with concurrence of a majority of the Board, may alter the order in which agenda items shall be considered for discussion and/or action by the Board.

Conduct of meetings

The following concepts shall be applied to Board meetings:

- a) The meetings shall be conducted in an open and fair manner.
- b) The public shall be given ample opportunity to participate in the meetings.
- c) Due process principles shall apply to quasi-judicial proceedings, or as otherwise required by law.
- d) The meetings shall proceed in a manner that enables the Board to consider problems to be solved and make wise decisions intended to solve the problems.
- e) The Board may receive, consider, and take any needed action with respect to reports of accomplishment of District operations.
- f) Noticed public hearings shall be conducted in an orderly fashion, with the Board President establishing the order of the proceedings.
- g) The Board may weigh and determine the credibility of evidence and public comment.

Public comment

Public comment on items on the agenda, and general public comment at a regular Board meeting for matters within the jurisdiction of the Board of Directors, shall be as followed:

- a) Three minutes may be allotted to each speaker and a maximum of 20 minutes to each subject matter.
- b) The Board president may allow additional per-speaker and per subject comment time when necessary for a full and fair proceeding.
- c) No disruptive conduct shall be permitted at any Board meeting. Persistence in disruptive
- d) conduct shall be grounds for summary termination, by the Board President, of that person's privilege of address.

Disruption of meetings

Willful disruption of any of the meetings of the Board of Directors shall not be permitted. If the President finds that there is willful disruption of any meeting of the Board, he/she may do the following:

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Notify the disrupting parties to immediately stop the conduct and that they will be asked to leave the meeting if the behavior continues.

If the behavior continues after notice, order the disrupting parties out of the room and conduct the Board's business without them present.

In cases of extreme disruption, clear the room of all members of the public, and conduct the Board's business without them present.

Duly accredited representatives of the news media, whom the President finds not to have participated in the disruption, shall be permitted to remain in the meeting.

BROWN ACT COMPLIANCE

The Brown Act

The Legislature adopted the Brown Act, commonly referred to as California's "Open Meetings Laws" in 1964. The Brown Act is contained in Government Code section 54950 et seq. The Brown Act is broadly construed, and compliance is constitutionally mandated.

Compliance with Brown Act. All meetings of the Board of Directors shall comply with the Brown Act.

Meetings occur whenever the majority of the Board of Directors meets to discuss District business.

Member of the Board includes newly elected and appointed officials prior to assuming office.

All Board meetings shall be open and freely accessible to the public, including those with disabilities.

Meetings through the use of intermediaries, serial communications, or emails are prohibited.

The Board shall only take action during a properly noticed meeting.

Committees

Committees created by formal action of the Board shall comply with the Brown Act.

MINUTES OF BOARD MEETINGS

Duty to keep minutes

The Administrative Assistant or the General Manager shall keep minutes of all regular and special meetings of the Board.

Copies of a meeting's minutes shall be distributed to Directors as part of the information packet for the next regular meeting of the Board, at which time the Board will consider approving the minutes as presented or with modifications. Once approved by the Board, the official minutes shall be kept in a fireproof vault or in a fire-resistant, locked cabinet.

Unless directed otherwise, electronic recording of regular and special meetings of the Board of Directors will be made (for example, a recording on a virtual meeting platform).

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Motions, resolutions, or ordinances shall be recorded in the minutes as having passed or failed. The motion makers, and individual votes will be recorded. A unanimous vote shall be recorded as a vote in favor by each member.

All resolutions and ordinances adopted by the Board shall be numbered consecutively, starting new at the beginning of each year.

In addition to other information that the Board may deem to be of importance, the following information (if relevant) shall be included in each meeting's minutes:

- Date, place and type of each meeting;
- Directors present and absent by name;
- Administrative staff present by name;
- Call to order;
- Time and name of late arriving Directors;
- Time and name of early departing Directors;
- Names of Directors absent during any agenda item upon which action was taken;
- Summary record of staff reports;
- Summary record of public comment regarding matters not on the agenda, including names of commentators;
- Approval of the minutes or modified minutes of preceding meetings;
- Approval of financial reports;
- Record by number (a sequential range is acceptable) of all warrants approved for payment;
- Complete information as to each subject of the Board's deliberation;
- Record of the vote of each Director on every action item for which the vote was not unanimous;
- Resolutions and ordinances described as to their substantive content and sequential numbering;
- Record of all contracts and agreements, and their amendment, approved by the Board;
- Approval of the annual budget;
- Approval of all polices, rules and/or regulations;
- Approval of all dispositions of District assets;
- Approval of all purchases of District assets; and,
- Time of meeting's adjournment.

