

**HEBER PUBLIC UTILITY DISTRICT  
POLICY MANUAL**

*PRESENTED TO THE HPUD BOARD FOR ADOPTION VIA RESOLUTION 2015-15 ON OCTOBER 15, 2015*

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**SERIES 1000 GENERAL**

**POLICY TITLE: Purpose of Board Policies**  
**POLICY NUMBER: 1000**

- 1000.1 It is the intent of the Board of Directors (Board) of the Heber Public Utility District (HPUD) to maintain a Manual of Policies. Contained therein shall be a comprehensive listing of the Board's current policies, being the rules and regulations enacted by the Board from time to time. The Manual of Policies will serve as a resource for Directors, staff, employees and members of the public in determining the manner in which matters of District business are to be conducted.
- 1000.2 If any policy or portion of a policy contained within the Manual of Policies is in conflict with rules, regulations or legislation having authority over HPUD, said rules, regulations or legislation shall prevail.

**POLICY TITLE: Adoption/Amendment of Policies**  
**POLICY NUMBER: 1010**

- 1010.1 Consideration by the Board of Directors to adopt a new policy or to amend an existing policy may be initiated by any Director, or by the General Manager. The proposed adoption or amendment is initiated by submitting a written draft of the proposed adoption or amendment to each Director and the General Manager through the District office, and requesting that the item be included for consideration on the agenda of the appropriate regular meeting of the Board of Directors.
- 1010.2 Adoption of a new policy or amendment of an existing policy shall be accomplished at a regular meeting of the Board of Directors and shall require a majority vote.
- 1010.3 Before considering adopting or amending any policy, Directors shall have the opportunity to review the proposed adoption or amendment at the regular Board meeting prior to the meeting at which consideration for adoption or amendment is to be given. Copies of the proposed policy adoption or amendment shall be included in the agenda information packet for any meeting of consideration. The agenda information packets with said copies shall be made available to each Director for review at least three (3) days prior to any meeting at which the policy(ies) are to be considered.
- The requirement to review of a proposed new or amended policy prior to the meeting at which adoption is to be considered may be waived by a majority affirmative vote of the entire Board, with the agenda specifying consideration of such action.

**POLICY TITLE: Conflict of Interest**  
**POLICY NUMBER: 1020**

- 1020.1 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 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 Fair Political Practices Commission after public notice and hearings to conform to amendments in the Political Reform Act. Therefore, the terms of 2 Cal. Code of Regs. §18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference and, along with the attached **Appendix A** 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 Heber Public Utility District (HPUD).
- 1020.1.1 If any conflict arises between this Policy and 2 Cal. Code of Regs. §18730 then the HPUD Policies shall prevail; except where mandated by 2 Cal. Code of Regs. §18730.
- 1020.2 Designated employees shall file statements of economic interests with the Clerk of the HPUD Board and the Clerk of the Board of the County of Imperial.

**POLICY TITLE: Public Complaints**  
**POLICY NUMBER: 1030**

- 1030.1 The Board of Directors desires that public complaints be resolved at the lowest possible administrative level, and that the method for resolution of complaints be logical and systematic.
- 1030.2 A public complaint is an allegation by a member of the public of a violation or misinterpretation of a District policy, state, or federal statute of which the individual has been adversely affected.
- 1030.3 The method of resolving complaints shall be as follows:
- 1030.3.1 The individual with a complaint shall first discuss the matter with the Office Manager [or other responsible employee] with the objective of resolving the matter informally.
- 1030.3.2 If the individual registering the complaint is not satisfied with the disposition of the complaint by the Office Manager, the complaint may be filed with the General Manager. Within a reasonable time, the General Manager shall meet with the person filing the complaint to resolve the matter. 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 individual filing the complaint may request a written decision from the General Manager. The General Manager may appoint any management employee to resolve any complaint(s).
- 1030.3.3 If the individual filing the complaint is not satisfied with the disposition of the matter by the General Manager, a written complaint may be filed with the Board of Directors within ten (10) days of receiving the General Manager's decision. The Board may consider the matter at the next regular meeting, or call a special meeting. The Board will expeditiously resolve the matter. In making the final decision, the Board may conduct conferences, hear testimony, as well as utilize the transcripts of written documentation. The individual filing the complaint may request a written decision from the Board.
- 1030.4 This policy is not intended to prohibit or deter a member of the community or staff member from appearing before the Board to verbally present testimony, a complaint, or statement in regard to actions of the Board, District programs and services, or impending considerations of the Board.

**POLICY TITLE: Claims Procedure**  
**POLICY NUMBER: 1040**

The purpose of this policy is to provide direction to District staff for processing and resolving (if possible) account adjustment requests and property damage claims against the District. Inherent in this policy is the recognition that every adjustment request or claim will be unique, and that guidelines cannot be written to accommodate every case. Therefore, staff must use discretion and good sense in handling each claim.

1040.1 Property (Land and Improvements) Damage Claims

In the course of the District's operations damage to land and improvements thereon occasionally occurs due to the proximity of the District's facilities to the private property.

When a property owner informs a District employee of damage to their property; (by telephone or in person), the employee receiving the claim will document in writing the time and date, and a description of the stated circumstances and allegations. District has an incident report form that must be completed by the employee. Employees should respond to questions, be cordial and respectful, but refrain from commenting on liability questions.

The property owner must file a claim with HPUD. The claim form is available at HPUD office. Once a claim has been filed, and as soon as possible after information about the damage has been

received, it shall be given to the General Manager. The General Manager, or his/her designee, shall investigate the property owner's allegations

If the owner of damaged property informs a member of the Board of Directors, the information will be given to the General Manager. Directors should not independently investigate claims, but may go with staff to observe.

Investigations shall be done in a timely fashion and documented with a written report, including photographs and/or interviews, when appropriate. A copy of the report shall be submitted to the General Manager.

If the General Manager (or his/her designee) is convinced that the damage was caused by District personnel, equipment, or infrastructure, he/she shall prepare a work order to have the damage repaired, subject to the following conditions:

- (a) Property owner agrees that the proposed repairs are appropriate and adequate;
- (b) Property owner agrees to allow District personnel access to their property to perform the repair work;
- (c) District personnel have the necessary tools, equipment, and expertise to perform the necessary work;
- (d) Repair work can be accomplished within a reasonable amount of time; and,
- (e) Cost of material for the repairs will not exceed the District's insurance deductible.
- (f) A written document will be prepared outlining all damages and agreed upon repairs and signed by the property owner and the General Manager.

A report shall be submitted to the Board of Directors describing the damage claim, including a description of the manner in which it was resolved as soon as possible after resolution of the claim.

If the cost of material for repairs is stated by claimant or estimated to exceed the District's insurance deductible, the claim will be submitted to the Board of Directors. The Board of Directors shall review the claim and receive input from staff in closed session. After reviewing the damage claim, the Board may authorize the work if the cost of material for the repairs will not exceed the dollar amount of insurance deduction set by the District's insurance company. The claimant shall be notified of any action by the Board regarding their claim.

The Board will not consider a claim of an amount in excess of the insurance deductible, including the cost of investigation, without prior written approval of the District's insurance company.

Claims in excess of the District's insurance deductible shall be forwarded to the insurance company, and the claimant shall be advised of this action.

Claims for personal injury/wrongful death shall not be investigated by District staff or directors but shall be immediately forwarded to the District's insurance company.

#### 1040.2 Property (Vehicles and Unsecured Property) Damage Claims

All claims of damage to vehicles or other unsecured property shall be submitted to the General Manager. He/she shall review the damage claim and the requested restitution. If he/she determines that the damage is the District's responsibility, he/she may authorize repairs or reimbursement of expenses to an amount not to exceed the District's insurance deductible. A report shall be submitted to the Board of Directors describing the damage claim, including a description of the manner in which it was resolved.

The claim will be processed as described above if the cost of material for repairs is estimated to exceed the District's insurance deductible.

#### 1040.3 Property Damage Claims on HPUD Form

All damage claims must be submitted in writing on a District claim form. This will ensure that a claim is valid and protect important rights of the District.

If an individual does not wish to file a claim on the District form, he/she may present the claim by letter if it conforms to Section 910 and Section 910.2, California Government Code. Section 910 specifies that a claim needs to show all of the following:

- (a) The name and mailing address of the claimant.
- (b) The post office address to which the person presenting the claim desires notices to be sent.
- (c) The date, place, and other circumstances of the occurrence or transaction which gave rise to the claim asserted.
- (d) A general description of the indebtedness, obligation, injury, damage or loss incurred so far as it may be known as the time of presentation of the claim.
- (e) The name or names of the public employee or employees causing the injury, damage, or loss, if known.
- (f) The amount claimed if it totals less than ten thousand dollars (\$10,000) as of the date of presentation of the claim, including the estimated amount of any prospective injury, damage, or loss, insofar as it may be known at the time of the presentation of the claim, together with the basis of computation of the amount claimed. If the amount claimed exceeds ten thousand dollars (\$10,000), no dollar amount shall be included in the claim. However, it shall indicate whether the claim would be a limited civil case.

Section 910.2 of the California Government Code specifies the following:

The claim shall be signed by the claimant or by some person on his behalf. Claims against local public entities for supplies, materials, equipment or services need not be signed by the claimant or on his behalf if presented on a billhead or invoice regularly used in the conduct of the business of the claimant.

If the filed letter/claim does not meet the requirements of the California Government Code §910 and §910.2, then a letter shall be sent to the claimant informing them of this fact.

District staff shall provide no assistance to the claimant in filling out the claim form. Claimant must fill out the claim form in its entirety and submit it via mail, FAX, or personal delivery to the District office. Upon receipt, office staff shall date-stamp the document.

**POLICY TITLE:** Copying Public Documents  
**POLICY NUMBER:** 1050

Records may be inspected at the District during its regular office hours.

The California Public Records Act contains no provision for a charge to be imposed in connection with the mere inspection of records. Copies of records may be obtained for the direct cost of duplication, unless the Legislature has established a statutory fee.

The direct cost of duplication includes the pro rata expense of the duplicating equipment utilized in making a copy of a record and, conceivably, the pro rata expense in terms of staff time (salary/benefits) required to produce the copy.

A staff person's time in researching, retrieving and mailing the record is not included in the direct cost of duplication. By contrast, when an agency must compile records or extract information from an electronic record or undertake programming to satisfy a request, the requestor must bear the full cost, not merely the direct cost of duplication.

The right to inspect and copy records does not extend to records that are exempt from disclosure.

1050.1 Individuals requesting copies of public documents shall be charged per sheet copied to defray expenses associated with the copying process. The cost shall be determined by the General Manager based on the pro rata expense of the duplicating equipment utilized in making a copy of a record and the pro rata expense in terms of staff time required to produce the copy. The charges will be determined according to the California Public Records Act

1050.2 Copies of agendas and other writings (except for privileged documents) distributed to a majority of the Board of Directors at open Board meetings shall be made available to the public. A limited quantity of such documents (based on normal audience attendance) shall be copied in advance of each meeting and made available to the public in attendance at no charge. Individuals requesting copies of such documents prior to the Board meeting will be charged at the current rate established according to policy 1050.1 above. The copy charge will be levied at Board meetings for copies of documents if more are needed and/or requested in addition to those normally prepared for the public at Board meetings.

**POLICY TITLE: Recognized Employee Bargaining Units**  
**POLICY NUMBER: 1070**

1070.1 Any employee bargaining unit that has been formally recognized by the District, and any agreement(s), shall become a part of this Policy Handbook by reference.

1070.2 Whenever any agreement is entered into between the bargaining unit and any policy established by the District is in conflict, said agreement will prevail.

1070.3 These policies apply to all employees, except as may be modified by a Memorandum of Understanding with a recognized Bargaining Unit.

**SERIES 2000 PERSONNEL**

**POLICY TITLE: Executive Officer**  
**POLICY NUMBER: 2000**

2000.1 The General Manager shall be the Executive Officer of the Heber Public Utility District and for the Board of Directors.

2000.2 The terms and conditions of the General Manager's employment shall be specified in the agreement of employment established between the General Manager and the Board of Directors. The agreement of employment shall be for the period of time as specified therein.

2000.3 Whenever the agreement of employment established between the General Manager and the Board of Directors is in conflict with any District policy, said agreement of employment shall prevail.

**POLICY TITLE: Employee status**  
**POLICY NUMBER: 2001**

**2002 Probationary Employee**

2002.1 A "Probationary" employee is one who has been hired to fill a regular position in any job classification and has less than twelve continuous months of service with the District. Upon completion of twelve months of continuous service with the District in said classification, and upon receiving a satisfactory evaluation from the employee's supervisor, said employee shall be granted regular employee status.

- 2002.2 The General Manager may extend an employee's probationary period for up to six months.
- 2002.3 If an employee is terminated during the probationary period, said employee shall have no rights to the Grievance Procedure.
- 2002.4 Upon successful completion of probationary period, said employee's seniority shall revert to the date of hire.

**2003 Regular Employee**

- 2003.1 A "Regular" employee is one who has been hired to fill a regular position in any job classification and has completed his/her probationary period.

**2004 Temporary Employee**

- 2004.1 A "Temporary" employee is one who is hired to work within any job classification, but whose position is not regular in nature. The duration of the work assignment of a temporary employee will be determined by the General Manager, or his/her designee.

**2005 Part-Time Employee**

- 2005.1 A "Part-time" employee is one who is hired to work within any job classification, but whose position is not regular in nature. The part-time employee works whenever the District's workload increases to a level which regular employees cannot accommodate it. He/she also works standby as discussed in Policy #2010, "Hours of Work and Overtime."

**2006 Natural Resources Technical Association (NRTA) Bargaining Unit**

- 2006.1 The Heber Public Utility District recognized the NRTA as the exclusive bargaining representative with respect to matters relating to employment conditions and employer-employee relations, including, but not limited to, wages, hours and other terms and conditions of employment pursuant to California Government Code Section 35000 et seq, for all employees listed below:

Lead Operator  
Water/Wastewater Operator  
Water/Wastewater Operator in Training  
Parks Maintenance Worker  
Utility Maintenance Worker

- 2006.2 The Heber Public Utility District has the right to add, remove or otherwise change the positions and job descriptions according to the needs of the District.

**2007 Unrepresented Employees**

- 2007.1 The District recognizes that there are other employees that are not represented by the NRTA bargaining unit. These employees have over the years negotiated for wages, hours and other terms and conditions of employment on an individual case by case basis. These employees are non-exempt according to U.S. Department of Labor Fair Labor Standards Act (FLSA) and include the following positions:

Bookkeeper  
Senior Account Clerk

**2008 Exempt Employees**

- 2008.1 According to the Fair Labor Standards Act Executive Exemption, the General Manager and Chief Operator are exempt.
- 2008.2 According to the FLSA Administrative Exemption, the Finance Manager and Office Manager positions are exempt.
- 2008.3 The Chief Operator, Finance Manager and Office Manager are considered "at will" employees.
- 2008.4 The Heber Public Utility District has the right to add, remove or otherwise change the positions and job descriptions according to the needs of the District.

**POLICY TITLE: Hours of Work and Overtime**  
**POLICY NUMBER: 2010**

- 2010.1 This policy shall apply to all non-exempt employees. California Labor Code Section 500-558 will be adhered to.
- 2010.2 The workweek shall consist of seven consecutive days from 12:01 o'clock A.M. Monday, through midnight Sunday.
- 2010.3 Overtime is defined according to the California Labor Code Section 510 and outlined below.
- 2010.3.1 Time worked in excess of eight (8) hours in one workday and any work in excess of 40 hours in any one workweek, and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and none-half times the regular rate of pay for an employee.
- 2010.3.2 Time worked in excess of eight hours on a scheduled workday if a five-day, eight-hour per day workweek is in effect; or,
- 2010.3.3 Time worked in excess of ten hours on a scheduled workday if a four-day, ten-hour per day workweek is in effect; or,
- 2010.3.4 Time worked on a designated holiday.
- 2010.4 A schedule shall be maintained by the General Manager or his/her designee whereby maintenance employees shall be assigned, on a rotational basis, to be "on-call" on weekends, holidays, and other times not considered regular hours of work for District employees.
- 2010.4.1 When an employee is on-call, he/she shall be provided a communications device [radio, cell phone, pager, etc.] which will provide notification in the event of an emergency repair/maintenance work need. Said communications equipment [radio, cell phone, pager, etc.] shall be kept in the on-call employee's possession during the entire on-call period. Notification of an emergency-repair/maintenance job may also be given verbally, in person or telephonically by any employee or notification device.
- 2010.4.2 When an employee is on-call, he/she shall be free to utilize his/her time as desired, but must remain within the general Heber District area, going no farther than 30 minutes travel time away from any District facility.

**POLICY TITLE: Vacations**  
**POLICY NUMBER: 2020**

- 2020.1 This policy shall apply to regular and probationary employees in all classifications.

- 2020.2 Paid vacations shall be accrued according to the following schedule on an annual basis:
- (a) During the first year of continuous work through ten years, 15 days;
  - (b) Eleven through fifteen years of service, 20 days;
  - (c) Fifteen through twenty four years of service, 25 days;
- 2020.3 Employees who have completed six months in probationary status may take their vacation time all at once, or gradually.
- 2020.4 Vacation time may be accumulated or postponed. The total accumulated vacation time shall not exceed 240 hours unless authorized by the General Manager.
- 2020.5 At termination of employment for any reason, the District shall compensate the employee for his/her accumulated vacation time at his/her straight time rate of pay at the time of termination.
- 2020.6 The District will not require an employee to take vacation time in lieu of sick leave or leave of absence during periods of illness. However, the employee may elect to take vacation time in case of extended illness where sick leave has been fully used.
- 2020.7 If a holiday falls on a workday during an employee's vacation period, that day shall be considered as a paid holiday and not vacation time.
- 2020.8 Vacations may be scheduled at any time during the year upon approval of the employee's supervisor or the General Manager.
- 2020.10 Vacations are provided by the District to employees as a period of exemption from work with pay for the purpose of rest, relaxation and recreation. This respite is a benefit and is intended as an aid in maintaining the long-term and consistent productivity and contentment of the employee. As such, pay in lieu of vacation time away from work shall not be permitted.
- 2020.11 The General Manager, or his/her designee, has full authority to allow or deny any employee request for vacation time if it would interfere with the operation of the District.

**POLICY TITLE:           Holidays**  
**POLICY NUMBER:       2030**

- 2030.1 This policy shall apply to all employees, except temporary and part-time employees.
- 2030.2 The following days shall be recognized and observed as paid holidays:
- New Year's Day;
  - Martin Luther King, Jr.'s Birthday;
  - President's Day;
  - Cesar Chavez holiday
  - Memorial Day;
  - Independence Day;
  - Labor Day;
  - Veteran's Day;
  - Thanksgiving Day;
  - Day after Thanksgiving Day;
  - Christmas Day;
- 2030.2.1 Employees Birthday.

Employees are entitled to take the date of their birth off from work. This day may be scheduled with a two week period before or after the birthday. The General Manager, or his/her designee, has full authority to allow or deny any employee request to reschedule their "Birthday" time off if it would interfere with the operation of the District.

2030.2.2 Good Friday

Good Friday is the Friday before Easter Sunday. This is considered a Holiday for all probationary and full time employees that are NOT included in the NRTA Bargaining Unit. This Holiday is currently not included in the NRTA Holiday's and as such the employees who are included in the NRTA Bargaining Unit do not get this day off. If a change is made to include this Holiday in the NRTA MOU, then the MOU will be followed.

2030.3 All regular work shall be suspended and employees shall receive one-day's pay for each of the holidays listed above. An employee is eligible for any paid holiday if he/she works the day before and the day after said holiday. Eligibility is also granted if the employee was on vacation or had notified the General Manager or other responsible management employee and received permission to be absent from work on that specific day or days.

2030.4 Whenever a holiday falls on Saturday, the preceding Friday shall be observed as the holiday. Whenever a holiday falls on Sunday, the following Monday shall be observed as the holiday.

2030.5 When an employee is taking an authorized leave with pay when a holiday occurs, said holiday shall not be charged against said leave with pay.

2030.6 If any employee works on any of the holidays listed above, he/she shall, in addition to his/her holiday pay, be paid for all hours worked at the rate of time and one-half (1½) his/her regular rate of pay, or as otherwise specified under Policy #2010, "Hours of Work and Overtime."

**POLICY TITLE: Sick Leave**  
**POLICY NUMBER: 2040**

2040.1 This policy shall apply to probationary and regular employees in all classifications. Not probationary and part-time employees.

2040.2 Sick leave is defined as absence from work due to illness, non-industrial injury, or quarantine due to exposure to a contagious disease. In addition, dentist and doctor appointments and prescribed sickness prevention measures shall be subject to sick leave provided prior notice is provided to the employee's supervisor or the General Manager.

2040.3 All employees shall earn sick leave according to the appropriate Bargaining Unit MOU. Employees not covered by a bargaining unit earn sick leave at the rate of two days per month.

2040.4 Sick leave is not a privilege that an employee may use at his/her discretion, but shall be allowed only in case of necessity and actual sickness or disability of the employee, or because of illness in his/her immediate family.

2040.4.1 The definition of "immediate family" shall be the same as specified in Section 2050.3 of the Bereavement Leave policy (#2050).

2040.5 In order to receive compensation while on sick leave, the employee shall notify his/her supervisor prior to the time for beginning the regular work day, or as soon thereafter as practical.

2040.6 If absence from duty by reason of illness occurs, satisfactory evidence may be required by the General Manager or other responsible management employee.

**POLICY TITLE: Family and Medical Leave**  
**POLICY NUMBER: 2045**

- 2045.1 The purpose of this policy is to clarify how HPUD will implement the Family and Medical Leave Act of 1993 (FMLA). Employees represented by a recognized bargaining unit shall be covered by the provisions of current agreement, notwithstanding the contents of this policy, unless said provisions are in conflict with the FMLA. The Heber Public Utility District will follow all regulations related to the Family Medical Leave Act.
- 2045.2 Eligibility. To be eligible for leave under the FMLA, an employee must have: (1) been employed by HPUD for at least 12 months, which need not be consecutive; (2) worked for HPUD at least 1,250 hours during the 12 months immediately preceding the commencement of leave.
- 2045.3 Leave Benefit.
- 2045.3.1 Eligible employees will be provided with up to 12 weeks of unpaid leave each year to care for a newborn, adopted, or foster child or for a seriously ill child, parent, or spouse. In addition, employees who are unable to perform the functions of their position because of a serious health condition will also be entitled to 12 weeks of unpaid leave. "Serious health condition" is defined as an illness, injury, impairment, or physical or mental condition that entails (1) Inpatient care in a hospital, hospice, or residential medical care facility; or, (2) Continuing treatment by a health care provider.
- 2045.3.2 To be eligible for leave under the FMLA, the employee will first be required to use applicable accrued paid leaves permitted by the District, including vacation leave and sick leave for the first part of the 12-week statutory leave. Paid leave may not be added to the end of the 12 weeks of unpaid leave without the General Manager's prior approval. If a husband and wife are both employed by HPUD, the total number of workweeks of leave to which both may be entitled shall be limited to 12 weeks if leave is taken for the birth, adoption, or foster placement of a child or for the purpose of caring for a seriously ill parent.
- 2045.3.3 Employees on approved FMLA leave who were previously covered by HPUD's health benefit shall continue to be covered at the level and under the conditions that coverage would have been provided if the employee were continuing to work.
- 2045.3.4 At the end of the leave the employee will be reinstated to their previous position or to an equivalent job with equivalent pay, benefits, and working conditions. However, the employee will not accrue seniority or employment benefits during the leave period. HPUD may also require the employee to obtain medical certification that they are able to resume work.
- 2045.4 Employee Obligations
- 2045.4.1 If an employee requests leave for the birth, adoption, or the foster placement of a child, and the need for leave is foreseeable, the employee must provide his or her division manager with at least 30 days' notice. However, if the date of the birth, adoption, or foster placement requires that leave begin in less than 30 days, the employee must provide the division manager with as much notice as practicable. If the employee requests leave because of a serious health condition, the employee must provide the division manager with 30- days notice, or with as much notice as practicable.
- 2045.4.2 Employees seeking leave on account of a serious health condition must provide the division manager with medical certification regarding their condition. The General Manager may require employees to obtain, at HPUD's expense, a second opinion. If the second opinion differs from the first, the General Manager may require a third opinion from a mutually agreed on health care provider.

2045.4.3 For most leaves, employees will not be permitted to take their leave intermittently or on a reduced-leave schedule without the General Manager's approval. However, intermittent leave or a reduced-leave schedule may, if medically necessary, be taken by the employee because of a serious health condition. An employee who seeks intermittent leave or leave on reduced-leave schedule because of planned medical treatment may be required to transfer temporarily to a different position, with equivalent working conditions, that accommodates recurring periods of leave better than the employee's regular job.

**POLICY TITLE: Bereavement Leave**  
**POLICY NUMBER: 2050**

- 2050.1 This policy shall apply to probationary and regular employees in all classifications.
- 2050.2 In the event of a death in the immediate family, an employee may be granted a paid leave of absence not to exceed three paid working days off. This is in addition to regular sick leave and vacation time. Certification may be required by the General Manager or other responsible management employee.
- 2050.3 "Immediate family" is defined as being Father, Father-in-Law, Mother, Mother-in-Law, Spouse, Son (includes step son), Daughter (includes step-daughter), Grandmother, Grandfather, Sister, Sister-in-Law, Brother, Brother-in-Law, Son-in-Law, Daughter-in-Law, Grandchildren, or any other person who is a legal dependent of the employee.
- 2050.4 If needed, an employee is to be granted two (2) additional days off with pay for attending or arranging the funeral, beyond five hundred (500) miles. HPUD may request proof of necessity of employee having to make the arrangements or attend the funeral.

**POLICY TITLE: Jury Duty**  
**POLICY NUMBER: 2060**

- 2060.1 This policy shall apply to probationary and regular employees in all classifications.
- 2060.2 An employee summoned for jury duty will immediately notify the General Manager or other responsible management employee. While serving on a jury, he/she will be given a paid leave of absence for the duration of said jury duty. Said paid leave of absence is conditional upon the employee returning to work upon dismissal each day to complete his/her remaining normal work-day. It is also conditional upon the employee's conveyance to the District of any compensation received as a juror, not including any travel allowance received.

**POLICY TITLE: Military Duty**  
**POLICY NUMBER: 2065**

- 2065.1 The Heber Public Utility District will adhere to the Federal Uniformed Services Employment and Reemployment Rights Act (USERA) and any California Military Leave Laws that are in effect at the time of service.

**POLICY TITLE: Continuity of Service**  
**POLICY NUMBER: 2070**

- 2070.1 For probationary and regular employees in all classifications, length of continuous service with the District will be used as the basis for determining benefits such as sick leave and vacation time. Length of continuous service will also be one of the considerations in promotions, demotions and layoffs.
- 2070.2 Continuous service with the District will start with the date of employment and continue until one of the follow occurs:

- 2070.2.1 An employee is discharged for cause;
- 2070.2.2 An employee voluntarily terminates his/her employment; or,
- 2070.2.3 An employee is laid off.
- 2070.3 Continuity of an employee's service will not be broken by absence for the following reasons, and his/her length of service will accrue for the period of such absence:
- 2070.3.1 Absence by reason of industrial disability;
- 2070.3.2 Authorized absence without pay for less than 30 days in a calendar year; or,
- 2070.3.3 Absences governed by applicable state and/or federal laws such as military or National Guard service.
- 2070.4 A re-employment list shall be maintained by the District. The re-employment list shall be used to determine the order in which part-time and temporary employees shall be employed when other than regular work is available and additional employees are needed. The list shall be arranged on the basis of seniority. An individual is considered to have seniority if his/her length-of-service, as defined above, is greater than that of another individual on the list. An individual on the re-employment list shall be rehired to fill a vacant position within a specific job classification if:
- 2070.4.1 He/she was previously employed within said job classification or within a job classification requiring higher qualifications, and/or satisfies the qualifications as specified in the job description for said vacant position; and,
- 2070.4.2 He/she has seniority, as defined above.
- 2070.5 When an individual on the re-employment list is called to work and is unavailable to work, the next person on the list having seniority and satisfying the conditions listed in Section 2070.4, above, shall be called. If an individual is called to work without being available to work, his/her name may be removed from the re-employment list. An individual shall be removed from the re-employment list when he/she notifies the District that he/she has taken a regular position elsewhere and is unavailable to work for the District.
- 2070.6 Regular employees who are laid off will be placed on the re-employment list and shall receive seniority based on previously earned length-of-service.
- 2070.7 Previous regular employees who were laid off and called back for work not being regular in nature will have their employment service records maintained so that they accumulate length-of-service as they work on an "hour-for-hour" basis.
- 2070.8 Part-time and temporary employees who are hired for a position having regular status will have previously earned length-of-service maintained in their employment service records.
- 2070.9 Previous temporary employees who are rehired within 18 months of their last date of employment shall have their employment service records restored to include previously earned length-of-service.

**POLICY TITLE: Uniforms and Protective Clothing**  
**POLICY NUMBER: 2090**

- 2090.1 The cost of uniforms and/or protective clothing, shoes, etc., that employees are required to wear shall be borne by the District.

2090.2 The cost of uniforms is considered a benefit to the employee and as such has a specific and identified value which must be considered as income according to the CalPERS regulations. The actual cost will be included in the calculations to determine employee wage and benefits for CalPERS.

2090.3 When an employee for whom said uniforms, clothing, shoes, etc., were purchased or reimbursed is terminated for any reason prior to completing three continuous months of service after said purchase, a portion of the cost of said items shall be retained from his/her final payment. That portion retained shall be a percentage of the total cost of said items equal to 100% less the ratio of the amount of time worked to three continuous months of regular work.

**POLICY TITLE: Vehicle Costs**

**POLICY NUMBER: 2100**

2100.1 When an employee is authorized to use his/her personal vehicle in the performance of District work, he/she shall be reimbursed for the cost of said use on the basis of total miles driven and at the rate specified in the Internal Revenue Service Guidelines in effect at the time of said usage.

2100.2 Use of personal vehicles shall not be authorized for the performance of District work if a suitable District vehicle is available and safely operational.

2100.3 Every attempt shall be made to coordinate work so that District vehicles are available and operational for the performance of said work.

2100.4 Proof of adequate insurance covering collision, personal injury, and property damage shall be required by the District of any employee using a personal vehicle in the performance of District work.

**POLICY TITLE: Health, Vision & Dental**

**POLICY NUMBER: 2110**

2110.1 Medical Expense Insurance. Accident, health and hospital insurance to cover non-occupational injuries and sickness for probationary and full-time employees in all job classifications, and their dependents, shall be provided by the District.

2110.2 Workers' Compensation Insurance. All District employees will be insured against injuries received while on the job as required by State law.

2110.3 Retirement Plan. Upon achieving full-time Regular employee status, employees shall be enrolled in the District's employee retirement plan. For retirement purposes full-time employee status is determined by the District's Retirement Plan.

2110.4 Vision and Dental Care Benefit. The District shall provide a vision and dental care benefit plan to all full-time employees.

**POLICY TITLE: Pay Periods**

**POLICY NUMBER: 2130**

2130.1 The salaries and wages of all District employees shall be paid Bi-weekly, being every other Friday.

2130.2 In the event a payday falls on one of the holidays listed in Policy #2030, "Holidays", the immediately previous working day shall become the payday.

**POLICY TITLE: Guidelines on Accepting and Providing Gifts, Entertainment and Services**

**POLICY NUMBER: 2155**

- 2155.1 An employee or his/her immediate family may not accept from, or provide to, individuals or companies doing or seeking to do business with the District, gifts, entertainment, and/or other services or benefits unless the transaction meets all of the following guidelines:
  - 2155.1.1 is customary and gives no appearance of impropriety and does not have more than a nominal value;
  - 2155.1.2 Does not impose any sense of obligation on either the giver or the receiver;
  - 2155.1.3 Does not result in any kind of special or favored treatment;
  - 2155.1.4 Cannot be viewed as extravagant, excessive, or too frequent considering all the circumstances including the ability of the recipient to reciprocate at District expense.
  - 2155.1.5 Is given and received with no effort to conceal the full facts by either the giver or receiver.
- 2155.2 The General Manager and/or the Legal Counsel for the District has the authority to determine if any gift(s) fall within the meaning as defined in this section.
- 2155.3 The HPUD Board of Directors will comply with AB 1234, which requires that if a local agency provides any type of compensation, salary, or stipend to, or reimburses the expenses of a member of its legislative body that local agency's official must receive training in ethics. The Code of Ethics is included in this Policy as **Appendix "H"**.

**POLICY TITLE: Unauthorized Voluntary Absence**  
**POLICY NUMBER: 2165**

- 2165.1 Voluntary absence from work without permission for three consecutive working days shall be considered an automatic resignation.
  - 2165.1.1 After three consecutive days of voluntary absence from work without permission, the employee shall be notified in writing that the absence will be considered as resignation. Said notice shall provide factual evidence that the employee's absence is voluntary and unauthorized and an invitation to the employee to present his/her version of the "facts" at an informal hearing before the General Manager, or his/her designee.
    - 2165.1.1.1 Constructive resignation shall not be determined to have occurred until after the employee has an opportunity to present his/her version of the "facts" at the informal fact-finding hearing.
    - 2165.1.1.2 The fact-finding hearing shall be held within ten days after the end of the three consecutive days of unauthorized voluntary absence.
  - 2165.2 The General Manager may, prior to the informal fact-finding hearing, reinstate the employee who has been voluntarily absent without leave for three consecutive days if the employee provides a satisfactory explanation. If the employee is reinstated after providing a satisfactory explanation, back pay for the period of absence may be disallowed, including the employee's use of vacation or "comp" time to cover the period of absence.
  - 2165.3 If the General Manager determines, as a result of the evidence presented at the fact-finding hearing, that the employee was voluntarily absent without leave and did not have a satisfactory explanation, the employee shall not be entitled to a post-severance evidentiary hearing and the employee's resignation shall be considered to be effective at the end of the third consecutive day of his/ her unauthorized voluntary absence.

**POLICY TITLE: Performance Evaluation/Regular Compensation**  
**POLICY NUMBER: 2170**

- 2170.1 This policy shall apply to all employees.
- 2170.2 The basic pay plan shall be determined from a salary schedule of ranges with two steps each established by Resolution of the District Board. Amendment of the compensation plan, upon recommendation of the General Manager may be made by Resolution of the Board as the occasion requires.
- 2170.3 The rate of compensation for the initial employment in any classification shall be at the lower of the two steps.
- 2170.4 Merit Advancement within a range shall be meritorious performance in an employee's assigned duties. Meritorious performance shall be measured by the receipt of a rating of "satisfactory" or above in the District approved performance evaluation.
- 2170.4.1 All proposed advancements shall be recommended by the Department Manager and approved by the General Manager before becoming effective.
- 2170.5 When an employee is promoted from employment in one class to employment in a class assigned a higher range, advancement shall be to the lowest step in such higher range which will provide no less than five percent (5%) increase in salary.
- 2170.2 The General Manager or his/her designated representative shall conduct a scheduled performance review of each employee annually. If the employee's immediate supervisor is not the evaluator, he/she shall be consulted during the preparation of the evaluation.
- 2170.3 Performance evaluations shall be in writing on forms prescribed by the General Manager. Said evaluation shall provide recognition for effective performance and also identify areas that need improvement. In addition to providing scaled scores in each performance and characteristic category, the evaluator may also provide a narrative explanation of the reason for each score.
- 2170.4 The performance evaluation shall be signed by the evaluator and shall be discussed with the employee. The employee will be provided an opportunity to prepare a written response to the evaluation that will be attached to the evaluation for inclusion in his/her personnel file. The employee will sign the performance evaluation. If the employee refuses to sign the evaluation the evaluator will make a notation indicating that employee refused to sign and file the evaluation in the employee's personnel file.
- 2170.5 Unscheduled performance evaluations may be made at the discretion of the General Manager or his/her designated representative.

**POLICY TITLE:           Grievance**  
**POLICY NUMBER:       2180**

- 2180.1 This policy shall apply to all regular employees, with the exception of exempt employees.
- 2180.2 The purpose of this policy is to provide a procedure by which an employee may formally claim that he/she has been affected by a violation, misapplication, or misinterpretation of a law, District policy, rule, regulation, or instruction.
- 2180.3 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.
- 2180.4 Grievance Procedure Steps.

- 2180.4.1 Level I, Preliminary Informal Resolution. Any employee who believes he/she has a grievance shall present the evidence thereof orally to his/her immediate supervisor within five working 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 and attempt to resolve the matter within three working days after the presentation of such evidence. It is the intent of this informal meeting that at least one personal conference be held between the employee and the immediate supervisor.
- 2180.4.2 Level II, General Manager. If the grievance has not been resolved at Level I, the grievant may present his/her grievance in writing on a form provided by the District (attached hereto as **Appendix "B"**) to the General Manager within ten working days after the occurrence of the act or omission giving rise to the grievance.
- 2180.4.2.1 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;
  - (d) The specific remedy sought.
- 2180.4.2.2 The General Manager shall communicate his/her decision within ten 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.
- 2180.4.3 Level III, Board of Directors'. In the event the grievant is not satisfied with the decision at Level II, the grievant may appeal the decision in writing on a form provided by the District (attached hereto as **Appendix "B"**) 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 appeal must be filed with the Clerk of the Board.
- 2180.4.3.1 The Board of Directors shall, as soon as possible, schedule a hearing in closed session to formally receive the written grievance and the answers thereto at each step and to hear evidence regarding the issue or issues. The Committee's decision shall be announced in open session immediately after the closed session in which it was made.
- 2180.5 Basic Rules.
- 2180.5.1 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.
- 2180.5.2 By agreement in writing, the parties may extend any and all time limitations specified above.
- 2180.5.3 The General Manager may temporarily suspend 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.
- 2180.5.4 A copy of all formal grievance decisions shall be placed in the employee's permanent personnel file.

**POLICY TITLE: Drug & Alcohol Abuse**  
**POLICY NUMBER: 2190**

- 2190.1 It is the desire of the Board of Directors that all work environments of District employees be safe and productive and free of the influence of drugs, alcohol and/or other controlled substances. The Board of Directors is concerned with the physical safety of all employees, potential damage to property and equipment, mental and physical health of employees, productivity and work quality, medical insurance costs, and the harm done to employees and their families by the inappropriate use of controlled substances.
- 2190.2 The use (except as prescribed by a physician), sale, possession, purchase, or transfer of drugs, alcohol and/or other controlled substances by any District employee or officer on District property or work sites or while said employee or officer is on District business is prohibited.
- 2190.2.1 Employees are also prohibited from being under the influence of drugs, alcohol and/or other controlled substances during hours of work where such substances could impair the fitness of an employee to perform his/her work.
- 2190.2.2 Commission of any of the actions described above will subject the employee to disciplinary action up to and including termination.
- 2190.2.3 For the purpose of applying this policy, being under the influence of drugs, alcohol and/or other controlled substances means being impaired in any way from fully and proficiently performing job duties and/or having a detectable amount of said substances in one's body.
- 2190.3 The decision to discipline or terminate an employee found to have used and/or be under the influence of drugs, alcohol and/or other controlled substances during working hours may be waived or held in abeyance by the General Manager pending said employee's attempt at rehabilitation. The General Manager has discretion to handle each case individually with factors such as the employee's frequency of use, commitment to rehabilitation, and type of substance taken into consideration regarding the waiving of penalties.
- 2190.3.1 Discipline or termination that is waived or held in abeyance pending rehabilitation should be done on the condition, set forth in writing, that the employee:
- 2190.3.1.1 Successfully complete an approved rehabilitation program;
- 2190.3.1.2 Faithfully comply with maintenance and therapeutic measures (e.g., attendance at AA or NA meetings); and,
- 2190.3.1.3 Be subject to periodic testing without further reasonable cause.
- 2190.3.2 Employees who are found to have brought drugs, alcohol or other non-prescription controlled substances onto District property or work sites and to have provided them to other employees shall be terminated without recourse to a rehabilitation program.
- 2190.3.3 Discipline or termination should not be taken until a thorough investigation has been completed.
- 2190.4 To assure that employees, property and equipment are not endangered by other employees who are involved with, or under the influence of drugs, alcohol and/or other controlled substances, any employee whose conduct, appearance speech or other characteristics create a reasonable suspicion of involvement with, or influence of said substances will be taken to a medical facility and be subject to an exam by a qualified physician at District expense. If said physician determines that a drug/alcohol test is warranted, said employee will be subject to testing for the presence of alcohol or drugs in their bodies.

- 2190.4.1 Presence of such substances will result in disciplinary action up to and including termination, as described above.
- 2190.4.2 An employee who is suspected of involvement as described above and refuses to cooperate in the physician's exam and/or drug/alcohol testing is subject to termination.
- 2190.5 If a qualified physician, as a part of the examination specified in Section 2190.4, above, determines that an employee is not capable of working safely, said employee will be transported to his/her home by a supervising employee and not allowed to drive himself/herself home.
- 2190.6 Immediately prior to reporting for drug/alcohol testing, all employees shall complete a Consent and Release form to be kept on file in the District office which shall conform to the general format, as shown on **Appendix C**.
- 2190.7 District employees are required to notify the General Manager [or other responsible management employee] in writing of any criminal drug statute of which they are convicted for a violation occurring in the workplace no later than five calendar days after such conviction.
- 2190.8 The Natural Resources Technical Association Memorandum of Understanding with HPUD has as Appendix "B" a Drug and Alcohol Policy, which conforms to HPUD's policy number 2190.
- 2190.9 All employees must sign a Certificate of Receipt of Drug and Alcohol Policy. The signed receipt will be maintained in the employee's personnel file. The Certificate of Receipt is attached as **Appendix "D"** to this policy.

**POLICY TITLE: Affirmative Action**  
**POLICY NUMBER: 2220**

- 2220.1 It is the policy of Heber Public Utility District that there shall be no discrimination against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex., physical handicap, veteran's status, or any other status in any personnel action, including recruitment, appointment, performance evaluation, promotion, the granting of leaves, and any disciplinary or grievance action.
- 2220.2 This policy contains two major commitments:
  - 2220.2.1 To recognize both a moral and legal obligation to work toward a work force composition reflecting the mix of ethnic minorities and women in the labor markets from which the District draws its staff.
  - 2220.2.2 To make a demonstrable and deliberate effort in hiring to solicit applications from minority and women candidates in all cases where their representation is below the labor force standard.
- 2220.3 Allegations of wrongdoing, such as arbitrary and discriminatory action, should be made through the "Grievance Procedure", as described in Policy #2180, or complaints to regulatory agencies.