REVIEW OF ADMINISTRATIVE DECISIONS

Code of Civil Procedure § 1094.6. The provisions of California Code of Civil Procedure §1094.6 shall be applicable to judicial review of all administrative decisions of the Board of Directors pursuant to the provisions of §1094.5 of said code. The provisions of §1094.6 shall prevail over any conflicting provision and any otherwise applicable law, rule, policy or regulation of the District, affecting the subject matter of an appeal.

In accordance with §1094.6, the time to seek judicial relief shall be 90 days following the date in which the Board's decision becomes final.

No person aggrieved by a Board decision shall be allowed to seek judicial relief unless they shall have first raised that issue before the Board and provided the Board with an opportunity to address the issue.

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No person aggrieved by a Board decision shall be allowed to seek judicial relief unless they shall have first exhausted all available administrative remedies made available by the District.

Claims

Nothing in this policy shall be deemed to waive the claims filing requirements of the District when damages are being sought.

RULES OF ORDER FOR CONDUCT OF BOARD AND COMMITTEE MEETINGS

General:

Action items shall be brought before and considered by the Board by motion in accordance with this policy. These rules of order are intended to be informal and applied flexibly. The Board prefers a flexible form of meeting and, therefore, does not conduct its meetings under formalized rules - Robert's Rules of Order.

If a Director believes order is not being maintained or procedures are not adequate, then he/she should raise a point of order - not requiring a second - to the President. If the ruling of the President is not satisfactory to the Director, then it may be appealed to the Board. A majority of the Board will govern and determine the point of order.

Obtaining the Floor:

Any Director desiring to speak should address the President and, upon recognition by the President, may address the subject under discussion.

Motions:

Any Director, including the President, may make or second a motion. A motion shall be brought and considered as follows:

A Director makes a motion; another Director seconds the motion; and the President states the motion.

Once the motion has been stated by the President, it is open to discussion and debate. After the matter has been fully debated, and after the public in attendance has had an opportunity to comment, the President will call for the vote.

If the public in attendance has had an opportunity to comment on the proposed action, any Director may move to immediately bring the question being debated to a vote, suspending any further debate. The motion must be made, seconded, and approved by a majority vote of the Board.

Secondary Motions:

Ordinarily, only one motion can be considered at a time and a motion must be disposed of before any other motions or business are considered. There are few exceptions to the general rule, though, where a secondary motion concerning the main motion may be made and considered before voting on the main motion.

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Motion to Amend: A main motion may be amended before it is voted on, either by the consent of the Directors who moved and seconded, or by a new motion and second.

Motion to Table: A main motion may be indefinitely tabled before it is voted on by motion made to table, which is then seconded and approved by a majority vote of the Board.

Motion to Postpone: A main motion may be postponed to a certain time by a motion to postpone, which is then seconded and approved by a majority vote of the Board.

Motion to Refer to Committee: A main motion may be referred to a Board committee for further study and recommendation by a motion to refer to committee, which is then seconded and approved by a majority vote of the Board.

Motion to Close Debate and Vote Immediately: As provided above, any Director may move to close debate and immediately vote on a main motion.

Motion to Adjourn: A meeting may be adjourned by motion made, seconded, and approved by a majority vote of the Board before voting on a main motion.

Decorum:

The President shall take whatever actions are necessary and appropriate to preserve order and decorum during Board meetings, including public hearings. The President may reject any person or persons making personal, impertinent or slanderous remarks, refusing to abide by a request from the President, or otherwise disrupting the meeting or hearing.

The President may also declare a short recess during any meeting.

Amendment of Rules of Order:

By motion made, seconded and approved by a majority vote, the Board may, at its discretion and at any meeting: a) temporarily suspend these rules in whole or in part; b) amend these rules in whole or in part; or, c) both.