**POLICY TITLE: Equal Opportunity**  
**POLICY NUMBER: 2225**

- 2225.1 The District employs persons having the best available skills to efficiently provide high quality service to the public.
- 2225.2 The District provides equal opportunity for all persons in all aspects of employment, including recruitment, selection, promotion, transfer, training, compensation, educational assistance, benefits, discipline, working conditions, reduction in force, reinstatement, and all other matters of employment.

2225.2.1 Such equality of opportunity shall be based solely on job related knowledge, skills, and job performance, and shall be without discrimination because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex., physical handicap, veteran's status, or any other factor unrelated to job performance.

**POLICY TITLE: Separation from District Employment**  
**POLICY NUMBER: 2250**

2250.1 Resignation. To leave District service in good standing, an employee must file a written notice of termination with the General Manager at least two weeks before the effective date. The General Manager may, however, grant good standing with less notice if he/she determines the circumstances warrant. Resignations may not be withdrawn without the General Manager's approval.

2250.2 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 demoted.

2250.2.1 Employees to be laid off shall be given notice at least 14 calendar days in advance of the layoff date.

2250.2.2 Except as otherwise provided, whenever there is a reduction in the work force, the General Manager shall first demote to a vacancy, if any, in a lower position for which the employee who is the latest to be laid off (in accordance with Policy # 2250.2 of this policy) is qualified.

2250.2.3 An employee affected by layoff may have retreat rights to displace an employee who has less seniority in a lower position that the employee has previously occupied or supervised. For the purpose of this document, seniority includes all periods of full-time service at or above the retreat position being considered.

2250.2.4 In order to retreat to a former or lower position, an employee must request displacement action in writing to the General Manager within five working days of receipt of the layoff notice.

2250.2.4.1 Employees retreating to a lower position shall be placed at the salary step representing the least loss of pay. In no case shall the salary be increased above that received in the position from which the employee was laid off.

2250.2.5 If two positions have the same job description, then employees shall be laid off according to employment status in the following order: temporary, probationary, and tenured. Tenured employee is defined as a regular employee who is not on "probationary" status. Temporary and probationary employees shall be laid off according to the needs of the service as determined by the General Manager. In cases where there are two or more tenured positions with the same job description from which the layoff is to be made, such employees shall be laid off on the basis of the last evaluation rating in the position, providing such rating has been filled at least 60 days prior to layoff as follows:

2250.2.5.1 First, all employees having ratings of "Unsatisfactory;"

2250.2.5.2 Second, all employees having ratings of "Improvement Needed;"

2250.2.5.3 Third, all employees having ratings of "Satisfactory"

2250.2.5.4 Fourth, all employees having ratings of "Exceeds Expectations;"

- 2250.2.5.5 Fifth, all employees having ratings of "Outstanding;"
- 2250.2.5.8 Employees within each of the rating categories shall be laid off in order of least seniority first.
- 2250.2.6 The names of persons laid off or demoted in accordance with this policy shall be entered upon a re-employment list. The re-employment list shall be used by the General Manager when a vacancy arises in the same or lower position before certification is made from an eligibility list.
- 2250.2.7 Names of persons laid off shall be carried on the re-employment list for one year, except that persons appointed to tenured positions of the same level as that from which they were laid off, shall upon such appointment, be removed from the list. Persons who refuse re-employment shall be removed from the list. Persons re-employed in a lower position in the same classification, or on a temporary basis, shall be continued on the list for the higher position for one year. At the discretion of the General Manager, the list may be extended for an additional year.
- 2250.3 Dismissal of Tenured Employees. A tenured employee may be dismissed at any time by the General Manager for cause, and after consulting with District Legal Counsel.
  - 2250.3.1 The following shall constitute sufficient cause for dismissal:
    - 2250.3.1.1 Conviction of a felony;
    - 2250.3.1.2 Fraud in securing employment; Misappropriation of District funds or property;
    - 2250.3.1.4 Intentional or gross misconduct; and,
    - 2250.3.1.5 Failure to respond or improve regarding an item specified in Policy # 2260.2, "Grounds for Discipline", of Policy # 2260, "Disciplinary Action", after an evaluation or corrective action plan has failed to produce an improvement to performance.
    - 2250.3.1.6 Incapacity due to mental or permanent physical disability rendering the employee unable to perform job duties with or without accommodation.
  - 2250.3.2 A probationary employee may be dismissed at any time during a probationary period without right of appeal or hearing. In case of such dismissal, the General Manager shall notify the dismissed probationary employee in writing that he/she is being separated from District service.
  - 2250.3.3 Dismissal of the General Manager shall be as outlined in the employment agreement between the General Manager and the District.
- 2250.4 Notice of Dismissal. All employees shall be provided with a notice of dismissal. This notice shall be prepared by the General Manager after consultation with District Counsel and shall contain the following:
  - 2250.4.1 A description of the proposed action and its effective date or dates, and in the case of a tenured employee, the ordinance, regulation or rule violated;
  - 2250.4.2 A statement of the acts or omissions upon which the action is based;
  - 2250.4.3 A statement that a copy of the materials upon which the action is based are attached or available for inspection upon request; and,
  - 2250.4.4 In the case of a regular employee, a statement advising the employee of the right to file an appeal as provided in Policy # 2250.5 of this policy.
- 2250.5 Procedures for Disciplinary Action and Dismissal of Regular (Tenured) Employees.

- 2250.5.1 A Regular employee may, upon receipt of a notice of dismissal or disciplinary action, appeal in writing to the General Manager within five working days of the date of the notification.
- 2250.5.2 The General Manager shall then schedule an informal hearing at which the employee may answer the charges against him/her, present any mitigating evidence, or otherwise respond to the notice of dismissal.
- 2250.5.3 The hearing guidelines and format shall be available upon request.
- 2250.5.4 The General Manager shall issue his/her opinion and decision within ten working days of the hearing and may, if the General Manager finds that the dismissal was not justified, he/she may order a less severe disciplinary action, or may order the employee reinstated with full back pay and benefits.

**POLICY TITLE: Confidentiality Regarding Resignations**  
**POLICY NUMBER: 2251**

- 2251.1 To the extent permitted by law, District staff and Directors shall keep confidential the circumstances giving rise to an employee's resignation from the District.
- 2251.1.1 This policy is itself a public record which the District must release upon request.

**POLICY TITLE: Disciplinary Action**  
**POLICY NUMBER: 2260**

2260. This Policy applies to all non-exempt employees.
- 2261 The General Manager may dismiss any "Exempt" Management employee with or without cause.
- 2262 The General Manager and Department Managers are authorized to take disciplinary action regarding employees under their control in accordance with, and within the limits of, these rules.
- 2262.1 Additional Disciplinary Actions, including examples of offenses which are normally cause for disciplinary action, are included in the Natural Resources Technical Association Memorandum of Understanding outlined in Exhibit "C" Titled EXAMPLES / DISCIPLINARY ACTION.
- 2262.2 The following measures are part of the progressive disciplinary process: warning, reprimand, suspension with or without pay, demotion, reduction in pay, or dismissal. The General Manager may discipline any employee for cause.
- 2262.3 Grounds for Discipline:
- 2262.3.1 Discourteous treatment of the public or fellow employees.
- 2262.3.2 Drinking of intoxicating beverages or use of illegal or non-prescribed drugs on the job, or arriving on the job under the influence of such beverages or drugs.
- 2262.3.3 Habitual absence or tardiness.
- 2262.3.4 Abuse of sick leave.
- 2262.3.5 Disorderly conduct.
- 2262.3.6 Incompetence or inefficiency.
- 2262.3.7 Being wasteful of material, property, or working time.

- 2262.3.8 Violation of any lawful or reasonable regulation or order made and given by an employee's supervisor; insubordination.
- 2262.3.9 Neglect of duty.
- 2262.3.10 Dishonesty.
- 2262.3.11 Misuse of District property.
- 2262.3.12 Willful disobedience.
- 2262.3.13 Conduct unbecoming a District employee.
- 2262.3.14 Willful, deliberate or repeated violations of safety and operating procedures, which may jeopardize the health and safety of the HPUD customers.
- 2262.4 All disciplinary action will be accompanied by a letter of warning to the employee stating the reasons and grounds for such discipline. The employee must acknowledge receipt of the warning by signing the letter at the time of presentation; this signature signifies only receipt of the document, not necessarily agreement to the contents. The employee may, before the conclusion of the next ten (10) regular working days, respond in writing to the contents of the letter of warning.
- 2262.5 All negative evaluations or letters of warning shall remain part of the employee's personnel file. Negative evaluation shall not be used by the General Manager in decisions to dismiss if the performance has improved or the action which merited a warning has not recurred, each/both for a period of at least one year.
- 2262.6 Any disciplinary action which may result in suspension without pay shall be set forth in writing to the employee at least five working days before the proposed effective date or dates. This notice shall be prepared by the General Manager after consultation with the District Legal Counsel and shall contain the following:
  - 2262.6.1 A description of the proposed action and its effective date or dates, and the ordinance, regulation, or rule violated;
  - 2262.6.2 A statement of the acts or omissions upon which the action is based;
  - 2262.6.3 A statement that a copy of the materials upon which the action is based is attached or available for inspection upon request;
  - 2262.6.4 A statement advising the employee of the right to request a hearing as provided in 2250.5 of Policy #2250, "Separation from District Service";
  - 2262.6.5 A date by which time the employee must respond in writing if he/she wishes to contest the action.
- 2262.7 All notices of proposed action shall be personally served or mailed by certified mail, return receipt requested, to the last known address of the employee.

**POLICY TITLE: District Vehicle Usage**  
**POLICY NUMBER: 2290**

- 2290.1 This policy applies to employees who drive District vehicles to and from work. Employees may not drive HPUD vehicles to and from work unless authorized by the General Manager.

- 2290.1.1 During working hours, extraneous trips for personal purposes will be avoided. Occasionally, stopping at a store in route to a business destination, or going to a restaurant (within close proximity of your work location) for lunch is permitted. While going to or from work, occasionally stopping to buy groceries, pick up laundry, medications, etc., is also permitted.
- 2290.1.2 Other than the foregoing uses, district vehicles will not be used for any other personal purposes without prior approval. This means that weekend or after-hours trips to the store (regardless of how close to home), trips back to the office to retrieve forgotten personal items, or any other non-business usage will not be permitted.

**POLICY TITLE: Cell Phone Use Policy**  
**POLICY NUMBER: 2300**

- 2300 The purpose of this policy is to establish guidelines for Heber Public Utility District issued cell phones and cell phone allowances.
- 2301 The use of cell phones may be essential for employees to conduct business while away from the office, i.e., field and customer service operations, emergency operations, after-hours communication, and for their safety. District issued cell phones and allowances may be provided to employees whose job duties require them to be out of the office for large portions of the workday or work during non-business hours.
- 2302 All District employees who receive a District issued cell phone must sign a "District Cell Phone User Agreement" stating they have read and understand the District Cell phone policy. A copy of the signed User Agreement will be maintained in the employee's personnel file. The District Cell Phone User Agreement is attached to this policy.
- 2303 Responsibility Assignments
  - 2303.1 Primary responsibility for developing, implementing and updating these policy rests with the Office of the General Manager.
  - 2303.2.1 Department managers are responsible for ensuring their employees comply with this policy.
  - 2303.2.2 Employees who receive an allowance and those that use District issued cell phones are responsible for complying with this policy.
  - 2303.2.3 Each employee who is assigned a District issued cell phone must read and understand this policy, sign a copy of the District Issued Cell Phone User Agreement (Attached to this Policy as Exhibit "F") which will be placed in the employee's Personnel policy and updated as needed.
- 2304 Use of District Issued Cell Phones/Desk Phones
  - 2304.1 Cell phones are to be used for District business communications while offsite. District business includes direct communications for HPUD business purposes with other employees, contractors, vendors, water agencies, or government organization. Cell phones are to be used prudently and when feasible, communication should occur in person, via a "land line".
  - 2304.2 Personal business shall be kept to a minimum and shall comply with Internal Revenue Code regulations pertaining to "de minimis personal use."
  - 2304.3 If an employee exceeds the allotted minutes on a District issued cell phone, the bill will be reviewed to determine if any minutes were used for personal or nonbusiness related phone calls, if so the employee may be required to reimburse the District.

- 2304.3.1 No texting is allowed on District cell phones unless this service is included in the cell service plan at no additional cost to the District. If an employee texts or use results in an additional charge to the District, the employee must reimburse the District as soon as possible.
- 2304.4 Misuse of a District Issued Cell Phone
  - 2304.4.1 District issued cell phones are not to be used for any illegal use or activity, threats, slander/libel, defamation, obscene, suggestive or offensive messages or communication, political endorsements or activities, or for outside employment purposes.
  - 2304.4.2 The District reserves the right to audit/review all phone bills for District issued cell phones.
  - 2304.4.3 Misuse or abuse of District issued cell phones may result in disciplinary action, up to and including termination.
  - 2304.4.4 Driver Safety for Personal or District Issued Cell Phone Use
    - 2304.4.5 Effective July 1, 2008 and in accordance with Vehicle Code (VC) 23123 all drivers are prohibited from using a hand held wireless telephone while operating a motor vehicle. Motorists 18 and over may use a hands-free device. Employees are required to pull off to the side of the road and safely stop the vehicle before placing or accepting phone call, unless the cell phone or vehicle is equipped with a hands free device. No employee may text while operating a moving vehicle or equipment.
- 2304.5 Employees with District issued cell phones will be issued hands-free equipment.
  - 2304.5.1 Employees who receive a traffic violation resulting from the use of an employee owned or District issued cell phone, while driving a personal or District vehicle, shall be solely responsible for all liabilities that result from such action and may be subject to discipline.
- 2304.6 Service Plans and Providers
  - 2304.6.1 Management will conduct a periodic review of providers and plans. If it is best suites the needs of the District, a new provider or plan may be selected. HPUD reserves the right to switch plans or providers at any time.
  - 2304.6.2 Employees are solely responsible for personal accounts.
  - 2304.6.3 District Issued Equipment
- 2304.7 Lost/Damaged/Stolen
  - 2304.7.1 If a District issued cell phone is lost, damaged, or stolen, the employee must report it to their supervisor or Office Manager by the next business day. If lesser damage occurs due to negligence of the employee, he/she may be subject to discipline.
  - 2304.7.2 Employees must return District issued cell phones and equipment upon resignation or termination of employment, at any time the District issued cell phone is no longer required, or at the request of the District.
  - 2304.7.3 District Cell Phone User Agreement
  - 2304.7.4 The District Cell Phone User Agreement is attached as **Appendix "F"**

**POLICY TITLE: Internet and E-Mail Use Policy**

**POLICY NUMBER: 2400**

2400. This policy addresses retention of electronic mail (e-mail), employee compliance obligations, and appropriate use of the e-mail system, privacy and confidentiality of information, e-mail system

security, and actions to be taken for violations of this policy. This policy applies but is not limited to e-mail messages, attachments to e-mails, instant messages, weblogs or blogs, and text messages.

- 2400.1 The District e-mail system and all messages, attachments, and images are the sole property of the District. This includes any and all messages, attachments, and images of any kind sent during regular work hours, an employee's break, or after-hours.
- 2400.2 Because all communications on the e-mail system are the property of the District, messages of a confidential or sensitive nature should not be delivered by e-mail. Marking a message "private" does not guarantee confidentiality.
- 2400.3 There is no expectation of privacy with regard to employee use of the District's e-mail systems. The District can periodically and randomly examine the contents of e-mail to ensure compliance with this policy. Any apparent violations of District policy will be reported to the Ethics Officer for review. If a policy violation is found, disciplinary action consistent with District procedures and policies will result.
- 2400.4 E-mail messages may constitute a District record subject to District Retention and Disposition Policy, and subject to potential disclosure under the California Public Records Act, pending or actual litigation, investigations, audits, or claims.
- 2400.5 Electronic records, including but not limited to e-mail messages, may be disclosed by the District to outside parties in connection with litigation, investigations, audits, requests for public records under the California Public Records Act, or by any other law or policy. The District will comply and will not be liable or responsible for the disclosure of any electronic record or part thereof.
- 2400.6 The District's e-mail system is not intended to function as an information storage device or electronic filing system. The system shall be used for transmission and temporary short-term storage. Accordingly, the District may limit the storage capacity of employee's mailboxes and limit the size of email attachments.
- 2400.7 The District's e-mail system is to be used for business purposes in serving the interests of the District and its customers.
- 2400.8 All messages communicated over the District's electronic systems must be courteous and professional in nature. E-mail is not to be used for gossip, sharing of personal information, or for emotional responses to business correspondence or work situations.
- 2400.9 The District recognizes that an employee's e-mail address is subject to receiving both work-related and non-work-related information, and the District recognizes that some incidental personal use and receipt of non-work-related e-mail is difficult to avoid. Employees are responsible for exercising good judgment regarding the reasonableness of personal use. If there is any uncertainty, employees should consult with their supervisors or managers.
- 2400.10 The District has an obligation to take necessary actions to ensure the e-mail system is consistently and reliably available and operates efficiently in a safe and secure environment that is free from unauthorized users, unauthorized use, and virus/malware attacks. Accordingly, the District may limit the type of email attachments and apply unsolicited commercial email (UCE) blocking.
- 2400.11 All messages communicated over the District's electronic systems must be business appropriate, courteous and professional in nature and not to be used:
- a. In any way that does not comply with the District's non-discrimination policies, or to harass or disparage others based on their sex, race, sexual orientation, age, national origin, religion, disability, marital status, or veteran status.
  - b. For intentionally misleading, inaccurate, embarrassing, harassing, sexually explicit, profane, obscene, intimidating, and defamatory remarks, or that violates any law, regulation, or District policy.
- 2400.12 Internet User Agreement

2400.13 The District Internet and E-Mail User Agreement is attached as **Appendix “G”**

**SERIES 2500-2600 ADMINISTRATION**

**POLICY TITLE: ADMINISTRATION**

**POLICY NUMBER: 2500**

2501. The purpose of this document is to identify various policies and procedures for providing adequate internal controls over the receipt of funds and to formalize procedures for cash receipt and billing activities.

**2503. CASH REGISTERS AND RECEIPTS**

2503.1 All collections are made using cash register. All checks are endorsed at the time of collection using the register/receipt printer or a “For Deposit Only” stamp.

2503.2 The receipt printer produces a receipt which is given to the customer and keeps the information in the system as the “day batch”.

2503.3 The cash register is linked to the customer’s account (UB System) and to the General Ledger and posts all transactions directly to the appropriate accounts the day after the Senior Clerk has reviewed the entries and cross counted the checks and the cash. The register generates sequential receipt numbers to each transaction. As they are entered the cashier should enter her/his initials with each cash transaction. The Finance Department is responsible for assigning user IDs.

2503.4 Commonly used revenue accounts are pre-assigned to collection codes in the Cash Collection module and could be modified by the Finance Department.

2503.5 The register maintains a change drawer funded with \$100. The register’s change fund should be keep in the Safety Box.

2503.6 The closing process involves generating a “Transaction Report” that details the total of cash and checks collected. “Cash Reconciliation Reports” of checks and cash received are prepared from the register and are reconciled to the transaction report. Any difference between the two amounts is noted on the Cash Reconciliation Report. Two persons must be in the process of the cash register review and close.

2503.7 Once balanced, the register is closed and a journal register is generated noting the closure and the amount of cash received for the day. The cash, checks, report, closing receipt, worksheets, and any other accompanying documentation are taken to the Safety Box, where these items are stored in this secure area overnight.

2503.8 Cash register receipts from the register are reviewed for accuracy by the Senior Clerk and the Bookkeeper the following day (or next day if necessary); and also to ensure that any checks received are made out to HPUD, the Senior Clerk will prepare the necessary bank deposit slips. The cash and deposit will be placed in a sealed bag. Once these actions are completed, an assistant or the On Call employee will collect the deposit slips and will take the sealed bag to the bank. The checks will be scanned and processed for deposit, once scanned the original checks will be keep in a safe separate place from the un-scanned to avoid duplication and will be keep for a minimum of 60 days. Bank personnel will be periodically verifying the safe-guard and the separation compliance.

- 2503.9 Reconciliation to the general ledger and other supporting accounting ledgers shall be performed in a timely manner for receivable balances and subsidiary ledgers.
- 2503.10 Upon any suspicion of fraud, management should be notified. Management shall then notify the appropriate personnel (e.g., General Manager, Finance Manager, law enforcement) in a timely manner for further investigation.
- 2503.10.1 If there is any suspicion regarding non-compliance with internal control directives, management will notify the appropriate personnel (e.g., General Manager, Finance Manager) for further review.

#### **2504. BILLING FOR SERVICES (RECEIVABLES)**

- 2504.1 When necessary, HPUD shall invoice individuals and companies for services rendered by HPUD or for damage to HPUD property. In cases where a permit fee or deposit is required, the payment shall be made prior to the issuance of said permit or performance of other services. The requirement to invoice is outlined in the Utility Service Policy, Resolutions and or Ordinances.
- 2504.2 If an individual or company owes HPUD for services rendered, an invoice shall be generated based upon information provided by the General Manager or his/her designee requesting the billing for services.
- 2504.3 A generic invoice form with HPUD's logo shall be sequentially numbered and shall contain the name, address, amount due to HPUD, and a description of the goods or services being billed.
- 2504.4 If payment on an invoice is not received after 45 days, a delinquent notice shall be mailed requesting immediate payment. The notice shall be generated in the Finance Department by the Finance Manager. Those invoices that remain unpaid after 60 days may be referred to collections.
- 2504.5 When payment is received, a copy of the receipt shall be attached to the invoice. The receipt and applicable backup is then filed in the revenue file for the applicable General Ledger (G/L) account by account number.
- 2504.6 Examples of items billed for by HPUD include, but are not limited to Developer Fees, Administration Fees, Parks and Retention Basin Maintenance Fees, IID pay-station, Water Usage for Construction, cost recovery charges, Public Damage Reimbursements, etc.

#### **2505. DEVELOPER DEPOSITS**

- 2505.1 The Senior Clerk/Bookkeeper works with the General Manager, Finance Manager, Office Manager, Chief Operator and Engineer in collecting and monitoring deposit accounts for various development and Capital Improvement Projects (CIP).
- 2505.2 For both types of deposits, checks may be received through the mail or over the counter. In either case, the check is run through the register and copy of the receipt is to be filed in the by deposit account/public work project (stapled to a copy of the billing notice sent, if applicable).
- 2505.3 Developer deposits are recorded to the corresponding fund, in account number XXX-2050, where XXX is the Fund Control Number (FCN). The FCN is generally assigned by the Finance Manager. Each individual deposit needs to be identified by Developer and Project number assigned by the District's Engineer. The Finance Manager periodically meets with the General Manager and the District's Engineer to go over the status of the deposit accounts. These meetings determine if the balance of each account appears adequate or if the General Manager should request additional monies from the developer.

- 2505.4 When additional deposit is requested, the General Manager prepares a letter which requests the specified amount and encloses an account printout that shows the activity in the deposit account. The Finance Department sends out periodic activity reports to all deposit account owners, regardless of the balance. In addition the Finance Manager maintains a listing of all active deposits in an Excel File called Project numbers.xls, which could be viewed by all staff as needed.
- 2505.5 It should be noted that the meeting group mentioned in Section III DEVELOPER DEPOSITS 'c' may ask the other agencies or departments to stop work on a project or to advise that a Certificate of Occupancy (CO) not be issued if the request for additional funds is not paid in full and if the account remains in the negative. If necessary, the Finance Department may refer the account to a collection agency.
- 2505.6 Developers have the option to review supporting documentation for charges made against their deposit account (such as invoices and or time cards). Typical charges against a developer or Construction In Progress (CIP) deposit account could include: staff time, Attorney time, consultants (traffic, planning, landscape, etc.), postage, and legal notices. Invoices include a 15% administrative fee charged by HPUD for managing the accounts and providing administrative support services to the developers and contractors working on the project. The overhead rate of 15% was adopted by the Board and may be modified upon request of the General Manager.
- 2505.7 When a project is closed out and no activity has posted for three months or more, the Finance Manager will request that the Bookkeeper issue a refund to the developer for the balance due in the account.
- 2505.8 The Finance Manager prepares a worksheet to charge time spent by staff to the various Projects in Progress (based upon actual project timecards submitted by staff), the staff time charge shall include the base rate and benefits cost.
- 2505.9 CIP deposit accounts are based on HPUD requirements that require developers to pay a certain percentage of the CIP cost incurred by HPUD. Billing occurs in phases, as the project continues (study, design, right-of-way, construction, etc.) through to project close out.

## **2506 UNCOLLECTIBLE ACCOUNTS RECEIVABLE**

2506. It is the intent of the Heber Public Utility District to reflect the accurate value of its accounts receivable, and to provide guidelines for write off of uncollectible accounts receivable. Outstanding accounts receivable should be reviewed on a quarterly basis. Efforts should be made to pursue the timely collection of all accounts receivable. Sound financial management principles include the establishment of an allowance for doubtful accounts.
- 2506.1 On occasion, certain accounts receivable due and owing HPUD become uncollectible after all reasonable effort is expended to affect collection. There are also situations where accounts are of such a size that more money would be expended to collect than the debt itself. The Finance Manager is in a position to thoroughly evaluate the feasibility of collecting past due accounts and to make a decision as to further effort.
- 2506.2 Government Finance Officers Association "Best Practices" provides that management of accounts receivable should include periodic write-offs to ensure that accounts receivable balances are not overstated. The write-off process is a critical component in valuing receivables. In accordance with generally accepted accounting principles, the District has established an **allowance of 5%** for doubtful accounts to reflect those outstanding accounts receivable which are not expected to be collected.

- 2506.3 The timely identification of losses is an essential element in accurately measuring the value of the District's assets. It is the responsibility of the Finance Department to provide the General Manager with a report on an annual basis identifying all outstanding accounts receivable with a value of \$500 or more per transaction determined to be uncollectible, including the basis for this determination and the collection actions taken. A report identifying all outstanding accounts receivable with a value over \$10,000 determined to be uncollectible will be provided to the District Board on an annual basis.
- 2506.4 Efforts should be made to pursue the timely collection of delinquent accounts. When such accounts are deemed uncollectible, they should be written-off from the financial statements.
- 2506.5 The District General Manager is delegated authority to write-off uncollectible accounts receivable with a value not exceeding \$10,000. The write-off of uncollectible accounts receivable with a value exceeding \$10,000 must be approved by the District Board.

Transaction Amount	Write-Off Authority	Report To
Less than \$500	Finance Manager	General Manager
\$500 to \$10,000	General Manager	Finance Committee
Greater than \$10,000	Finance Committee	Board of Directors

- 2506.5.1 The Finance Manager may write off uncollectible accounts receivable which do not exceed \$500 after review and concurrence by HPUD General Manager and Attorney as to the collectability of such accounts.
- 2506.5.2 Upon any suspicion of fraud, the General Manager will be notified. The General Manager will then notify the appropriate personnel (e.g., Board of Directors, internal audit, law enforcement) in a timely manner for further investigation.
- 2506.5.3 If there is any suspicion regarding non-compliance with internal control directives, management will notify the appropriate personnel (e.g., internal audit) for further review.

**POLICY TITLE:           COMPENSATION AND REIMBURSEMENT POLICY**  
**POLICY NUMBER:       2600**

- 2600 This policy replaces Previous Policy "A Policy of the Board of Directors of the Heber Public Utility District Establishing Guidelines for Directors and Staff Regarding Attendance to Educational Programs, Conferences and Meetings" approved March 18, 2004".
- 2600.1 To provide Directors, Management and Staff with direction on the types of District-related expenditures that can and cannot be made without prior authorization of the Board, reporting procedures, and the use of District credit cards. This policy is in compliance with AB1234 (2006).
- 2600.2 Authorized Expenditures. District expenses shall include, but not be limited to, the following: meeting stipends, transportation, lodging, meals, tips and registration/attendance fees for official functions.
- 2600.3 District funds, equipment, supplies, and staff time shall only be used for authorized District business. Expenses incurred in connection with the following types of activities generally constitute authorized expenses of Directors, Managers or Staff members that may be reimbursed, as long as the other requirements of this policy are met:
  - a) Communicating with representatives of regional, state and national government on District adopted policy provisions;

- b) Attending educational seminars designed to improve a Director's, Manager's or Staff's skills and information levels;
- c) Participating in regional, state and national organizations whose activities affect the Districts interests; including attendance at a semi-annual conference of the Association of California Water Agencies (ACWA), and California Special District Association;
- d) Recognizing service to the District (for example, thanking a longtime employee with a retirement gift or celebration of nominal value and cost);
- e) Attending District events; including but not limited to, meetings of the Board, standing committees of the Board, or temporary committees of members of the Board.
- f) Attendance at a meeting with members of the legislative, executive or judicial branch of the State or Federal governments when attendance is authorized by the Board or President.
- g) Attendance at a meeting with leadership of any local agency when authorized by the Board or the President to discuss District business.
- h) Attendance at a meeting with President, Vice President or a committee, when authorized by the President or Board.

2600.4 For purposes of this section, attendance includes:

- (a) Physical presence at the majority of the meeting, event, or occurrence listed above, unless presence for a lesser period is authorized by the President or by the Board or committee, respectively.
- (b) Lawful participation by teleconference in any other meeting listed in this policy.
- (c) Participation in an approved home study or online ethics course to meet the requirements of Government Code Sections §53234 – §53235.5.

2600.5 The following expenses also require Board approval:

- a) International and out-of-state travel for Directors, Management, or Staff;
- b) Accommodations for overnight stays for Directors, and Management; and
- c) Expenses which exceed the limits established for Directors, Managers, or Staff if the District establishes such limits.

2600.6 Personal expenses are not reimbursable.

2600.7 Examples of personal expenses that the District will not reimburse include, but are not limited to:

- a) The personal portion of any trip;
- b) Political or charitable contributions or events;
- c) Family expenses, including partner's expenses when accompanying a Director(s), Manager(s), or Staff member(s) on agency-related business, as well as children or pet-related expenses;
- d) Entertainment expenses, including theater, movies (either in-room or at the cinema), sporting events (including gym, massage and/or golf related expenses), or other cultural events;

- e) Non-mileage personal automobile expenses, including repairs, traffic citations, insurance, commuting mileage, or gasoline;
- f) Alcohol, laundry service, and personal telephone calls; and
- g) Personal losses not related to the District's business incurred while on District business.

2600.8 Any questions regarding the propriety of a particular type of expense should be resolved before the expense is incurred.

**2601 Meeting Stipends**

2601. Consistent with Water Code Section §20201 and prior action taken by the District, Directors may receive \$400.00 per month as a meeting stipend for attending the monthly meetings, as defined in this policy. Such compensation is subject to any State and Federal taxes as may be applicable by law. Such compensation is in addition to any reimbursement for meals, lodging, travel and expenses consistent with this policy.

2601.1 Meetings and Service Subject to Monthly Stipend

2601.1.1 To be entitled to a monthly stipend, the meeting in question must constitute a meeting of the Heber Public Utility Board of Directors at a Regular, Special, or Emergency Meeting. Additionally, the term "meeting" is defined in section §54952.2 of the Government Code. This section is also known as the Ralph M. Brown Act.

2601.1.2 As used in this chapter, "meeting" means any congregation of a majority of the members of a legislative body at the same time and location, including teleconference location as permitted by Section §54953, to hear, discuss, deliberate, or take action on any item that is within the subject matter jurisdiction of the legislative body.<sup>1</sup>

2601.1.3 The Board Member need only attend one meeting per month to receive the Monthly Stipend. Should the Board Member not attend at minimum one meeting of the Heber Public Utility District Board of Directors, then they are not eligible to receive the monthly stipend.

2601.1.4 The Board Member may request an excused absence and still receive monthly stipend. To request an excused absence, the Board Member must call, e-mail or otherwise notify either the Board President or if unable to reach the Board President, notify the General Manager.

2601.1.5 Reimbursement Requirements

To conserve District resources and keep expenses within community standards for public officials, expenditures should adhere to the following guidelines. In the event that expenses are incurred which exceed these guidelines, the cost borne or reimbursed by the District may be limited to the costs that fall within the guidelines.

Unless the Board or this policy establishes other permitted reimbursement rates for travel, meals, lodging and other actual and necessary expenses, the District will reimburse expenses at the U.S. General Services Administration (GSA) rate for travel, meals, lodging, and other actual and necessary expenses as established in Publication 463, or any successor publication.

2601.2 Conferences/Education

2601.2.1 Reimbursement of expenses of attendance at an authorize conference or organized educational activity shall include any registration, attendance, tuition, materials or other similar charge of the conference organizer or activity provider.

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<sup>1</sup>Pamphlet: The Brown Act, Open Meetings for Local Legislative Bodies, 2003, California Attorney General's Office, page 8.

- 2601.3           Transportation
- 2601.3.1        The most economical mode and class of transportation reasonably consistent with scheduling needs and cargo space requirements should be used, using the most direct and time-efficient route. Government and group rates offered by a provider of transportation shall be used when available.
- 2601.3.2        Automobile mileage is reimbursed at Internal Revenue Service rates presently in effect (see [www.irs.gov](http://www.irs.gov)). For 2014, the rate is 56 cents per mile. These rates are designed to compensate the driver for gasoline, insurance, maintenance, and other expenses associated with operating the vehicle. This amount does not include bridge and road tolls, which are also reimbursable. The Internal Revenue Service mileage rates will not be paid in conjunction with rental vehicles; only receipted fuel expenses and the cost of the rental vehicle will be reimbursed.
- 2601.3.3        Taxi or shuttle fares may be reimbursed, including gratuity per fare, when the cost of such fares is equal or less than the cost of car rentals, gasoline and parking combined, or when such transportation is necessary for time efficiency.
- 2601.4           Lodging
- 2601.4.1        Lodging expenses will be paid or reimbursed when travel on official District business reasonably requires an overnight stay.
- 2601.4.2        If such lodging is in connection with a conference, lodging expenses must not exceed the group rate published by the conference sponsor for the meeting in question if such rates are available at the time of booking.
- 2601.4.3        Directors, Managers, and Staff must request government rates when available. Lodging rates that are equal to or less than government rates are presumed to be reasonable and hence reimbursable for purposes of this policy. In the event that government rates are not available at a given time or in a given area, lodging rates equal to or less than the rate shown on the GSA schedule for the city/state or area of travel will be used (see [www.gsa.gov](http://www.gsa.gov)). Lodging rates that do not exceed this amount per night are presumed reasonable and hence reimbursable. Other rates must be approved by the General Manager.
- 2601.4.4        Official overnight travel and other related expenses by Directors, and Managers, must be pre-authorized by the Board of Directors. In unusual circumstances where overnight travel is urgent and necessary to the District, but is unforeseen until after the previous Board meeting, the General Manager may authorize such travel with consent of the Board President.
- 2601.5           Approval for Staff.
- 2601.5.1        The General Manager of the Heber Public Utility District shall approve attendance of all educational programs, conferences and meetings, and authorize overnight travel and other related expenses of all Staff prior to such attendance according to this policy.
- 2601.6           Meal Reimbursement
- 2601.6.1        The maximum daily amount reimbursable for local meals including beverages and tips will be based on the U. S. General Services Administration (GSA) schedule for the current year. In certain high cost cities the maximum daily amount reimbursable for meals including beverages and tips is \$71.00 and the minimum of \$46.00. Such amounts will be annually adjusted to reflect changes in the GSA schedule for the current year. The HPUD will follow the U. S. General Services Administration schedule that applies.

- 2601.6.2 This policy recognizes that it is sometimes in the best interest of the District to provide meals for business guests during the conduct of District business and pre-authorizes Directors, Managers and Department Heads to make reasonable and appropriate expenditures for that purpose.
- 2601.7 Internet
  - 2601.7.1 Directors, Managers and Staff members will be reimbursed for Internet access connection and/or usage fees away from home, if Internet access is necessary for District-related business. Reimbursement will not exceed the actual amount charged by the out-of-town accommodation.
- 2601.8 Airport Parking
  - 2601.8.1 Long-term airport parking must be used for travel exceeding 24-hours.
- 2601.9 Credit Card Use Policy
  - 2601.9.1 The District does issue credit cards to individual Directors and specified staff for selected District expenses. Directors and Managers may use the District's credit card for such purposes as meal purchases and hotel reservations by following the same procedures listed in this policy. Receipts documenting expenses incurred on the District credit card and compliance with this policy must be submitted within ten (10) business days of use or upon return from the business trip.
  - 2601.9.2 There shall be no personal or unauthorized expenses charged on District credit cards.
- 2601.10 Expense Report Content and Submission Deadline
  - 2601.10.1 Expenditures and expense reimbursement requests must be submitted on an expense report form provided by the District. Expense reports must document that the expense in question met the requirements of this policy. For example, if the meeting is with a legislator, the Director should explain whose meals were purchased and the nature of the meeting.
  - 2601.10.2 Directors, Managers, and Staff must submit their expense reports within thirty (30) days of an expense being incurred, accompanied by receipts documenting the expense. Restaurant receipts, in addition to any credit card receipts, are also part of the necessary documentation.
  - 2601.10.3 Inability to provide such documentation in a timely fashion may result in the expense being denied for reimbursement.
- 2601.11 Audits of Expense Reports
  - 2601.11.1 All expenses are subject to verification that they comply with this policy.
- 2601.12 Reports to Board
  - 2601.12.1 Except where the subject of a meeting relates to matters discussed in closed session, each Director shall briefly give an oral report on meetings attended at District expense. If multiple Directors attended, a joint report may be made.
- 2601.13 Compliance with Laws
  - 2601.13.1 Directors should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All District expenditures are public records subject to disclosure under the Public Records Act and other laws.
- 2601.14 Authorized Employees

- 2601.14.1 The Board may determine if the activities of any staff person is authorized and subject to this policy and therefore subject to reimbursement.
- 2601.15 Violation of This Policy
- 2601.15.1 In compliance with AB1234 (Government Code Section §53232), the following are the causes of action that may be pursued for violation of this policy:
- 2601.15.2 Use of public resources or falsifying expense reports in violation of this policy may result in any or all of the following: 1) loss of reimbursement privileges, 2) a demand for restitution to the District, 3) the District reporting the expenses as income to the Director to state and federal tax authorities, 4) civil penalties of up to \$1,000 per day and three times the value of the resources used, and 5) prosecution for misuse of public resources.

**SERIES 3000                      OPERATIONS**

**POLICY TITLE:                      Illness and Injury Prevention Program**  
**POLICY NUMBER:                3010**

- 3010.                      Program Goal and Outline. The goal of the District is to provide safe and healthful working conditions for all of its employees. Therefore, the District will maintain a safety and health program conforming to the best practices of agencies of this type. The District's safety and health program will include:
  - 3010.1.1                Providing mechanical and physical safeguards to the maximum extent possible.
  - 3010.1.2                Conducting a program of safety and health inspections to find and eliminate unsafe working conditions or practices, to control health hazards, and to comply fully with the safety and health standards and law for every job.
  - 3010.1.3                Training all employees in good safety and health practices.
  - 3010.1.4                Providing necessary personal protective equipment, and instructions for use and care.
  - 3010.1.5                Developing and enforcing safety and health rules, and requiring that employees cooperate with these rules as a condition of employment.
  - 3010.1.6                Investigating promptly and thoroughly, every accident to determine its cause and correct the problem so it will not happen again.
- 3010.2                      Program Responsibility. Although the District recognizes that the responsibility for safety and health is shared, the General Manager or his/her designee shall be responsible and have full authority for implementing this policy and the District's Injury and Illness Prevention Program.
  - 3010.2.1                The District accepts responsibility for leadership of the safety and health program, for its effectiveness and improvements, and for providing the safeguards required to ensure safe conditions.
  - 3010.2.2                Supervisory personnel are responsible for developing proper attitudes toward safety and health in themselves and in those they supervise, and for ensuring that all operations are performed with the utmost regard for the safety and health of all personnel involved, including themselves.
  - 3010.2.3                No employee will be required to work at a job he/she knows is not safe or healthful. Employees are responsible for wholehearted, genuine operation of all aspects of the safety and health program -

including compliance with all rules and regulations - and for continuously practicing safety while performing their duties. Any employee found not practicing safety while performing their duties will be subject to appropriate discipline.

- 3010.3 Injury and Illness Records. The District's record keeping system for its Injury and Illness Prevention Program shall conform to Cal/OSHA standards. Records shall be used to measure and evaluate the success of said program.
- 3010.3.1 A report shall be obtained on every injury or illness requiring medical treatment. (See also Section 3010.8.)
- 3010.3.2 Each injury or illness shall be recorded on the form supplied by the District's workers compensation carrier, according to its instructions.
- 3010.3.3 A supplementary record of the occupational injuries and illnesses shall be recorded on the form supplied by the District's workers compensation carrier, according to its instructions.
- 3010.3.4 Annually, a summary shall be prepared and posted no later than February 1 in a place easily observable by employees. Said form shall remain posted until March 1.
- 3010.3.5 All records specified in this section shall be maintained in the District's files for a minimum of five years after their preparation.
- 3010.4 Documentation of Activities. Records shall be maintained of steps taken to establish and maintain the District's Injury and Illness Prevention Program. The District will ensure that all documentation is in accordance with District, State and Federal guidelines.
- 3010.5 Hazard Assessment and Control. Periodic safety inspections shall be conducted to identify existing hazards in the workplace, or conditions, equipment and procedures that could be potentially hazardous. The inspections shall be conducted by personnel who, through experience or training, are able to identify actual and potential hazards and who understand safe work practices.
- 3010.6.1 Safety inspectors, who may be hired professional contractors, will observe if safe work practices are being followed and will ensure that unsafe conditions or procedures are identified and corrected properly.
- 3010.6.2 Safety inspections will be conducted at least annually. The frequency of the inspections will depend on the operations involved, the magnitude of the hazards, the proficiency of employees, changes in equipment or work processes, and the history of workplace injuries and illnesses.
- 3010.6.3 A written assessment shall be prepared after said inspections which will document identified hazards and prescribe procedures for the elimination of same, and measures that can be taken to prevent their recurrence.
- 3010.6.4 The General Manager, or his/her designee, will review written inspection reports and/or assessments and will assist in prioritizing actions and verify completion of previous corrective actions. He/she shall also review the overall inspection program to determine trends.
- 3010.7 Accident Investigation. All accidents shall be thoroughly and properly investigated by the Field Operations Supervisor [or other responsible management employee who should be trained in accident investigation], with the primary focus of understanding why the accident or near-miss occurred and what actions can be taken to preclude recurrence. A written report of said investigation shall be prepared which adequately identifies the cause(s) of the accident or near-miss occurrence.
- 3010.7.1 The investigation must obtain all the facts surrounding the occurrence: what caused the situation to occur; who was involved; was/were the employee(s) qualified to perform the functions involved in

the accident or near-miss; were they properly trained; were proper operating procedures established for the task involved; were procedures followed, and if not, why not; where else this or a similar situation might exist, and how it can be corrected.