TYPES OF BOARD MEETINGS

Regular meetings:

Regular meetings of the Board of Directors shall be held on the third Thursday of each calendar month at 2:30 pm located at the **Coast Life Support, Bill Platt Training Room**
38901 Ocean Drive Gualala CA 95445
date, time and place of regular Board meetings may be reconsidered annually at the annual organizational meeting of the Board, or such other time as the Board may determine due to a change in District needs and circumstances.

Special meetings:

Special meetings of the Board of Directors may be called by the Board President or by a majority of the Board.

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- a) All Directors shall be notified of the special Board meeting and the purpose or purposes for which it is called. Notice of the meeting shall be in writing and received by them at least 24 hours prior to the meeting.
- b) An agenda shall be prepared and posted at least 24 hours before the meeting and shall be delivered with the notice of the special meeting to the Board of Directors.
- c) Notice of the meeting shall be provided to any other media outlet or person who has requested to receive notices of meetings by serving a copy of the agenda at least 24 hours before the meeting.
- d) Only those items of business listed in the call for the special meeting shall be considered by the Board at any special meeting.

Emergency Meetings:

In the event of an emergency situation involving matters upon which prompt action is necessary, the Board of Directors may hold an emergency meeting without complying with the 24-hour notice requirement. An emergency situation means either, as determined by a majority of the Board: (1) a work stoppage, crippling activity, or other activity that severely impairs public health or safety; or (2) a crippling disaster, mass destruction, terrorist act, or threatened terrorist activity that poses immediate and significant peril (a dire emergency).

- a) When possible, notice shall be provided to the media outlets by telephone at least one hour before the meeting.
- b) Actions taken during an emergency meeting shall be by roll call vote.

The Board may meet in closed session if agreed to by 2/3 vote of the members present, by unanimous vote.

Following an emergency meeting, the minutes of the meeting, a list of persons notified or attempted to be notified of the meeting, and actions taken must be posted for ten (10) days in the District office.

Adjourned Meetings:

A majority vote of the quorum of the Board of Directors may adjourn any Board meeting at any place in the agenda to a time and place specified in the order of adjournment, except that if no quorum is present or no Directors are present at any regular or adjourned regular meeting, the Board president or General Manager may declare the meeting adjourned to a stated time and place. Notice of the adjourned meeting shall be posted on or near the door of the meeting within 24 hours after the adjournment and the adjourned meeting shall be noticed in the same manner as a special meeting.

Annual Organizational Meeting:

The Board of Directors shall hold an annual organizational meeting at its regular meeting in December [or other appropriate month]. At this meeting, the Board will elect a President and Vice President from among its members to serve during the coming calendar year appoint other positions (such as Secretary or committees) as necessary.

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ATTENDANCE AT MEETINGS

Members of the Board of Directors are expected to and shall attend all regular and special meetings of the Board unless there is good cause for absence.

To be counted as present for any meeting, Board Members must be present for the duration of the meeting.

Good cause for absence, including late arrivals or early departures, includes temporary illness or other unavoidable circumstances of which the President of the Board is notified prior to the meeting. Good cause also includes Board authorized meeting absences such as attendance at a conference directly related to the functions and interests of the District or at the meeting of another public agency in order to participate in an official District.

A Board Member who will be absent for good cause may notify the President by electronic transmission (email), telephone communication, or letter. The President shall notify the General Manager and the Board of all absences that are excused for good cause. The minutes shall indicate whether an absence was excused.

The Board may, upon majority vote of unaffected directors, to create a vacancy if a Board Member is absent from three (3) consecutive regular meetings without good cause, except as otherwise provided for by law or as authorized by the Board.

COMMITTEES OF THE BOARD OF DIRECTORS

Temporary Advisory Committees:

The Board President shall appoint any such temporary advisory committees as may be deemed necessary or advisable by the President or the Board. The purpose of a temporary advisory committee and the time allowed to accomplish that purpose shall be outlined at the time of appointment. A temporary advisory committee shall be considered dissolved when its purpose has been accomplished or when the timeframe for its existence has expired, whichever occurs first.

A temporary advisory committee shall consist of less than a majority of Board Members.