- 3010.7.2 The accident investigator must determine which aspects of the operation or process require additional attention (what type of constructive action can eliminate the cause(s) of the accident or near-miss).
- 3010.7.3 Actions already taken to reduce or eliminate the exposures being investigated should be noted, along with those remaining to be addressed.
- 3010.7.4 Any interim or temporary precautions should also be noted. Any pending corrective action and reason for delaying its implementation should be identified.
- 3010.7.5 Corrective action should be identified in terms of not only how it will prevent a recurrence of the accident or near-miss, but also how it will improve the overall operation. The solution should be a means of achieving not only accident control, but also total operation control.
- 3010.8 Code of Safe Practices.
- 3010.8.1 All employees shall follow these safe practices rules, render every possible aid to safe operations, and report all unsafe conditions or practices to the Field Operations Supervisor, or General Manager.
- 3010.8.2 Supervising employees shall insist on employees observing and obeying every rule, regulation, and order as is necessary to the safe conduct of the work, and shall take such action as necessary to obtain observance.
- 3010.8.3 Anyone known to be under the influence of drugs or intoxicating substances which impair the employee's ability to safely perform the assigned duties shall not be allowed on the job while in that condition, and will be subject to the discipline specified in Policy #2190.
- 3010.8.4 Horseplay, scuffling, and other acts which tend to have an adverse influence on the safety or well-being of the employees shall be prohibited.
- 3010.8.5 Work shall be well planned and supervised to prevent injuries in the handling of materials and in working together with equipment.
- 3010.8.6 No one shall knowingly be permitted or required to work while the employee's ability or alertness is so impaired by fatigue, illness, or other causes that it might unnecessarily expose the employee or others to injury.
- 3010.8.7 Employees shall not enter manholes, underground vaults, chambers or other similar places that receive little ventilation, unless it has been determined that it is safe to enter.
- 3010.8.8 Employees shall be instructed to ensure that all guards and other protective devices are in proper places and adjusted, and shall report deficiencies promptly to the Field Operations Supervisor [or other responsible management employee].
- 3010.8.9 Crowding or pushing when boarding or leaving any vehicle or other conveyance shall be prohibited.
- 3010.8.10 Workers shall not handle or tamper with any electrical equipment, machinery, or air or water lines in a manner not within the scope of their duties, unless they have received instructions from the Foreman or Field Operations Supervisor [or other responsible management employee].
- 3010.8.11 All injuries shall be reported promptly to the Field Operations Supervisor [or other responsible management employee] so that arrangements can be made for medical or first aid treatment.

- 3010.8.12 When lifting heavy objects, the large muscles of the leg instead of the smaller muscles of the back shall be used.
- 3010.8.13 Materials, tools, or other objects shall not be thrown from buildings or structures until proper precautions are taken to protect others from the falling objects.
- 3010.8.14 Employees shall cleanse thoroughly after handling hazardous or unhealthy substances, and follow special instructions from authorized sources.
- 3010.8.15 Work shall be so arranged that employees are able to face a ladder and use both hands while climbing.
- 3010.8.16 Gasoline shall not be used for cleaning purposes.
- 3010.8.17 No burning, welding, or other source of ignition shall be applied to any enclosed tank or vessel, even if there are some openings, until it has first been determined that no possibility of explosion exists, and authority for the work is obtained from the Field Operations Supervisor [or other responsible management employee].
- 3010.8.18 Any damage to scaffolds, false work, shoring or other supporting structures shall be immediately reported to any Supervisor [or other responsible management employee].
- 3010.8.19 All tools and equipment shall be maintained in good condition.
- 3010.8.20 Damaged tools or equipment shall be removed from service and tagged "DEFECTIVE."
- 3010.8.21 Pipe or Stillson wrenches shall not be used as substitute for other wrenches.
- 3010.8.22 Only appropriate tools shall be used for the job.
- 3010.8.23 Wrenches shall not be altered by the addition of handle-extensions or "cheaters."
- 3010.8.24 Files shall be equipped with handles and not used to punch or pry.
- 3010.8.25 Screwdrivers shall not be used as chisels.
- 3010.8.26 Wheelbarrows shall not be used with handles in an upright position.
- 3010.8.27 Portable electric tools shall not be lifted or lowered by means of the power cord. Ropes shall be used for this purpose.
- 3010.8.28 In locations where the use of a portable power tool is difficult, the tool shall be supported by means of a rope or similar support of adequate strength.
- 3010.8.29 Only authorized persons shall operate machinery or equipment.
- 3010.8.30 Loose or frayed clothing, or long hair, dangling ties, finger rings, etc., shall not be worn around moving machinery or other sources of entanglement.
- 3010.8.31 Machinery shall not be serviced, repaired or adjusted while in operation, nor shall oiling of moving parts be attempted, except on equipment that is designed or fitted with safeguards to protect the person performing the work.
- 3010.8.32 Where appropriate, lock-out procedures shall be used.

- 3010.8.33 Employees shall not work under vehicles supported by jacks or chain hoists, without protective blocking that will prevent injury if jacks or hoists should fail.
- 3010.8.34 Air hoses shall not be disconnected at compressors until hose line has been bled.
- 3010.8.35 All excavations shall be visually inspected before backfilling, to ensure that it is safe to backfill.
- 3010.8.36 Excavating equipment shall not be operated near tops of cuts, banks, and cliffs if employees are working below.
- 3010.8.37 Tractors, backhoes and other similar equipment shall not operate where there is possibility of overturning in dangerous areas like edges of deep fills, cut banks, and steep slopes.

**POLICY TITLE: Budget Preparation**  
**POLICY NUMBER: 3020**

- 3020.1 An annual budget proposal shall be prepared by the General Manager and Finance Manager.
- 3020.2 Prior to review by the Board of Directors, the Board's Finance Committee shall meet with the General Manager and Finance Manager and review his/her annual budget proposal.
- 3020.3 The proposed annual budget as reviewed and amended by the Finance Committee shall be reviewed by the Board at its regular meeting in May.
- 3020.4 The proposed annual budget as amended by the Board during its review shall be adopted at its regular meeting in June, to be effective the 1<sup>st</sup> day of July.
- 3020.5 The above timelines may be extended by agreement between the Board's Finance Committee and the General Manager.

**POLICY TITLE: Fixed-Asset Accounting**  
**POLICY NUMBER: 3030**

- 3030.1 The purpose of this policy is to ensure proper accounting control resulting in the maintaining of accurate financial reports of fixed assets.
- 3030.2 An accounting, or inventory, of all fixed assets shall be conducted on an annual basis. After the conclusion of said inventory, the General Manager, Finance Manager or Office Manager shall certify its completeness and report the results thereof to the Board of Directors at its next regular monthly meeting.
- 3030.3 Applicable purchases for inclusion in said accounting shall be the following:
  - 3030.3.1 Equipment, tools, and vehicles that individually have an original total cost of more than \$5000.00.
  - 3030.3.2 All land and building acquisitions regardless of price; and,
  - 3030.3.3 Additions or major improvements to the District's service infrastructure.
- 3030.4 When any item defined in Section 3030.3.1 above is received, a tag with a unique i.d. number shall be affixed to said item, and the number recorded in the permanent inventory records.
- 3030.5 Permanent inventory records shall be maintained in either a paper file or electronic (computer data base) format. Said records shall be updated whenever a change in the status of a particular fixed asset occurs (e.g., original purchase, sale, destruction, loss, theft, etc.).

- 3030.6 Information to be maintained in said inventory records shall include at least the following:
- 3030.6.1 Asset number; Description; Manufacturer's serial number; Storage location; Original cost; Acquisition date; Life expectancy; and, Classification code (e.g., office equipment, vehicle, etc.).

**POLICY TITLE: Investment of District Funds**  
**POLICY NUMBER: 3035**

3035.1 PREMISE

The Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern (California Government Code (CGC) §53600.6 and §53630.1); and,

Government Code Sections 5921 and 53601, et seq., allow the legislative body of a local agency to invest surplus monies not required for the immediate necessities of the local agency; and,

The General Manager or the Finance Manager of the local agency is required to annually prepare and submit a statement of investment policy and such policy, and any changes thereto, is to be considered by the local agency's legislative body at a public meeting (CGC §53646(a)).

For these reasons, and to ensure prudent and responsible management of the public's funds, it is the policy of the HPUD to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all statutes governing the investment of HPUD funds.

3035.2 HPUD INVESTMENT GUIDELINES

3035.2.1 The reserve fund policy state that designated reserves will be maintained to allow for funding of the District's operating, capital and debt service obligations, as well as funding for unforeseen events. Reserves will be established, replenished, and used only in a manner which allows the District to fund costs consistent with the Capital Improvement Plan, Five-Year Financial Plan and Rate Study, and other Board adopted actions, and in a manner that requires minimal annual adjustment to water and wastewater rates. This Investment Guidelines apply to all financial assets of HPUD and are included here by reference.

3035.2.2 The HPUD Investment Guidelines shall be reviewed on an annual basis, and the Board of Directors must approve any modifications.

3035.2.3 Adequate designations of reserves--funds set aside for various legitimate purposes--are critical to the successful and stable, short and long-term operation of the Heber Public Utility District.

3035.2.4 Adequate reserves for District operations ensure that customers experience both stable rates for service and the security that the District can respond to emergencies, especially regarding water and wastewater quality issues. Adequate reserves ensure that the District will at all times have sufficient funding available to meet its operating, capital and debt service cost obligations, together with future debt or capital obligations, as well as any unfunded mandates, including costly regulatory requirements.

3035.2.5 The District manages its working capital in a manner that allows the District to fund costs consistent with its annually updated five year capital improvement program and five year rate study financial plan, and that avoids significant rate fluctuations due to changes in cash flow requirements. The ability of the Heber Public Utility District to maintain reserve funds is a critical factor in providing reliable service, mitigating rate increases, and ensuring overall financial strength.

- 3035.2.6 Adequate reserves directly affect the District's bond rating and ultimately the ability to access debt markets at favorable interest rates, thereby ensuring the ability to finance and construct the infrastructure necessary to renew existing systems and expand service levels to meet future needs.
- 3035.2.7 Annually during the budget adoption process, the Heber Public Utility District Board approves the appropriate levels and uses for reserve funds based upon the needs of the District.
- 3035.3. Legally Restricted Reserves
- 3035.3 Capital Reserve Fund
- 3035.3.1 The purpose of this fund is to hold funds that are intended for general use on Capital projects. The funds come from contributions from other agencies or from funds that were budgeted on capital projects in prior years but unspent. This fund is spent directly on capital expenditures over the current or future year's normal capital budget and is not held in reserve for some other purpose.
- 3035.3.2 Included in this fund is also the connection/capacity fees with funds collected from developers to pay for the new facilities necessary to deliver water and wastewater service to newly developed property. These fees are for offsite improvements such as the development's fair share cost of , transmission mains, treatment plant capacity, wastewater facilities and other necessary facilities. The fees are collected at rates established by the Board of Directors based upon specific financial rate studies. The rates charged are based on a project's equivalent dwelling unit (EDU) basis. These funds are restricted to the design and construction of capital facilities for water and wastewater delivery.
- 3035.3.3 This Capital Reserve Fund is drawn down annually as planned capital expenditures amounts are made. At the end of each fiscal year any unspent budgeted capital amount will be reallocated to this fund and will be used in the following year's capital budget. Annual replenishment is reported to the Board of Directors as part of preliminary and final budget approvals.
- 3035.4 Debt Service Reserve Fund
- 3035.4.4 This fund is governed by legal bond covenants for the District's revenue bonds. Bond covenants require that this fund be maintained at a level sufficient to fund maximum annual debt service payments. These funds are held either by the District or by the bond trustee during the term of the bonds, COPs, or loans and are to be used in the event that the District is unable to meet its required semi-annual debt service obligation. Reserve funds for each loan/revenue bond issue will be used to make the last two semi-annual debt service payments for that issue. Annual interest earnings on bond reserve funds shall be applied to each year's debt service payments. Any reserve funds related to state revolving fund loans shall be treated identically to revenue bond reserve funds as these loans are contractually defined as parity debt to the District's senior lien bonds.
- 3035.5 Board Restricted Funds
- 3035.5.1 Rate Stabilization Fund
- 3035.5.2 This fund is governed by legal bond covenants for the District's revenue bonds. The purpose of the fund is to assist in smoothing rates to pay HPUD debt service and to assure that minimum debt service coverage ratios required by the District's bond covenants would be met in the future. Funds deposited into this reserve are treated as operating revenues in the year of deposit and will be treated as such in years of use for the purposes of computing the District's debt service coverage ratio.
- 3035.5.3 This fund is applied in the five-year financial plan and annual rate model along with other reserve funds to smooth future rate increases. This fund will provide a buffer should revenue

estimates in any year not meet projections. The Rate Stabilization Fund will be drawn down to smooth rate increases. Specifically, they will be applied in any year where other revenues are not sufficient to meet the required debt service coverage ratio. They will also be applied if meeting only minimum coverage levels could result in the District's bond ratings being downgraded.

3035.6 O&M Operating Reserve Fund

3035.6.1 The O&M Operating Reserve will vary over time with a goal of maintaining six months average operating expenses excluding depreciation. This reserve is considered a working cash requirement. It bridges the gap between the time expenses are paid and the time revenues from the same service are collected from customers.

3035.7 Capital Replacement Reserve Fund.

3035.7.1 This fund pays for the replacement of existing facilities and equipment as it reaches the end of its useful life or for major repairs that extend the useful life of facilities. The purpose of this policy is to "fund depreciation" at 100% in future.

3035.8 Unrestricted Reserves

3035.8.1 Unrestricted reserves also termed "General Reserves" represent a remainder balance of cash that is not yet designated for some use by the Board of Directors.

**POLICY TITLE: Customer Payment Arrangements**  
**POLICY NUMBER: 3037**

3037.1 Upon request, the General Manager may grant approval of special arrangements to be made for payment of the following fees when an extreme hardship exists:

3037.1.1 Regular Water, Sewer and Trash Service.

3037.1.2 Reasonable payment schedule following receipt of delinquency "shut-off" notice.

3037.1.3 Connection Fee, Late Fee and Reconnection Fees.

3037.2 Monthly payments not to exceed 6 payments. When payments are to be made at the close of escrow and property is not sold, arrangements must be made for payments to continue on a regular basis.

**POLICY TITLE: Expense Authorization**  
**POLICY NUMBER: 3040**

3040.1 All purchases made for the District by staff shall be authorized by the General Manager, Finance Manager or Office Manager and shall be in conformance with the approved District budget.

3040.2 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.

3040.2.1 The General Manager may authorize expenditures greater than \$5,000.00 in certain circumstances that require immediate action. The General Manager will immediately report any such expense to the Board of Directors.

3040.4 Whenever employees or Directors of the District incur "out-of-pocket" expenses for item(s) or service(s) appropriately relating to District business as verified by valid receipts, said expended cash shall be reimbursed by check through the accounts payable procedures. In those instances when a receipt is not obtainable, the requested reimbursement shall be approved by the General Manager, Finance Manager, or Office Manager prior to payment. Any request for reimbursement without a receipt must be made in writing and signed by the employee or Director requesting reimbursement. The written request shall contain an acceptable explanation for the claimed expense and why there is no receipt and must be approved in writing by the General Manager.

**POLICY TITLE: Employment of Outside Contractors and Consultants**  
**POLICY NUMBER: 3042**

3042.1 The District may employ outside contractors or consultants for construction or engineering projects, auditing purposes and for other professional services as the need may arise. The District's procedure process is consistent with State and Federal laws.

**POLICY TITLE: Encroachment Permits**  
**POLICY NUMBER: 3070**

3070.1 Whenever a property owner desires to install or construct physical improvements - landscaping, fencing, retaining walls, culverts, bridges and/or other structures or improvements - on, above or below the surface of any portion of their land which is encumbered by a district facility or dedicated easement or right of way, they shall, prior to commencement of said installation or construction, apply for and receive an Encroachment Permit from the County of Imperial.

3070.1.1 Plans for said structures or improvements may be required by the General Manager to ensure that the resulting installation adequately accommodates existing district facilities.

3070.1.2 A fee established by the HPUD Board, together with actual county recording costs, shall be charged to cover district administrative and inspection costs, and the cost to record the Encroachment Permit with the County Recorder.

3070.1.3 The form of the Encroachment Permit shall be as designated by the County of Imperial.

**POLICY TITLE: Purchasing**  
**POLICY NUMBER: 3080**

3080.1 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. 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.

3080.2 Authorized employees may purchase items that are necessary to the operations of the District and that are included in the approved budget. After purchasing any items the receipt or invoice must be submitted to their immediate supervisor for processing for payment.

3080.3 To purchase items costing more than \$1000 quotations will be solicited from vendors and received by telephone, fax or mail prior to processing a purchase order. The General Manager, Finance Manager and Office Manager must approve purchase orders. Any such purchase order must be signed by one of the three management employees.

3080.4 Once approved the employees then purchases the items requested or if it is an emergency then an approval is given by the General Manager to purchase the items immediately. If an item exceeds the spending limit then it is taken to the Board of Directors for approval. The Board will be given three

different quotes from vendors. If an item is a specialty item that is not available except from special vendors, there may be fewer than three quotes.

- 3080.4.1 The General Manager may authorize expenditures greater than \$5,000.00 in certain circumstances that require immediate action. The General Manager will immediately report any such expense to the Board of Directors.
- 3080.4.2 For large quantity orders, the district will provide suppliers with a list of items to be purchased. Items on the list will be purchased from the supplier quoting the lowest prices and having an acceptable delivery date.
- 3080.5 Vehicles will be purchased through a competitive bidding process.

**POLICY TITLE: Disposal of Surplus Property or Equipment**  
**POLICY NUMBER: 3085**

- 3085.1 Sale of Surplus Equipment.
  - 3085.1.1 Board of Directors takes action to declare equipment surplus.
  - 3085.1.2 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.)
  - 3085.1.3 Sealed bids are opened at the District Offices and the bid may be awarded to the highest bidder by the General Manager or his/her designee.
  - 3085.1.4 Bidders are notified of District's decision(s).
  - 3085.1.5 Junked Certificates may be obtained for vehicles that are sold to protect the District from liability.
  - 3085.1.6 The District may hold an auction for any surplus equipment not sold through a sealed bid process. The auction will follow the same guidelines for declaring equipment surplus. The District will advertise the date and time of the auction, and notify all prospective bidders that if a minimum bid is not made the District retains the right to pull any item from the bid list.
- 3085.2 Sale of Real Estate:
  - 3085.2.1 Board takes action to declare property surplus and authorizes District staff to obtain appraisal.
  - 3085.2.2 Property is offered to public agencies at the appraised price. (State law requires that public agencies have the opportunity to purchase property prior to advertisement to the general public.)
  - 3085.2.3 If property is not purchased by a public agency, it is advertised in the newspaper with a request that sealed bids be submitted to the District.
  - 3085.2.4 Board takes action at the next regular Board Meeting to accept or reject highest bid.
  - 3085.2.5 Bidders are notified of the Board's action.

**POLICY TITLE: Records Retention**  
**POLICY NUMBER: 3090**

- 3090.1 The purpose of this policy is to: provide guidelines to staff regarding the retention or disposal of HPUD records; provide for the identification, maintenance, safeguarding and disposal of records in

the normal course of business; ensure prompt and accurate retrieval of records; and ensure compliance with legal and regulatory requirements. Definitions for Records Retention are outlined in **Appendix E**.

- 3090.2 Vital and important records, regardless of recording media, are those having legal, financial, operational or historical value to the District.
- 3090.3 The General Manager is authorized by the Board of Directors to interpret and implement this policy, and to cause to be destroyed any or all such records, papers and documents that meet the qualifications governing the retention and disposal of records, specified below.
- 3090.4 Pursuant to the provisions of California Government Code §§60200 through 60203, California Water Code §21403, and the guidelines prepared by the State Controller's office and the Controller's Advisory Committee for Special Districts, the following qualifications will govern the retention and disposal of records of the HPUD.
  - 3090.4.1 Duplicate records, papers and documents may be destroyed at any time without the necessity of Board authorization or copying to photographic or electronic media.
  - 3090.4.2 Originals of records, papers and documents more than two years old that were prepared or received in any manner other than pursuant to State or Federal statute may be destroyed without the necessity of copying to photographic or electronic media.
  - 3090.4.3 In no instances are records, papers or documents to be destroyed where there is a continuing need for such records for such matters as pending litigation, special projects, etc.
  - 3090.4.4 Records, papers or documents which are not expressly required by law to be filed and preserved may be destroyed if all of the following conditions are met:
    - 3090.4.4.1 The record, paper or document is photographed, micro photographed, reproduced on film of a type approved for permanent photographic records by the National Bureau of Standard, or copies to an approved electronic media;
    - 3090.4.4.2 The device used to reproduce such record, paper or document on film, or retrieves and prints the document from the electronic media, is one which accurately reproduces the original thereof in all details; and,
    - 3090.4.4.3 The photographs, microphotographs, or other reproductions on film are placed in conveniently accessible files and provisions are made for preserving, examining, and using the same, together with documents stored via electronic media.
  - 3090.4.5 Any accounting record except the journals and ledgers which are more than five years old and which were prepared or received in any manner other than pursuant to State statute may be authorized for destruction, provided that:
    - 3090.4.5.1 There is no continuing need for said record, i.e., long-term transactions, special projects, pending litigations, etc., and;
    - 3090.4.5.2 There exists in a permanent file, an audit report or reports covering the inclusive period of said record, and that;
    - 3090.4.5.3 Said audit report or reports were prepared pursuant to procedures outlined in Government Code Section 26909 and other State or Federal audit requirements, and that;
    - 3090.4.5.4 Said audit or audits contain the expression of an unqualified opinion.

- 3090.4.6 Any accounting record created for a specific event or action may be destroyed upon authorization five years after said event has in all respects terminated. Any source document detailed in a register, journal, ledger or statement may be authorized for destruction five years from the end of the fiscal period to which it applies. The following may be destroyed at any time:
- 3090.4.6.1 Duplicated (original-subject to aforementioned requirements).
- 3090.4.6.2 Rough drafts, notes or working papers (except audit).
- 3090.4.6.3 Cards, listings, nonpermanent indices, other papers used for controlling work or transitory files.
- 3090.4.7 All payroll and personnel records shall be retained indefinitely. Originals may upon authorization be destroyed after seven years retention, provided said records have been microfilmed and qualify for destruction in section 4, above. Payroll and personnel records include the following:
- Accident reports, injury claims and settlements; Medical histories; Injury frequency charts; Applications, changes and terminations of employees; Insurance records of employees; Time cards; Classification specifications (job descriptions); Performance evaluation forms; Earning records and summaries and Retirements.
- 3090.4.8 All assessing records may upon authorization be destroyed after seven years retention from lien date; however, their records may be destroyed three years after the lien date when said records are microfilmed as provided for section 4, above.
- 3090.4.9 Records of proceedings for the authorization of long-term debt, bonds, warrants, loans, etc., after issuance or execution may be destroyed if microfilmed as provided for in section 3090.4.4, above. Terms and conditions of bonds warrants, and other long-term agreements should be retained until final payment, and thereafter may be destroyed in less than ten years if microfilmed as provided for in section 4, above. Paid bonds warrant certificates and interest coupons may be destroyed after six months if detailed payment records are kept for ten years.
- 3090.5 Minutes of the meetings of the Board of Directors are usually retained indefinitely in their original form. However, they may upon authorization be destroyed if said minutes are microfilmed as provided for in section 4, above. Recording tapes (or other media) of Board meetings will be kept for a period of one year from the date of the recorded meeting, after which they will be destroyed.
- 3090.5.1 Construction records, such as bids, correspondence, change orders, etc., shall not be kept in excess of seven years unless they pertain to a project which includes a guarantee or grant and, in that event, they shall be kept for the life of the guarantee or grant plus seven years. As-built plans for any public facility or works shall be retained as long as said facility is in existence.
- 3090.5.2 Contracts should be retained for its life plus seven years. Any unaccepted bid or proposal for the construction or installation of any building, structure or other public work which is more than two years old may be destroyed.
- 3090.5.3 Property records, such as documents of title, shall be kept until the property is transferred or otherwise no longer owned by the District.

## **POLICY SERIES 4000 BOARD OF DIRECTOR POLICIES**

The Board of Directors has adopted a Policies and Procedure Manual via Resolution No. 98-016. This Resolution is Repealed and replaced with the following Policies.

**POLICY TITLE:** Organization and Basis of Authority  
**POLICY NUMBER:** 4001

- 4001 The Board of Directors is the unit of authority within the District. The Board of Directors are governed by the Division 7 of the Public Utility District Act. Apart from his/her normal function as a part of this unit, Directors have no individual authority. As individuals, Directors may not commit the district to any policy, act or expenditure.
- 4001.1 Directors do not represent any fraction segment of the community, but are, rather, a part of the body which represents and acts for the community as a whole.
- 4001.2 The Directors are the governing body of the District. Directors are responsible for monitoring the District's progress in financing and attaining its goals and objectives, while pursuing its mission.

**POLICY TITLE: Annual Organizational Meeting**  
**POLICY NUMBER: 4002**

- 4002 Annual Organizational Meeting. The Board of Directors shall hold an annual organizational meeting at the first regular meeting in December. At this meeting the Board will elect a President, Vice President and Treasurer from among its members to serve during the coming calendar year, and will appoint the General Manager or his/her appointed employee as Board Secretary.
- 4002.1 Members of the Board of Directors shall attend all regular and special meetings of the Board unless there is good cause for absence. A vacancy shall occur if any member ceases to discharge the duty of his/her office for a period of three (3) consecutive months except as authorized by the President. If unable to contact the Board President, the General Manager can be notified and he/she will notify the president.
- 4002.2 The Board of Directors of Heber Public Utility District are committed to providing excellence in legislative leadership that results in the provision of the highest quality of services to its constituents. In order to assist in the government of the behavior between and among members of the Board of Directors, the following rules shall be observed.
- a. The dignity, style, values and opinions of each Director shall be respected. Responsiveness and attentive listening in communication is encouraged.
  - b. The needs of the District's constituents should be the priority of the Board of Directors.
  - c. The primary responsibility of the Board of Directors is the formulation and evaluation of policy. Routine matters concerning the operational aspects of the District are to be delegated to professional staff members of the District.
  - d. Directors should commit themselves to emphasizing the positive, avoiding double talk, hidden agendas, gossip, backbiting, and other negative forms of interaction.
  - e. Directors should commit themselves to focusing on issues and not personalities. The presentation of the opinions of others should be encouraged. Cliques and voting blocks based on personalities rather than issues should be avoided.
  - f. Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions, but without being disagreeable. Once the Board of Directors takes action, Directors should commit to supporting said action and not create barriers to the implementation of said action.
  - g. Directors should practice the following procedures:

- In seeking clarification on informational items, Directors may directly approach the General Manager to obtain information needed to supplement, upgrade, or enhance their knowledge to improve legislative decision-making.
  - In handling complaints from residents and property owners of the District said complaints should be referred directly to the General Manager.
  - In handling items related to safety, concerns for safety or hazards should be reported to the General Manager. Emergency situations should be dealt with immediately by seeking appropriate assistance.
  - In presenting items for discussion at Board meetings Directors may directly approach the General Manager and or the Board President.
  - In seeking clarification for policy-related concerns, especially those involving personnel, legal action, land acquisition and development, finances, and programming, said concerns should be referred directly to the General Manager.
- h. When approached by District personnel concerning specific District policy, Directors should direct inquiries to the General Manager. The chain of command should be followed.
  - i. The work of the District is a team effort. All individuals should work together in the collaborative process, assisting each other in conducting the affairs of the District.
  - j. Directors shall thoroughly prepare themselves to discuss agenda items at meetings of the Board of Directors. Information may be requested from staff or exchanged between Directors before meetings.
  - k. Information that is exchanged before meetings shall be distributed through the General Manager, and Directors will receive all information being distributed.

#### 4002.3.1

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

- a. Directors shall defer to the Chairperson 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.
- b. Directors may request for inclusion into 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).
- c. Directors shall abstain from participating in consideration on any item involving a personal or financial conflict of interest. Unless such a conflict of interest exists, however, Directors should not abstain from the Board's decision making responsibilities.
- d. Requests by individual Directors for substantive information and/or research from District staff will be channeled through the General Manager.
- e. When responding to constituent requests and concerns, Directors should be courteous, responding to individuals in a positive manner and routing their questions through appropriate channels and to responsible management personnel.
- f. Directors should develop a working relationship with the General Manager wherein current issues, concerns and District projects can be discussed comfortably and openly.

- g. Directors should function as a part of the whole. Issues should be brought to the attention of the Board as a whole, rather than to individual members selectively.
- h. Directors are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.

**POLICY TITLE: Board Actions and Decisions**  
**POLICY NUMBER: 4003**

- 4003.1 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 General Manager; and
  - f. Approval or disapproval of matters which require or may require the District or its employees to take action and/or provide services.
- 4003.2 Action can only be taken by the vote of the majority of the Board of Directors. Three (3) Directors represent a quorum for the conduct of business. Actions taken at a meeting where only a quorum is present, therefore, require all three (3) votes to be effective. This policy applies as well to abstentions from voting. A member abstaining in a vote is considered as absent for that vote.
- 4003.3 The Board may give directions which 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.
- 4003.3.1 The Chairperson shall determine by consensus a Board directive and shall state it for clarification. Should any two Directors challenge the statement of the Chairperson, a voice vote may be requested.
- 4003.3.2 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 referring the matter to the General Manager for review and recommendation, etc.).
- 4003.3.3 An Informal action by the Board is still Board action and shall only occur regarding matters which appear on the agenda for the Board meeting during which said informal action is taken.
- 4003.4. The provisions of §1094.6 of the Code of Civil Procedure of the State of California 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.
- 4003.4.1 This policy affects those administrative decisions rendered by the Board of Directors governing acts of the District, in the conduct of the District's operations and those affecting personnel operating policies.
- 4003.4.2 The purpose of this policy is to insure efficient administration of the District, and the expeditious review of decisions rendered by the Board of Directors.

- 4003.4.3 The Recording Secretary of the Board of Directors shall keep minutes of all regular and special meetings of the Board.
- 4003.4.4 Copies of said minutes shall be made for distribution to Directors with the agenda for the next regular Board meeting.
- 4003.4.5 The official minutes of the regular and special meetings of the Board shall be kept in a fireproof vault or in fire-resistant, locked cabinets.
- 4003.4.6 Audio tape recordings of all regular meetings of the Board of Directors shall be made. At the request of the Secretary, General Manager or any Director when such request is approved by a majority of the whole Board, recordings of closed sessions may be made.
- 4003.4.7 Recordings made during closed sessions of the Board are deemed not to be public records.
- 4003.4.8 The recordings, tapes, discs or other electronic data/information storage devices shall be kept in fire-resistant, locked cabinets or in a fireproof, locked vault.
- 4003.4.9 Motions, resolutions or ordinances shall be recorded as having passed or failed, and individual votes will be recorded unless the action was unanimous.
- 4003.4.10 All resolutions and ordinances adopted by the Board shall be numbered consecutively at the beginning of each calendar year.

**POLICY TITLE: Other Officers and Employees**  
**POLICY NUMBER: 4004**

- 4004 The Board of Directors shall appoint:  
  
 General Manager.  
  
 Board Secretary.
- 4004.1.1 A Director may not be General Manager or Secretary.
- 4004.2 The General Manager shall receive compensation determined by the Board of Directors and shall serve at its pleasure.
- 4004.3 The same person may be appointed General Manager and Secretary.
- 4004.4 The Board of Directors may at any time appoint or employ and prescribe the authorities and duties of other officers, employees, attorneys and engineers necessary or convenient for the business of the District.

**POLICY TITLE: Board and Officer Activities**  
**POLICY NUMBER: 4005**

- 4005 The President of the Board of Directors shall:

1. Serve as chairperson at all Board meetings. He/she 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.
  2. Appoint such ad hoc committees as may be deemed necessary or advisable by himself/herself and/or the Board. The duties of the ad hoc committees shall be outlined at the time of appointment, and the committee shall be considered dissolved when its final report has been made.
  3. Appoint and publicly announce the members of any standing committees that may be established such as Emergency Preparedness/Planning Committee, Administrative Committee, Finance Committee and Engineering Committee, for the year.
  4. The Board's standing committees may be assigned to review District functions, activities, and/or 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 resulting from said review should be submitted to the Board via a written or oral report. All meetings of standing committees shall conform to all open meeting laws (e.g., "Brown Act") that pertain to regular meetings of the Board of Directors.
- 4005.1 In the absence of the President, the Vice President of the Board of Directors shall serve as chairperson over all meetings of the Board. If the President and Vice President of the Board are both absent, the remaining members present shall select one of themselves to act as chairperson of the meeting.
- 4005.2 The Board Secretary shall cause to be kept a complete record of all meetings and proceedings of the Board of Directors.
- 4005.3 The Board Treasurer shall cause to be kept a complete record of the financial affairs of the District.
- 4005.4 The Board of Directors shall ordinarily hold membership in and attend meetings of such national, state, and local associations as may exist which have applicability to the functions of the District, and shall look upon such memberships as an opportunity for in-service training.

**POLICY TITLE: Meeting Attendance / Conduct of Meetings**  
**POLICY NUMBER: 4006**

4006. Meetings of the Board of Directors shall be conducted by the Chairperson in a manner consistent with the Brown Act (Government Code Section 54950, et seq.) as it presently exists or as it may be amended from time to time, and the policies of the District. The latest edition of Robert's Rules of Order shall also be used as a general guideline for meeting protocol. District policies shall prevail whenever they are in conflict with Robert's Rules of Order (Revised).
- 4006.1 Members of the Board of Directors 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 a majority of the meeting. Absences or late arrivals should be excused in advance by contacting the Board President or the General Manager who will relay the message to the Board.

- 4006.2 A vacancy shall occur if any member ceases to discharge the duty of his/her office for the period of three consecutive meetings except as authorized by the Board President and reported to the Board of Directors.
- 4006.3 All Board meetings shall commence at the time stated on the agenda and shall be guided by same. No use of cell phones or other electronic media other than iPads or computers for meeting agenda and backup material, which is posted on the HPUD website.
- 4006.4 The conduct of meetings shall, to the fullest possible extent, enable Directors to:
- 4006.4.1 Consider problems to be solved, weigh evidence related thereto, and make wise decisions intended to solve the problems; and,
- 4006.4.2 Receive, consider and take any needed action with respect to reports of accomplishment of District operations.
- 4006.4.3 Directors may request for inclusion into 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).
- 4006.4.4 Directors shall abstain from participating in consideration of any item involving a personal or financial conflict of interest. Unless such a conflict of interest exists, however, Directors should not abstain from the Board's decision-making responsibilities.
- 4006.4.5 Requests by individual Directors for substantive information and/or research from District staff will be channeled through the General Manager.
- 4006.5 Provisions for permitting any individual or group to address the Board concerning any item on the agenda of a special meeting, or to address the Board at a regular meeting on any subject that lies within the jurisdiction of the Board of Directors, shall be as followed:
- 4006.5.1 Five (5) minutes may be allotted to each speaker;
- 4006.5.2 No boisterous conduct shall be permitted at any Board meeting. Persistence in boisterous conduct shall be grounds for summary termination, by the Chairperson, of that person's privilege of address.
- 4006.5.3 No oral presentation shall include charges or complaints against any District employee, regardless of whether or not the employee is identified in the presentation by name or by another reference which tends to identify. All charges or complaints against employees shall be submitted to the Board of Directors under provisions contained in Chapter 2.
- 4006.6 The General Manager, in cooperation with the Board President, shall prepare an agenda for each regular and special meeting of the Board of Directors. Any Director may call the General Manager and request any item to be placed on the agenda no later than 5:00 p.m. on the Thursday prior to the meeting date.
- 4006.7 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:
- 4006.7.1 The request must be in writing and submitted to the General Manager or Recording Secretary together with supporting documents and information, if any, at least five (5) business days prior to the date of the meeting;

- 4006.7.2 The General Manager shall be the sole judge of whether the public request is or is not a "matter directly related to District business."
- 4006.7.3 No matter which is legally a proper subject for consideration by the Board in closed session will be accepted under this policy;
- 4006.7.4 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.
- 4006.8 This policy does not prevent the Board from taking testimony at regular and special meetings of the Board on matters which are not on the agenda which a member of the public may wish to bring before the Board. However, the Board shall not discuss or take action on such matters at that meeting.
- 4006.9 At least seventy-two (72) hours prior to the time of all regular meetings, an agenda, which includes but is not limited to all matters on which there may be discussion and/or action by the Board, shall be posted conspicuously for public review within the District office.
- 4006.9.1 The agenda for a special meeting shall be posted at least twenty-four (24) hours before the meeting in the same location.
- 4006.10 Adjourned Meetings. A majority vote by the Board of Directors may terminate any Board meeting at any place in the agenda to any time and place specified in the order of adjournment, except that if no Directors are present at any regular or adjourned regular meeting, the General Manager may declare the meeting adjourned to a stated time and place, and he/she shall cause a written notice of adjournment to be given to those specified above.
- 4006.11 Willful disruption of any of the meetings of the Board of Directors shall not be permitted. If the Chairperson finds that there is in fact willful disruption of any meeting of the Board, he/she may order the room cleared and subsequently conduct the Board's business without the audience present.
- 4006.12 In such an event, only matters appearing on the agenda may be considered in such a session.
- 4006.13 After clearing the room, the Chairperson may permit those persons who, in his/her opinion, were not responsible for the willful disruption to reenter the meeting room.
- 4006.14 Duly accredited representatives of the news media, whom the Chairperson finds not to have participated in the disruption, shall be admitted to the remainder of the meeting.

**POLICY TITLE: Closed Session**  
**POLICY NUMBER: 4007**

4007. The Secretary shall be responsible for fulfilling any notice requirements relating to closed meetings. The General Counsel shall be responsible for the preparation of any documents required by Government Code Section 54956.9 with regard to litigation. The President shall be responsible for ensuring that procedural requirements, other than requirements for notice, are fulfilled when a closed meeting is held.
- 4007.1 Disclosure of any matter discussed in the session by any person attending the session is strictly forbidden .

4007.1.1 If anyone is reported to have violated this provision, the matter shall be referred to the Board for investigation and consideration of any appropriate action warranted.

**POLICY TITLE: Special Meeting**  
**POLICY NUMBER: 4008**

4008. Special meetings (non-emergency) of the Board of Directors may be called by the Board President.

4008.1.1 All Directors, the General Manager and District Counsel shall be notified of the special Board meeting and the purpose or purposes for which it is called. Said notification shall be in writing, delivered to them at least twenty-four (24) hours prior to the meeting.

4008.1.2 Newspapers of general circulation in the District, radio stations and television stations, organizations, and property owners who have requested notice of special meetings in accordance with the Ralph M. Brown Act (California Government Code §54950 through §54926) shall be notified by a mailing unless the special meeting is called less than one week in advance, in which case notice, including business to be transacted, will be given by telephone during business hours as soon after the meeting is scheduled as practicable.

4008.1.3 An agenda shall be prepared as specified for regular Board meetings in Chapter 5 and shall be delivered with the notice of the special meeting to those specified above.

4008.1.4 Only those items of business listed in the call for the special meeting shall be considered by the Board at any special meeting.

**POLICY TITLE: Emergency Meeting**  
**POLICY NUMBER: 4009**

4009. Emergency Meetings. In the event of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities, the Board of Directors may hold an emergency meeting without complying with the twenty-four (24) hour notice. An emergency situation means a crippling disaster which severely impairs public health, safety, or both, as determined by the General Manager, Board President or Vice President in the President's absence.

4009.1 Newspapers of general circulation in the District, radio stations and television stations which have requested notice of special meetings in accordance with the Ralph M. Brown Act (California Government Code §54950 through §54926) shall be notified by at least one (1) hour prior to the emergency meeting. In the event that telephone services are not functioning, the notice requirement of one hour is waived, but the General Manager, or his/her designee, shall notify such newspapers, radio stations, or television stations of the holding of emergency meeting, and of any action taken by the Board, as soon after the meeting as possible.

4009.2 No closed session may be held during an emergency meeting, and all other rules governing special meetings shall be observed with the exception of the twenty-four (24) hour notice. The minutes of the emergency meeting, a list of persons the General Manager or his/her designee notified or attempted to notify, a copy of the roll call vote(s), and any actions taken at such meeting shall be posted for a minimum of ten (10) days in the District office as soon after the meeting as possible.

**POLICY TITLE: Remuneration and Reimbursement**  
**POLICY NUMBER: 4010**

- 4010.1 Members of the Board of Directors shall receive a monthly "Director's Fee," the amount of which shall be annually established by the Board at its regular meeting in July.
- 4010.1.1 Any Board member that does not attend any regularly scheduled meeting will not receive pay for the missed meeting(s).
- 4010.1.2 Board members must be present during a majority of time during any meeting to receive pay for attendance.
- 4010.1.3 Members of the Board of Directors shall be reimbursed for all legitimate expenses incurred in attending any meetings or in making any trips on official business of the Board when so authorized in accordance with Policy #4090. Reimbursement for the cost of the use of a Director's vehicle shall be on the basis of total miles driven and at the rate specified in the Internal Revenue Service Guidelines in effect at the time of the vehicle usage.

**POLICY TITLE: Compensation of Expenses**  
**POLICY NUMBER: 4011**

- 4011 Members of the Board of Directors shall receive a monthly Director's fee as separately established by the Board per state law (Public Utilities Code Section 16002).
- 4011.1.3 Members of the Board of Directors shall be reimbursed for all legitimate expenses incurred in attending any meetings or in making any trips on official business of the Board when so authorized. Reimbursement for the cost of the use of a Director's vehicle shall be on the basis of total miles driven and at the rate specified by the Board of Directors.
- 4011.2 It is the policy of Heber Public Utility District to encourage Board development and excellence of performance by reimbursing expenses incurred for tuition, travel, lodging 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.
- 4011.3 District administrative staff shall be responsible for making arrangements for per diem, travel, lodging and registration for Directors attending state and national seminars, workshops and conferences. All expenses shall be reported to the District by Directors, together with validated receipts. Attendance by Directors of seminars, workshops and conferences shall be approved by the Board of Directors prior to incurring any reimbursable costs. Upon returning from seminars, workshops, or conferences where expenses are reimbursed by the District, Directors will either prepare a written report for distribution to the Board, or make a verbal report during 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.