A temporary advisory committee may make recommendations to the Board. The Board may not delegate any decision-making power to a temporary advisory committee.

A temporary advisory committee shall meet on an as-needed basis and shall not have a meeting schedule fixed by charter, ordinance, resolution, or formal action of the Board.

Standing Committees:

The Board may establish Standing Committees. The Board President shall appoint and publicly announce the members of the standing committees for the ensuing year no later than the Board's regular meeting in January. Standing committees may be assigned to review District functions, activities, and operations pertaining to their designated concerns, as specified below. Said assignment may be made by the Board President, a majority vote of the Board, or on their own initiative. Any recommendations from standing committees shall be submitted to the Board via a written or oral report. All meetings of standing committees are subject to the requirements of all applicable open meeting laws, including but not limited to the Brown Act.

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Presiding Officer:

The President of the Board of Directors shall serve as the presiding officer at all Board meetings.

In the absence or disability of the President, the Vice President of the Board of Directors shall serve as the presiding officer over all meetings of the Board. If the President and Vice President of the Board are both absent and disabled, the remaining members present shall select one of themselves to act as temporary presiding officer of the meeting.

The presiding officer shall have the same rights as the other members of the Board in voting, introducing motions, resolutions and ordinances, and any discussion of questions that follow said actions. The presiding officer may move, second, debate, and vote from the chair.

Duties Regarding Meetings:

The President shall preside over and conduct all meetings of the Board of Directors, shall carry out the resolution and orders of the Board of Directors, and shall exercise such other powers and perform such other duties as the Board of Directors shall prescribe including, but not limited to, the following:

- a) Call the meeting to order at the appointed time;
- b) Announce the business to come before the Board in its proper order;
- c) Enforce the Board's policies in relation to the order of business and the conduct of meetings;
- d) Recognize persons who desire to speak, and protect the speaker who has the floor from disturbance or interference;
- e) Explain what the effect of a motion would be if it is not clear to every member;
- f) Restrict discussion to the question when a motion is before the Board;
- g) Rule on parliamentary procedure;
- h) Put motions to a vote, and state clearly the results of the vote; and
- i) Preserve order and decorum.

Responsibilities:

Responsibilities of the President include, but are not limited to, the following:

- a) Sign all instruments, act, and carry out stated requirements and the will of the Board;
- b) Sign the minutes of the Board meeting following their approval;
- c) Appoint and disband all committees, subject to Board ratification;
- d) Call such meetings of the Board as he/she may deem necessary, giving notice as prescribed by law;
- e) Coordinate the preparation of meeting agendas with the General Manager;
- f) Confer with the General Manager or designee on crucial matters which may occur between Board of Directors meetings;
- g) Be responsible for the orderly conduct of all Board members;
- h) Be the spokesperson for the Board; and
- i) Perform other duties as authorized by the Board.

In the absence or disability of the President, the alternate presiding officer may temporarily carry out these responsibilities until such time as the President is able to resume his or her responsibilities.

The President of the Board of Directors shall serve as the presiding officer at all Board meetings.

In the absence or disability of the President, the Vice President of the Board of Directors shall serve as the presiding officer over all meetings of the Board. If the President and Vice President of the Board are both absent or disabled, the remaining members present shall select one of themselves to act as temporary presiding officer of the meeting.

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ETHICS TRAINING

All Directors, designated staff, and members of all commissions, committees, and other bodies that are subject to the Brown Act shall receive two hours of training in general ethics principles and ethics laws relevant to public service within one year of election or appointment to the board of directors and at least once every two years thereafter, pursuant to Government Code Sections 53234 et seq. as may be amended from time to time.

All ethics training shall be provided by providers whose curricula have been approved by the California Attorney General and the Fair Political Practices Commission.

Ethics training may consist of either a training course or a set of self-study materials with tests, and may be taken at home, in person, or online.

Attendees shall obtain proof of participation after completing the ethics training. Applicable costs for attending the training shall be reimbursed by the District.

District staff shall maintain records indicating both the dates that attendees completed the ethics training and the name of the provider that provided the training. These records shall be maintained for at least five years after the date of training and may be public records subject to disclosure under the California Public Records Act.