**POLICY TITLE: Review of Administrative Decisions**  
**POLICY NUMBER: 4020**

- 4020.1 The provisions of §1094.6 of the Code of Civil Procedure of the State of California 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.

4020.2 This policy affects those administrative decisions rendered by the Board of Directors governing acts of the District, in the conduct of the District's operations and those affecting personnel operating policies.

4020.3 The purpose of this policy is to ensure efficient administration of the District, and the expeditious review of decisions rendered by the Board of Directors.

**POLICY TITLE: Minutes of Board Meetings**  
**POLICY NUMBER: 4030**

4030.1 The Clerk or Deputy Clerk of the Board of Directors shall keep minutes of all regular and special meetings of the Board.

4030.1.1 Copies of a meeting's minutes shall be distributed to Directors as a 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 secure area.

4030.1.2 Unless directed otherwise, an audio tape recording of regular and special meetings of the Board of Directors will be made. The media upon which the recording is stored shall be kept in a secure locked cabinet for a minimum of one (1) year. Members of the public may inspect recordings of Board meetings without charge on a playback machine that will be made available by the District.

4030.1.3 Motions, resolutions or ordinances shall be recorded in the minutes as having passed or failed, and individual votes will be recorded unless the action was unanimous. 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;
- Summarial 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 adjournment.

**POLICY TITLE:           Development Improvement Standards**  
**POLICY NUMBER:       6010**

- 6010.1           In order to provide a uniform and consistent method of regulating and guiding the design and preparation of plans for construction of facilities; and, of insuring proper installation of all private works involving any services that fall under the jurisdiction of HPUD, the Heber Public Utility District Standard Details and Specifications, shall be adhered to.
- 6010.2           The purpose of the Heber Public Utility District Standard Details and Specifications is to provide standards to be applied to all improvements and private works to be dedicated to the public and accepted by the District for operation and maintenance. This is necessary in order to provide for coordinated development of required facilities to be used by the public.
- 6010.3           It is recognized that it is not humanly possible to anticipate all situations that may arise or to prescribe standards applicable to every situation. Therefore, any items or situations not included in the Heber Public Utility District Standard Details and Specifications shall be designed and/or constructed in accordance with accepted engineering practice, any Local, State or Federal regulation, and as required by the District Engineer, and General Manager.
- 6010.4           Proposed changes in the Heber Public Utility District Standard Details and Specifications shall be presented to the Board of Directors for their review and consideration. If the proposed change(s) is approved by the Board, staff shall incorporate said change(s) in the originals of said Standards, and shall annotate the date of said revision approval upon the documents.
- 6010.5           Copies of the current Heber Public Utility District Standard Details and Specifications shall be available at the District office and shall be available to interested parties upon request and payment of the cost of producing the requested copy.

**POLICY TITLE:           Environmental Review Guidelines**  
**POLICY NUMBER:       6020**

6020.           Purposes. These guidelines implement the California Environmental Quality Act of 1970 (CEQA) as amended and ensure that consideration is given to the environmental effects of projects that are subject to CEQA. An EIR, or environmental impact report, is a detailed statement prepared under CEQA describing and analyzing the significant environmental effects of a project and discussing ways either to mitigate or avoid the effects. It is an information document which, when fully prepared in accordance with CEQA and these guidelines, will inform public decision makers and the general public of the significant environmental effects of projects proposed to be carried out or approved. The information in an EIR constitutes evidence that the District shall consider along with any other information that may be presented to the District. While CEQA requires that major consideration be given to preventing EIR damage, it is recognized that public agencies have obligations to balance other public objectives including economic and social factors in determining whether and how a project should be approved. Economic information may be included in an EIR or may be presented in whatever forms the District desires. The District retains its existing authority to balance environmental objectives with economic and social objectives and to weigh the various long term and short-term costs and benefits of a project in making the decision to approve or disapprove it.
6021.           General Implementing Procedures. The regulations contained in Title 14, Division 6, Chapter 3 of the California Administrative Code are incorporated by reference as if set out in full and shall be applicable, except as modified herein, to these procedures. (14 Code of Cal. Regs. Section 5022). The District encompasses an area in the unincorporated area of the County of Imperial. The District, by reference, adopts the CEQA Guidelines adopted by the County of Imperial as they exist and may be amended by the Imperial County Board of Supervisors.

**POLICY TITLE: Annexation Procedures**  
**POLICY NUMBER: 6030**

- 6030.1 Property must be annexed to the District prior to receiving services. Furthermore, unconditional commitments to provide service to property and/or proposed developments will not be granted until said property is annexed to the District.
- 6030.2 In conformance with Policy #6040, District approval of residential, commercial, industrial or other types of development projects will not be granted by the Board of Directors until the entire site has been annexed to the District, or will be granted with the condition that the entire project site be successfully annexed to the District.
- 6030.3 Annexation Procedures.
- 6030.3.1 The annexation procedures for the District shall be those as outlined in the County of Imperial Local Formation Commission (LAFCO). The District may adopt guidelines in addition to those required by LAFCO.

**POLICY TITLE: Developer Requirements**  
**POLICY NUMBER: 6040**

- 6040.1 The District's goal is for its service facilities to have a maximum useful life, to reduce overall maintenance costs and to provide dependable service to existing and future customers. Toward that end, and to ensure orderly development and the use of high-quality materials, proper installation and acceptable project management, developers of residential, commercial, industrial or other type projects shall obtain approval from the District prior to:
  - 6040.1.1 Construction of associated water, wastewater, parks/retention basins facilities which they proposed to connect to the District's system; or,
  - 6040.1.2 Relocation of existing District facilities.
  - 6040.1.3 "Project" shall be defined as the proposed construction of any development involving the District's water, wastewater, parks/retention basins and/or alterations to provide additional capacity in existing facilities in order to obtain service(s).
- 6040.2 The developer initiates a request for project approval by submitting, to the General Manager and the District Engineer, plans for the proposed improvements. The initial plan submittal shall be prepared by a registered civil engineer. The General Manager and the District Engineer shall review the project plans and related information to insure their conformance with the Improvement Standards, District policies, good engineering judgment and the best interests of the District.
- 6040.3 The project shall be submitted by the General Manager and the District Engineer to the Board of Directors for approval consideration when the following have been accomplished:
  - 6040.3.1 The improvement plans satisfy the requirements of the Improvement Standards and the General Manager and the District Engineer;
  - 6040.3.2 The developer and project-property owner have executed a development agreement (see Policy #6050) as prepared by the General Manager, the District Engineer and Legal Counsel; and,
  - 6040.3.3 The project site has been annexed to the District.
- 6040.4 Upon written request from the project developer and/or project engineer, the Board will review the requirements specified by the General Manager, the District Engineer and Legal Counsel for the involved improvement plans, development agreement, or other related items, to determine if they are in keeping with the Improvement Standards, District policies, and/or the best interests of the

District. If the subject of the request involves general engineering judgment, the Board may request an impartial opinion of another professional engineer (one who is not involved with the project or its principals).

- 6040.5 Upon approval of the project by the Board of Directors, the President of the Board shall be authorized to execute the development agreement on behalf of the District, and the General Manager and the District Engineer shall be authorized to affix his/her signature of approval on the project's improvement plans.
- 6040.6 Approval of a project by the Board of Directors is valid for one year. If significant construction of the project has not commenced by the end of one year from the date of approval, or if construction commences and then is halted for more than one year, project approval shall expire.
- 6040.7 **Developer's Responsibility.** The Developer is responsible for compliance with the regulations and implementation of these requirements. This includes responsibility for the preparation and content of the plans and specifications, construction of the facilities, and fulfillment of the terms of the Conveyance Agreement. The Developer is responsible for overseeing and directing the Developer's engineer and contractor. The District or its employees shall not act as, nor shall the Developer rely upon same to act as, an agent or protectorate of the Developer.
- 6040.8 **Plans and Specifications.** The plans and specifications must be prepared by a civil engineer registered in the state of California. These documents will be reviewed by District staff for compliance and must be approved by the District's engineer.
- 6040.8.1 **Facility Design.** Design of the facilities will be governed by District regulations. The District's engineer will determine broad design concepts. District system master plans will be consulted. The Developer's design engineer shall employ sound design using current standards to achieve a reliable, long-lasting facility with operational flexibility. The plans and specifications shall include all applicable District standard specifications and details.
- 6040.8.2 **Environmental Requirements.** The Developer is responsible for preparing environmental documents per the California Environmental Quality Act (CEQA). Approved environmental documents must be delivered to the District's engineer for review prior to the signing of the Improvement Plans.
- 6040.8.3 **Improvement Plans.** The improvement plans must incorporate the following:
- Plan sheet size: 24" x 36", inked on Mylar (or Mylar second original).
  - Minimum printing size: 1/8" (for CAD drawings: 1/10").
  - Elevation data: USGS (stated on plans).
  - Plan Cover Sheet with signature blocks and a 200-scale map of the area or subdivision.
  - Plan view: minimum scale of 50' per inch.
  - Profile: horizontal scale same as plan view and a minimum vertical scale of 10' per inch.
  - Profile and vertical alignment data, including all other utilities and structures.
  - All applicable property and easement lines.
  - Limits of pipeline material, size, and class.
  - All other improvements, existing or proposed, affecting the water facilities.
  - Details of fittings and joint configurations.
  - All appropriate District standard details.
  - All other necessary details and instructions.
  - Quality: Plans must be microfilmable and scanable such that reproductions, full-sized and reduced, are easily readable. Provide sharp contrast between line work and background.
- 6040.8.4 **Standard Specifications and Details.** The District has prepared Standard Specifications and Details governing construction of the water, wastewater and parks system. These Standards are administered in accordance with District regulations. They include Special Conditions and Technical Provisions and are augmented by Standard Details. They are available to engineers and suppliers working with the District at an appropriate fee.

- 6040.8.5 All system expansions must comply with District Standard Specifications and Details. Project specifications must include all applicable Standards and must be approved by the District Engineer. The Developer is responsible for the cost of preparation of any contract documents such as Bid Forms and General Conditions or any other forms or documents that may be required.
- 6040.8.6 Items not included in the District Standard Specifications or Details must be designed by the Developer's engineer and plans and specifications prepared for the District's engineer's approval.
- 6040.8.7 District Standard Specifications and Details may not be revised without a written request and prior District approval.
- 6040.8.8 The Developer shall provide prospective bidders, contractors, and subcontractors' copies of the Standard Specifications and Details and shall not rely on the District to provide copies.
- 6040.8.9 District Standard Specifications and Details will require periodic revisions to assure use of the most current and acceptable construction materials and methods and changes in construction law and regulations. Updates will be administered according to District regulations. The most current revisions will apply.
- 6040.9 Construction. The facilities called for in the approved plans and specifications must be constructed by a contractor with a valid California Class A or C-[appropriate number for specialty contractor] license. The Developer's engineer shall act as a project manager during construction to ensure compliance with the plans and specifications and shall be available to provide technical assistance when required. The Developer shall identify, in writing, the project manager if different then the Developer's design engineer.
- 6040.9.1 Construction Management. The Developer must maintain control over their contractor's activities by providing effective construction management. To help ensure proper control of the work and materials, compliance with applicable laws, and acceptable prosecution and progress, the Developer shall include in the General Conditions of the construction contract or shall otherwise provide for or ensure that the Developer's contractor will:
- Designate in writing his authorized field representative on a current basis. (Copies to be sent to the District's engineer).
  - Comply with field surveys and construction staking provided by the Developer or Developer's engineer.
  - Cooperate with District forces on and off the job site.
  - Prohibit work on any part of the system facilities before 7 a.m. and after 5 p.m. and further prohibit such work on Saturdays, Sundays, and adopted District holidays. (Note: Work performed during these prohibited times may be rejected.)
  - Maintain a set of plans and specifications at the job site for use by the District's engineer and/or inspector.
  - Observe all applicable laws including, but not limited to, hours of labor, equal opportunity, contractor's licensing, vehicle code, worker's compensation, air pollution, water pollution, use of pesticides, Clean Air and Water acts, protection of underground infrastructure, payment of taxes, permits and licenses, and patent infringements.
  - Observe and practice all applicable safety regulations and laws.
  - Provide for and maintain public convenience and public safety.
  - Provide for and practice safe and legal use of explosives.
  - Provide for and practice fire prevention measures.
  - Salvage District facilities from the job as directed by the District's engineer, and protect and deliver same to the District's corporation yard at [address], California.
  - Remove promptly from the work site all work or materials having been rejected or deemed unauthorized or unsuitable by the District's engineer.

- Dismiss and remove from the job site employees of the contractor or subcontractors who, in the opinion of the District's engineer, are incompetent, intemperate, unsafe, abusive, threatening, or otherwise unsatisfactory.
- Suspend work due to unfavorable weather, unsafe act or acts, or other conditions as directed by the District's engineer.
- Cease all construction operations at the location of the discovery of surface or subsurface cultural resources and secure the services of a qualified archeologist to make recommendations to the State Historical Preservation Officer and comply with further directions of the State Officer or the District's engineer.

6040.9.2 Submittals. All materials and equipment not in conformance with the District-approved plans and specifications that are delivered to the work site and all work incorporating such nonconforming materials and equipment will be rejected. Pre-approval of materials and equipment through the submittal process may avoid delays in the work.

6040.9.2.1 The Developer shall provide or perform, or cause the Developer's contractor to provide or perform, the following for all submittals:

- Coordinate submittals so that related items are provided in groups. (Uncoordinated submittals will be returned without consideration.)
- Describe in writing any variations from the specifications.
- Review submittals for legibility, accuracy, completeness, and compliance with the specifications.
- Route through Developer's engineer for comments.
- Indicate Developer's contractor and engineer's approval on each copy of individual submittals.
- Provide at least two conforming copies (three copies if one is to be returned).
- Allow at least 30 days for review by the District's engineer.
- Prohibit work incorporating materials or equipment requiring approved submittals until a favorable review from the District's engineer has been received.

6040.9.3 Inspection. Each phase of the work, as defined in the technical provisions of the standard specifications, must pass inspection by the District's engineer before commencing work on the next phase. The Developer shall cause the Developer's contractor to comply with the following:

- Notify the District's engineer two working days prior to the start or restart of any construction that might affect or deal directly with the water system facilities.
- Cooperate with the District's engineer during inspection activities including, but not limited to, furnishing facilities, labor, material, or equipment reasonably needed to perform safe and convenient inspections and tests.
- Ensure that each phase of work, as identified in the technical provisions of the specification, passes inspection prior to attempting the next phase of work.

(Note: Failure to pass inspection may cause rejection of subsequent phases of work.)

6040.9.4 Clearing and Grubbing. The Developer must dictate to the contractor provisions governing the clearing and grubbing phase of the work. The Developer shall include in the technical provisions of the construction contract, or shall otherwise provide for and ensure that the Developer's contractor will:

- Remove all stumps and roots left by the clearing operation if within ten feet of a District facility or within the work area, whichever is greater.
- Backfill and properly compact to the original ground elevation, prior to starting work in the area, all depressions created by the removal of the stumps and roots.
- Dispose of all debris within the work area resulting from the clearing, grubbing, or demolition work.

6040.9.5 Measurement and Payment. Each section of the Technical Provisions in the District Standard Specifications includes a subsection governing measurement and payment to the contractor. Use

of these subsections by the Developer is optional. The Developer is responsible for making all measurements for payment and making all payments to the contractor for the work.

**POLICY TITLE:           Development Agreements**  
**POLICY NUMBER:       6050**

- 6050.1           Prior to the Board of Directors considering a private development project for approval, a development agreement specifying the terms and conditions of said approval, prepared by the General Manager and/or Legal Counsel, shall be executed by the project's developer(s) and property owner(s) (see Policy #6040).
- 6050.2           The development agreement shall contain the following information:
  - 6050.2.1       Name(s) of developer and/or project sponsor(s), and owner(s) of subject property;
  - 6050.2.2       Assessor's parcel number of subject property;
  - 6050.2.3       Type and purpose of project (e.g., residential, commercial, industrial, etc.); and,
  - 6050.2.4       A graphic description of the project attached to the agreement as "Exhibit A."
- 6050.3           The following shall be used as standard terms and conditions of the development agreement:
  - 6050.3.1       **STANDARDS FOR WATER AND WASTEWATER SYSTEMS:** Plans have, at no cost to District, been designed and prepared for the on-site and off-site service(s) system which include Developer's obligation to accomplish the following:
    - 6050.3.1.1     Construct the service(s) provided in conformance with the approved plans therefore; and,
    - 6050.3.1.2     Obtain an encroachment permit from the Imperial County Planning & Development and Imperial County Department of Public Works [and any State agency that may be required] of the County of Imperial and comply with all requirements thereof, including trench restoration and street resurfacing requirements for any portion of the project situated within existing or proposed future HPUD, County or State right of way.
  - 6050.3.2       **ACCEPTANCE OF PLANS AND SPECIFICATIONS:** The completed plans as described above for the service(s) provided have been prepared in conformance with District Improvement Standards and the requirements of the General Manager and District Engineer, and are in a form acceptable to same.
  - 6050.3.3       **REVISION OF PLANS:** Any changes in such accepted plans shall require written approval of Developer and the General Manager and District Engineer.
  - 6050.3.4       **RIGHTS OF WAY:** Owners will provide to District, at no cost to District and in a form acceptable to the General Manager, District Engineer and Legal Counsel appropriate easements and rights of way for the maintenance, repair, and replacement of all service(s) provided not within existing public rights of way, public utility easements, and/or service(s) easements.
  - 6050.3.5       **CONSTRUCTION:** Developer shall, without expense to District, construct the service(s) provided pursuant to the accepted plans or any approved modification thereof. Developer shall provide in any contract for construction of the service(s) provided that any contractor's materials supplier's guarantees there under, including a one-year warranty on the completed improvements, shall inure to the benefit of District after the works constructed there under have been conveyed to District as provided for in 6050.3.9, below. Developer shall also provide in any contract for construction of the service(s) provided that the contractor's public liability and property damage insurance shall be extended to cover Developer and District and their agents, officers and employees as additional insured with: liability and bodily injury limits of not less than \$1,000,000 for each occurrence and

\$2,000,000 aggregate; and, property damage coverage of not less than \$100,000,000 each occurrence and \$1,000,000 aggregate. General liability insurance policies having combined single limits damage combined of liability shall carry limits for bodily injury and property damage combined at \$1,000,000 each occurrence and \$1,000,000 aggregate.

- 6050.3.6 **PAYMENT OF PREVAILING WAGES:** Developer has been advised that the State of California (State) Attorney General has opined that, in certain circumstances, construction of facilities for provision of public utility service, with the understanding and agreement that said facilities will be turned over to District for ownership, operation and maintenance at the conclusion of construction, may be subject to the prevailing wage laws of the State. Developer has determined that, at this time, said opinion of the Attorney General does not affect the wages paid by Developer to laborers employed on said facilities constructed pursuant to this agreement. Developer agrees, however, that should it be determined that the prevailing wage laws of the State (Labor Code §1770, et seq.) apply to the work performed in accordance with this agreement, then Developer shall defend and hold District harmless from any liability, claims, damages, or costs in any way associated with said determination by the State and Developer shall, as further consideration of District entering into this agreement, take all necessary and appropriate action, including payment of back wages, and any associated penalties which may be required, due to enforcement of the prevailing wage laws in connection with construction of the [service(s) provided] system. Developer agrees that District has not represented or in any way advised Developer in connection with this matter except to advise Developer of his potential liability and Developer does not in any way rely upon any opinion or information of District in making his determination in connection with the payment or nonpayment of such wages for the work performed under this agreement. The obligation of Developer to, if required, pay prevailing wages for the work performed in accordance with this agreement shall be a continuing obligation and shall bind the heirs, successors and assigns of Developer and District's obligation to provide operation and maintenance on the facilities to be turned over to District, and to provide [service(s) provided] therein, shall be dependent upon Developer's continuing compliance with this provision.
- 6050.3.7 **INSPECTION OF CONSTRUCTION:** The General Manager and District Engineer or his/her agent(s) shall inspect the construction of the service(s) provided to assure that the works are installed in accordance with the accepted plans. Said inspection shall be funded by an inspection fee paid by Developer as specified in District's Improvement Standards. Construction of the service(s) provided shall not commence until said inspection fee is paid. The General Manager and District Engineer shall notify Developer as to any deviation or failure to construct pursuant to the accepted plans as soon as such deviation or failure is brought to his/her attention, and Developer shall correct such deviation or failure.
- 6050.3.8 **HOLD HARMLESS:** District is not, by inspection of the construction or installation of the service(s) provided, representing Developer or providing a substitute for inspection and control of the work by Developer. Any inspections and observations of the work by District are for the sole purpose of providing notice of stage and character of the work. Any failure of District to note variances in the work from the plans does not excuse or exempt Developer from complying with all terms of the plans. The fact that District inspects the construction of work and notifies Developer of deviations or failures to construct them pursuant to the accepted plans shall not be deemed to constitute a guarantee by District that the works have been built in accordance with the accepted plans. During construction and prior to conveyance thereof to and acceptance thereof by District, Developer shall hold District harmless against any and all claims, demands and charges by third parties arising out of alleged deviations or failures to construct pursuant to the accepted plans.
- 6050.3.9 **CONVEYANCE:** Within 90 days after completion of construction of the service(s) provided in accordance with the accepted plans therefore and District's Improvement Standards:
- 6050.3.9.1 Developer and Owners shall convey title of the completed works to District without cost and free and clear of all liens and encumbrances, by appropriate conveying documents, acceptable in form to the General Manager, District Engineer and Legal Counsel;

- 6050.3.9.2 Developer shall provide District with one set of 24"x 36" reproducible "as built" drawings of the completed project on matte Mylar (5 mil minimum);
- 6050.3.9.3 Owners shall provide easements as specified in 6050.3.4, above;
- 6050.3.9.4 Developer shall furnish to District a bond, irrevocable letter of credit, cash deposit, or other form of surety meeting District's approval in the amount represented as a percent of the estimated total cost to provide the service(s), as estimated by the Project Engineer, protecting District against any failure of the work due to natural phenomenon or catastrophe, faulty materials, poor workmanship, or defective equipment within a period of one year after acceptance of the service(s) provided by the District's Board of Directors. Said bond or irrevocable letter of credit shall name Developer as Principal and District as Obligee; and,
- 6050.3.9.5 District shall accept conveyance of title of the completed service(s) provided by resolution and include it as part of its system, and shall thereafter operate and maintain said system.
- 6050.4 DEVELOPER'S RESPONSIBILITIES AFTER CONVEYANCE: After District's acceptance of the service(s) provided system, Developer and Owners shall have no obligation for the operation, maintenance, repair or replacement thereof, except that to the extent Developer and/or Owners retain ownership of any parcel to which service from such works is available, they shall pay the same rates and charges levied by District from time to time as any other property owner.
- 6050.4.1 APPLICATION FOR SERVICE: The service(s) provided shall not be operated, other than for testing purposes, until the said system is conveyed to District and formally accepted by District as specified in 6050.3.9, above, and proper applications for service having been filed with District accepted.
- 6050.4.2 OBLIGATION FOR PIPELINE AND/OR FACILITIES: District shall be under no obligation to provide additional facilities in order to serve the Project. Upon acceptance of the facilities by District, it shall become the sole property of District and shall be used and operated as District's sole discretion.
- 6050.4.3 RATES AND CHARGES FOR SERVICE: All service made available by District to users within the Project shall be at the established rates and charges as fixed by District's Board of Directors from time to time.
- 6050.4.4 NOTICES: Notices or requests from any party to this agreement to the remaining parties thereof shall be in writing and delivered or mailed, postage prepaid, to the following addresses:
- Heber Public Utility District  
1078 Dogwood Rd., Ste 103  
Heber, CA 92249  
Attention: General Manager.
- [DEVELOPER'S NAME]  
[ADDRESS]  
[CITY, STATE ZIP]
- 6050.4.5 SUCCESSORS AND ASSIGNS: This Agreement shall be binding upon and inure to the benefit of the successors and assigns of all parties. Developer and Owners shall not assign any of their rights, duties or obligations under this Agreement without the prior written consent of District, which consent shall not be unreasonably withheld.
- 6050.4.6 DISTRICT POWERS: Nothing herein contained shall be deemed to limit, restrict, or modify any right, duty, or obligation given, granted, or imposed upon District by the laws of the State of California now in effect, or hereafter adopted, not to limit or restrict the power or authority of District, including the enactment of any rules, regulations, policies, resolutions or ordinances, and in the event that any part of provisions herein contained in this agreement or incorporated herein, be found to be illegal or

unconstitutional by a court of competent jurisdiction, such findings shall not affect the remaining parts, portions, or provisions hereof.

6050.4.7 ATTORNEY FEES: Should any party have to be required to institute legal action to either compel performance of this agreement or recover damages for nonperformance, the prevailing party(s) shall be entitled to reasonable attorney's fees, cost of suit, and all other expenses of litigation incurred in connection therewith.

6050.4.8 TERMINATION: This Agreement shall terminate and be of no further force and effect at District's discretion if District determines that construction of the service(s) provided has not commenced within 12 months from the date of this agreement, and Developer has not submitted the plans and specifications for reacceptance as provided for in 6050.3.3, above.

6050.5 Any inapplicable portions of the foregoing standard terms and conditions may be deleted by, or upon approval of the General Manager or Legal Counsel, to accommodate project-specific situations. When warranted, additional conditions and requirements may be added to the standard terms and conditions by, or upon approval of, the General Manager or Legal Counsel, to accommodate project-specific situations. The project developer and/or property owner may appeal to the Board of Directors any agreement terms or conditions or requirements proposed by District staff.

**HEBER PUBLIC UTILITY DISTRICT  
POLICY MANUAL  
EXHIBIT "A"**

**POLICY TITLE: CONFLICT OF INTEREST CODE.  
POLICY NUMBER: 1020**

The Political Reform Act (Government Code §§ 81000, et seq., hereinafter referred to as the Act) 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 California Code of Regulations § 18730) which contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearings it may be amended by the FPPC to conform to amendments in the Act. Therefore, the terms of § 18730 and any amendments to it adopted by the FPPC are hereby incorporated by reference. This regulation and the text here designating officials and employees and establishing disclosure categories shall constitute the conflict of interest code of the Silver Creek Valley Country Club Geologic Hazard Abatement District ("District").

The full text of Section 18730, together with any amendment thereto, may be found at:  
<http://www.fppc.ca.gov/legal/regs/current/18730.pdf>.

Designated positions shall file statements of economic interests with the District. Upon receipt of the statements, the District shall make and retain a copy and forward the original of this statement to the Santa Clara County Clerk of the Board of Supervisors. Statements of Economic Interests are public records available for public inspection.

**DESIGNATED POSITIONS:** The designated positions listed below are required to file Form 700 Statements of Economic Interests disclosing certain personal financial interests. These positions are required to file the applicable individual schedules to report investments, business positions, sources of income and interests in real property located in the District's jurisdiction. The applicable schedules to be filed for each position are based on the disclosure category assigned to the designated position.

<b>Designated Positions</b>	<b>Disclosure Category</b>
Board Member	1
General Manager	1
Finance Manager	1
Consultant	2

**DISCLOSURE CATEGORIES:**

Disclosure Category 1: Persons in this category shall disclose:

- A. Interests in real property located entirely or partly within District boundaries, or within two miles of District boundaries, or of any landed owned or used by the District.
- B. Investments or business positions in or income (including gifts, loans and travel payments) from sources that provide, plan to provide, or have provided in the last two years facilities, goods, software, hardware, or services, including consulting services, to the District, or are engaged in the acquisition of real property within the District.

Disclosure Category 2: Persons in this category shall disclose:

- A. Consultants shall disclose pursuant to the broadest disclosure category in the conflict of interest code subject to the following limitation: the District may determine in writing that a particular consultant is hired to perform a range of duties that is limited in scope and, thus, is not required to comply with the full disclosure requirements described above, but instead must comply with more tailored disclosure requirements specific to that consultant. Such a determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of the disclosure requirements.

**HEBER PUBLIC UTILITY DISTRICT  
POLICY MANUAL  
EXHIBIT "B"**

**POLICY TITLE: GRIEVANCE PROCEDURE**  
**POLICY NUMBER: 2180**

**EMPLOYEE GRIEVANCE FORM**

Employee's Name: \_\_\_\_\_ Date: \_\_\_\_\_

Statement of grievance, including specific reference to any law, policy, rule, regulation and/or instruction deemed to be violated, misapplied or misinterpreted:

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Circumstances involved:

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Decision rendered by the informal conference:

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Specific remedy sought:

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*(Add additional pages if more space is needed).*

**HEBER PUBLIC UTILITY DISTRICT  
POLICY MANUAL  
EXHIBIT "C"**

**POLICY TITLE: DRUG AND ALCOHOL ABUSE  
POLICY NUMBER: 2190**

**CONSENT AND RELEASE FORM  
DRUG/ALCOHOL TESTING**

I hereby authorize Heber Public Utility District (HPUD) and any laboratories or medical facilities designated by HPUD, to perform a urinalysis and/or blood test to detect the presence of illicit drugs and/or alcohol in my body. I further authorize the reporting of the results of such test(s) to HPUD and its authorized personnel. I recognize that the results of such test will be used to determine my suitability for employment or for continued employment with HPUD.

Any attempt to switch a sample or adulterate a sample will be considered the same as a positive result. The laboratory may use one or more tests for adulteration.

The only drugs, medicine or mind-altering substances, including drugs prescribed by a physician and over-the-counter medications, by brand name if possible (e.g., Extra Strength Tylenol™, Robitussin-DM™, Allerest™, Medipri™, etc.), that I have used in the last 45 days are as follows:

DRUG/MEDICINE	WHEN USED	ISSUED BY: (IF PRESCRIPTION)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

NAME OF EMPLOYEE: \_\_\_\_\_

FACILITY PERFORMING TEST: \_\_\_\_\_

DATE OF TEST: \_\_\_\_\_

SIGNATURE OF APPLICANT/EMPLOYEE \_\_\_\_\_  
(Signature) (Date)

SUPERVISOR REQUESTING TEST: \_\_\_\_\_  
(Signature) (Date)

**HEBER PUBLIC UTILITY DISTRICT  
POLICY MANUAL  
EXHIBIT "D"**

**POLICY TITLE: DRUG AND ALCOHOL ABUSE**

**POLICY NUMBER: 2190**

**EMPLOYEES'S CERTIFICATION OF RECEIPT OF DRUG AND ALCOHOL POLICY**

I, the undersigned, hereby certify that I have viewed the Heber Public Utility District's Policy titled "Drug & Alcohol Abuse Number 2190 and the Natural Resources Technical Association Drug and Alcohol Policy Appendix B". I acknowledge and agree that I am responsible for reading, understanding, and obeying the District and policy and NRTA policies and regulations regarding alcohol and drug use testing. I also understand that, because changes in the governing federal law or regulations may occur from time to time, the terms and conditions of the District's policy may also change without the District being able to give me prior notice. I agree to comply with the District regulations and the District's and NRTA policies regarding drug and alcohol use and testing. I understand that if I have questions concerning this form or the policy, I can call the District at 760-482-2440.

Prior to signing this form, I read it carefully and had an opportunity to ask questions regarding its content and the content of the documents I was provided.

Signature of Employee: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Job Title: \_\_\_\_\_

Department: \_\_\_\_\_

Phone: \_\_\_\_\_

**HEBER PUBLIC UTILITY DISTRICT  
POLICY MANUAL  
EXHIBIT "E"**

**POLICY TITLE: RECORDS RETENTION**  
**POLICY NUMBER: 3090**

**Definitions for Records Retention**

1. **AUTHORIZATION.** Approval from the General Manager, as authorized by the District's Board of Directors.
2. **ACCOUNTING RECORDS.** Include but are not limited to the following:
  - a. **SOURCE DOCUMENTS**  
Invoices; Warrants; Requisitions/Purchase Orders (attached to invoices); Cash Receipts; Claims (attached to warrants in place of invoices); Bank Statements; Bank Deposits; Checks; Bills and Various accounting authorizations taken from Board minutes, resolutions or contracts
  - b. **JOURNALS**  
Cash Receipts; Accounts Receivable or Payable Register; Check or Warrant (payables); General Journal and Payroll Journal
  - c. **LEDGERS**  
Expenditure; Revenue; Accounts Payable or Receivable Ledger; Construction; General Ledger and Assets/Depreciation
  - d. **TRIAL BALANCE**
  - e. **STATEMENTS (Interim or Certified - Individual or All Fund)**  
Balance Sheet; Analysis of Changes in Available Fund Balance; Cash Receipts and Disbursements and Inventory of Fixed Assets (Purchasing).
  - f. **JOURNAL ENTRIES**
  - g. **Payroll and personnel records include but are not limited to the following:**  
Accident reports, injury claims and settlements; Applications, changes or terminations of employees; Earnings records and summaries; Fidelity Bonds; Garnishments; Insurance records of employees; Job Descriptions; Medical Histories; Retirements and Time Cards.
  - h. **OTHER**  
Inventory Records (Purchasing); Capital Asset Records (Purchasing); Depreciation Schedule and Cost Accounting Records
3. **LIFE.** The inclusive or operational or valid dates of a document.
4. **RECORD.** Any paper, bound book or booklet, card, photograph, drawing, chart, blueprint, map, tape, microfilm, or other document, issued by or received in a department, and maintained and used as information in the conduct of its operations.
5. **RECORD COPY.** The official District copy of a document or file.
6. **RECORD SERIES.** A group of records, generally filed together, and having the same reference and retention value.
7. **RECORDS CENTER.** The site selected for storage of inactive records.

8. RECORDS DISPOSAL. The planning for and/or the physical operation involved in the transfer of records to the Records Center, or the authorized destruction of records pursuant to the approved Records Retention Schedule.
9. RECORDS RETENTION SCHEDULE. The consolidated, approved schedule list of all District records which timetables the life and disposal of all records.
10. RETENTION CODE. Abbreviation of retention action, which appears on the retention schedule.
11. VITAL RECORDS. Records which, because of the information they contain, are essential to one or all of the following: The resumption and/or continuation of operations; the recreation of legal and financial status of the District, in case of a disaster and the fulfillment of obligations to bondholders, customers, and employees.

Vital records include but are not limited to the following: Agreements; Annexations and detachments; Audits; Contract drawings; Customer statements; Deeds; Depreciation schedule; Disposal of surplus & excess property; Disposal of scrap materials; District insurance records; District water rights; Employee accident reports, injury claims & settlements; Employee earning record; Employee fidelity bonds; Employee insurance records; Encroachment permits (by others); Encroachment permits (by OWID); Facility improvement plans; Improvement districts; Individual water rights; Individual claims/settlements; Inventory; Journal vouchers; Ledgers; Licenses & permits (to operate); Loans & grants; Maps; Minutes of Board meetings; Payroll register; Policies, Rules & Regulations; Purchase orders & requisitions; Restricted materials permits; Rights of ways & easements; Spray permits; Statements of Economic Interest; State surplus acquisitions; Warehouse requisitions; Warrant/Voucher register; Warrants (with backup) and Water rights history.

**HEBER PUBLIC UTILITY DISTRICT  
POLICY MANUAL  
EXHIBIT "F"**

**POLICY TITLE: CELL PHONE USE  
POLICY NUMBER: 2300**

**District Cell Phone User Agreement**

Employee's Name (Print): \_\_\_\_\_

Issued the following: \_\_\_\_\_

Cell Phone Number: \_\_\_\_\_

Model Number/Type: \_\_\_\_\_ Serial Number: \_\_\_\_\_

I understand that the District cell phone is issued to me is District property and is to be used exclusively for legitimate business purposes in support of District business operations.

I further understand that the District cell phone is to be used in an effective, efficient, ethical, and lawful manner. The District cell phone shall not be used for any illegal use or activity, threats, slander/libel, defamation, obscene, suggestive or offensive messages or communications, political endorsements or activities, or for outside employment purposes.

I am aware that the District reserves the right to review and audit cell phone records at any time, with or without notice. I am aware that if the District is charged for personal phones calls, I will reimburse the District for the cost of said calls.

I understand that if I receive a traffic violation resulting from the use of the District cell phone while driving, I am solely responsible for all liabilities that result from such action.

I understand that the current service provider rates are subject to change without notice and agree to comply with future rates that are applicable to the District's cell phone contract.

I understand that if a District cell phone is lost, damaged, or stolen, I must report it to my supervisor or office manager by the end of the following business day.

I am aware that I must return District cell phones upon resignation or termination of employment, at any time the District cell phone is no longer required, or at the request of the District.

**Declaration**

By signing below, I hereby certify and acknowledge that I have received a copy of the District's Cell Phone Policy (2602) and have read and understand this Policy. I have clarified with my supervisor and/or department manager any questions regarding its provisions. I agree to comply with all of its terms and conditions. I also understand that appropriate disciplinary action may be taken, up to and including termination of employment, if I am found in violation of the policy.

\_\_\_\_\_

Employee

\_\_\_\_\_

Date

\_\_\_\_\_

Supervisor / Manager

\_\_\_\_\_

Date

**HEBER PUBLIC UTILITY DISTRICT  
POLICY MANUAL  
EXHIBIT "G"**

**POLICY TITLE: INTERNET AND E-MAIL USER AGREEMENT  
POLICY NUMBER: 2400**

**District Internet and E-Mail User Agreement**

Employee's Name (Print): \_\_\_\_\_

Issued the following : \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Password: \_\_\_\_\_

This policy addresses retention of electronic mail (e-mail), employee compliance obligations, and appropriate use of the e-mail system, privacy and confidentiality of information, e-mail system security, and actions to be taken for violations of this policy.

This policy applies but is not limited to e-mail messages, attachments to e-mails, instant messages, weblogs or blogs, and text messages.

- The District e-mail system and all messages, attachments, and images are the sole property of the District. This includes any and all messages, attachments, and images of any kind sent during regular work hours, an employee's break, or after-hours.
- Because all communications on the e-mail system are the property of the District, messages of a confidential or sensitive nature should not be delivered by e-mail. Marking a message "private" does not guarantee confidentiality.
- There is no expectation of privacy with regard to employee use of the District's e-mail systems. The District can periodically and randomly examine the contents of e-mail to ensure compliance with this policy. Any apparent violations of District policy will be reported to the Ethics Officer for review. If a policy violation is found, disciplinary action consistent with District procedures and policies will result.
- E-mail messages may constitute a District record subject to District Retention and Disposition Policy, and subject to potential disclosure under the California Public Records Act, pending or actual litigation, investigations, audits, or claims.
- Electronic records, including but not limited to e-mail messages, may be disclosed by the District to outside parties in connection with litigation, investigations, audits, requests for public records under the California Public Records Act, or by any other law or policy. The District will comply and will not be liable or responsible for the disclosure of any electronic record or part thereof.
- The District's e-mail system is not intended to function as an information storage device or electronic filing system. The system shall be used for transmission and temporary short-term storage. Accordingly, the District may limit the storage capacity of employee's mailboxes and limit the size of email attachments.
- The District's e-mail system is to be used for business purposes in serving the interests of the District and its customers.
- All messages communicated over the District's electronic systems must be courteous and professional in nature. E-mail is not to be used for gossip, sharing of personal information, or for emotional responses to business correspondence or work situations.

The District recognizes that an employee's e-mail address is subject to receiving both work-related and non-work-related information, and the District recognizes that some incidental personal use and receipt of non-work-related e-mail is difficult to avoid. Employees are responsible for exercising good judgment regarding the reasonableness of personal use. If there is any uncertainty, employees should consult with their supervisors or managers.

The District has an obligation to take necessary actions to ensure the e-mail system is consistently and reliably available and operates efficiently in a safe and secure environment that is free from unauthorized users, unauthorized use, and virus/malware attacks. Accordingly, the District may limit the type of email attachments and apply unsolicited commercial email (UCE) blocking.

All messages communicated over the District's electronic systems must be business appropriate, courteous and professional in nature and not to be used:

- In any way that does not comply with the District's non-discrimination policies, or to harass or disparage others based on their sex, race, sexual orientation, age, national origin, religion, disability, marital status, or veteran status.
- For intentionally misleading, inaccurate, embarrassing, harassing, sexually explicit, profane, obscene, intimidating, and defamatory remarks, or that violates any law, regulation, or District policy.

### Declaration

By signing below, I hereby certify and acknowledge that I have received a copy of the District's Internet E-Mail Policy 2603 and have read and understand this Policy. I have clarified with my supervisor and/or department manager any questions regarding its provisions. I agree to comply with all of its terms and conditions. I also understand that appropriate disciplinary action may be taken, up to and including termination of employment, if I am found in violation of the policy.

\_\_\_\_\_  
Employee

\_\_\_\_\_  
Date

\_\_\_\_\_  
Supervisor / Manager

\_\_\_\_\_  
Date

**HEBER PUBLIC UTILITY DISTRICT  
POLICY MANUAL  
EXHIBIT "H"**

**POLICY TITLE: GUIDELINES ON ACCEPTING AND PROVIDING GIFTS, ENTERTAINMENT AND SERVICES**

**POLICY NUMBER: 2155**

The Board of Directors of the Heber Public Utility District adopt the "Code of Ethics" as outlined in the following State legislation:

Assembly Bill No. 1234  
CHAPTER 700

An act to amend Sections 25008 and 36514.5 of, and to add Article 2.3 (commencing with Section 53232) and Article 2.4 (commencing with Section 53234) to Chapter 2 of Part 1 of Division 2 of Title 5 of, the Government Code, to amend Sections 6060 and 7047 of the Harbors and Navigation Code, to amend Sections 2030, 2851, 4733, 4733.5, 6489, 9031, 13857, 13866, and 32103 of the Health and Safety Code, to amend Section 1197 of the Military and Veterans Code, to amend Sections 5536, 5536.5, 5784.15, and 9303 of the Public Resources Code, to amend Sections 11908, 11908.1, 11908.2, 16002, and 22407 of the Public Utilities Code, and to amend Sections 20201, 21166, 30507, 30507.1, 34741, 40355, 50605, 55305, 56031, 60143, 70078, 71255, and 74208 of, and to add Section 20201.5 to, the Water Code, relating to local agencies. [Approved by Governor October 7, 2005. Filed with Secretary of State October 7, 2005.]