District staff shall provide the prospective attendees with information on available training that meets the requirements of this policy at least once every year.

A single training course may be used to satisfy the obligation to receive training for multiple agencies or positions.

MEMBERS OF THE BOARD OF DIRECTORS

Meeting Preparation:

Directors shall thoroughly prepare themselves to discuss agenda items at meetings of the Board of Directors. Directors may request information from staff before meetings.

Requests by individual Directors for substantive information and/or research from District staff will be channeled through the General Manager.

The General Manager shall be responsible for providing the requested information and shall make all information equally available to all Directors.

If writings are distributed to a majority of the Board in connection with an agenda item, those writings shall be made available to the public in the manner required by law.

Meeting Decorum:

Directors shall at all times conduct themselves with courtesy to each other, to staff, and to members of the audience present at Board meetings.

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Directors shall defer to the presiding officer for conduct of meetings of the Board but shall be free to question and discuss items on the agenda. All comments should be brief and confined to the matter being discussed by the Board.

Directors may request for inclusion into the meeting minutes brief comments pertinent to an agenda item only at the meeting that item is discussed (including, if desired, a position on abstention or dissenting vote).

Abstentions and Failure to Vote:

Directors should not abstain from the Board's decision-making responsibilities unless a personal or financial conflict of interest exists. Directors abstaining due to a disqualifying conflict of interest will not be counted as part of a quorum and will be considered absent for the purposes of determining the outcome of a vote on the matter. Directors who fail to vote in the absence of a declared conflict of interest will be counted as part of a quorum and in effect consent that a majority of the quorum will determine the outcome of a vote on the matter.

TRAINING, EDUCATION AND CONFERENCES

Members of the Board of Directors are encouraged to attend educational conferences, seminars, trainings, and professional meetings when the purpose of any such activity is to improve District operation. There is no limit as to the number of Directors attending a particular activity when it is apparent that attendance is beneficial to the District, as long as a majority of the members of a body do not discuss issues related to their local agency's business. Directors shall not attend conference or training event when it is apparent that there is no significant benefit to the District. Directors shall not attend or engage in any tour or journey for pleasure at public expense (e.g. "junkets" or other such events that are not beneficial to the District).

It is the policy of the District to encourage Board development and excellence of performance by reimbursing actual expenses incurred for travel and meals as a result of training, educational courses, participation with professional organizations, and attendance at local, state and national conferences associated with the interests of the District. Cash advances or use of District credit cards for these purposes is not permitted. Each Board member is allowed up to forty (\$40.00) dollars per day as a meal allowance. The District will pay for lodging and tuition in advance to the scheduled training or conference date.

The Administrative Assistant or the General Manager shall reimburse Directors for conference tuition and registration expenses, and for per diem expenses. Per diem expenses, when appropriate, shall include meals, lodging, and travel. All expenses for which reimbursement is requested by Directors, or which are billed to the District by Directors, shall be submitted to the Finance Division Manager, together with validated receipts. All reimbursements shall be made in accordance with applicable State and federal law, including but not limited to Internal Revenue Service Guidelines.

Attendance by Directors at seminars, workshops, courses, professional organization meetings, and conferences shall be approved by the Board of Directors prior to the District incurring any reimbursable costs.

Expenses to the District for Board of Directors' training, education, and conferences should be kept to a minimum by utilizing recommendations for transportation and housing accommodations recommended by the General Manager, and by:

- Utilizing hotel(s) recommended by the event sponsor in order to obtain discounted rates.
- Directors traveling together whenever feasible and economically beneficial.

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- Requesting reservations sufficiently in advance, when possible, to obtain discounted airfares and hotel rates.

A Director shall not be reimbursed for expenses incurred at any educational conference, seminar, training, or professional meeting event if such event occurs after the District has announced that Director's pending resignation, or if such event occurs after an election in which it has been determined that the Director will not retain his or her seat on the Board.

Upon returning from educational conferences, seminars, trainings, and professional meetings where expenses are reimbursed by the District, Directors will either prepare a written or verbal report for presentation at the next regular meeting of the Board. Said report shall detail what was learned at the session(s) that will be of benefit to the District. Materials from the session(s) may be delivered to the District office to be included in the District library for the future use of other Directors and staff.