

AGENDA
PANOCHÉ WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING
February 08, 2022 – 9:30 a.m.

**CONSISTENT WITH RESOLUTION NO. 799-22 PROCLAIMING A LOCAL EMERGENCY AND
AUTHORIZING REMOTE TELECONFERENCE BOARD MEETINGS THROUGH FEBRUARY 10, 2021
PURSUANT TO AB 361, THE OPEN SESSION OF THIS MEETING MAY BE JOINED
FROM YOUR COMPUTER, TABLET OR SMARTPHONE THROUGH THE FOLLOWING MEANS:**

<https://global.gotomeeting.com/join/660883557>

AND PLEASE DIAL

Conference call in number: (844) 783-6236 Passcode: 209 364 6136

PRESIDENT’S ANNOUNCEMENT: Pursuant to Government Code Section 54952.3, let it be known that Board Members receive no compensation or stipend for simultaneous or serial order meetings of the Panoche Water District, Panoche Drainage District, Panoche Financing Authority, and/or the Panoche Resource Conservation District.

- 1. CALL TO ORDER**
- 2. REVIEW OF AGENDA:** The Board will consider corrections and/or additions to the Agenda of items requiring immediate action that came to the attention of the Board after the Agenda was posted.
- 3. ROLL CALL:** A quorum will be confirmed and the Board will consider appointment of an acting Officer(s) in the event the President, Vice-President, and/or Secretary is absent from the meeting.
- 4. POTENTIAL CONFLICTS OF INTEREST:** Any Board member who has a potential conflict of interest may now identify the Agenda Item and recuse themselves from discussing and voting on the matter. [Government Code Section 87105]
- 5. PUBLIC COMMENT:** The Board of Directors welcomes participation in Board meetings. The public may address matters under the jurisdiction of the Board that have not been posted in the Agenda. The public will be given the opportunity to address the Board on any item in the Agenda at this time or before the Board’s consideration of that item. If members of the public desire to address the Board relative to a particular Agenda item at the time it is to be considered, they should so notify the President of the Board at this time. Please note, California Law prohibits the Board from taking action on any matter during a regular meeting that is not on the posted Agenda unless the Board determines that it is an emergency or one of the other situations specified in Government Code Section 54954.2. During a special meeting, the Board may not take action on any matter that is not on the posted Agenda. The President may limit the total amount of time allocated for public comment on particular issues to 3 minutes for each individual speaker.

6. DIVISION REPORTS:

- A. Water Operations & Maintenance – Juan Cadena
- B. Administration – Ara Azhderian
- C. Ethics, Compliance, & Human Resources – Lorena Chagoya

7. PANOCHÉ WATER & DRAINAGE DISTRICTS JOINT CLOSED SESSION: Conference with Legal Counsel.**A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Significant Exposure to Litigation pursuant to Section 54956.9(d), paragraph (2) or (3):

Number of Cases: Ten

8. REPORT FROM JOINT CLOSED SESSION (GOVERNMENT CODE SECTION 54957.1)**9. CLOSED SESSION****A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Significant Exposure to Litigation pursuant to Section 54956.9(d), paragraph (2) or (3):

Number of Cases: Four

B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Section 54956.9(d)(1):

Names of Cases:

- i. Stephen W. Sloan vs. Panoche Water District
Fresno County Superior Court Case No. 18CECG00511
- ii. Imani Percoats & Chris Bettencourt vs. Panoche Water District
Fresno County Superior Court Case No. 18CECG01651
- iii. Greenhouse Ranch v. Panoche Water District, et al.
Merced County Superior Court Case No. 21CV-01348
- iv. Center for Biological Diversity, et al. v. United States, et al.
US District Court, E.D. Cal, Case No. 1:20-CV-00760 DAD-EPG
- v. North Coast Rivers Alliance, et al. v. Kenneth Salazar, et al.
US District Court, E.D. Cal., Case No. 1:16-cv-00307-DAD-SKO
- vi. Firebaugh Canal Water District & Central California Water District v. United States, et al.
US District Court, E.D. Cal., Case 1:88-cv-00634-LJO-SKO

C. CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Section 54957.6:

Agency Designated Representative: Ara Azhderian, General Manager

Employee Organization: International Brotherhood of Electrical Workers Local 1245

10. REPORT FROM CLOSED SESSION**11. CONSENT CALENDAR**

All matters listed on the Consent Calendar are considered to be routine and non-controversial and will be acted upon by a single action of the Board of Directors, unless a Board Member requests separate consideration of the item. If such a request is made, the item may be heard as an Action Item at this meeting. The Board will review and consider (Tab 2):

- Approval of DRAFT minutes from the April 13, 2021, regular meeting of the Board;
- Approval of DRAFT minutes from the April 27, 2021, special meeting of the Board;
- Acceptance of the monthly financial statements for the period ending January 31, 2022;
- Acceptance of Director's Monthly Credit Card Usage Report.

ACTION ITEMS

- 12.** The Board to review and consider a Resolution determining that during the Governor's proclaimed state of emergency due to the COVID-19 pandemic, meeting in person would present imminent risk to the health or safety of attendees (Azhderian – Tab 3);
- 13.** The Board to review and consider authorizing issuance of a Public Notice to hold a public hearing on February 22, 2022, to consider execution of an energy service contract with ForeFront Power, LLC. (Azhderian/Taylor/Seng – Tab 4);
- 14.** The Board to review and consider approving a hardship request from Turlock Fruit to transfer 12 acre-feet to Westlands Water District (Azhderian – Tab 5);
- 15.** The Board to review and consider adopting a revised COVID-19 Prevention Program (Azhderian/Chagoya – Tab 6);
- 16.** The Board to review and consider adopting a revised Employees' Handbook (Azhderian/Chagoya – Tab 7);
- 17.** The Board to review and consider approving payment of bills (Brazil – Tab 8).

REPORT ITEMS

- 18. FINANCIAL REPORTS (Tab 9)**
 - A. Review of FYE-2023 Potential Rate Structure Changes (Azhderian/Tozlian);
 - B. FYE-2022 Budget-to-Actual Report;
 - C. Other financial matters affecting the District.
- 19. REPORTS UNDER DISTRICT POLICIES**
 - A. Emergency COVID-19 Pandemic Response Policy;
 - B. Report(s) on Brown Act Meetings & Conferences Attended at District Expense

(may be written or oral and may be joint for multiple attendees);

C. Board to Consider Update(s) or Approval(s) Required Under Any Other District Policies.

20. GENERAL MANAGER’S REPORT (Tab 10)

- A. Water Supplies & Deliveries;
- B. Water Quality Report;
- C. Domestic Water Treatment Plant;
- D. WaterSmart Grant Application;
- E. Sustainable Groundwater Management;
- F. Staffing Update;
- G. Other Matters Affecting the District.

21. REPORTS ON OTHER ITEMS PURSUANT TO GOVERNMENT CODE SECTION 54954.2(a)(3)

22. FUTURE MEETING DATES

- A. Board to Consider Action to Set Special Meeting Date(s): *Staff requests February 22, 2022.*
- B. Next Regular Meeting Date: March 8, 2022.

23. ADJOURNMENT

- ❖ Items on the Agenda may be taken in any order.
- ❖ Action may be taken on any item listed on the Agenda.
- ❖ Writings relating to open session: Agenda items that are distributed to members of the Board of Directors will be available for inspection at the District office, excluding writings that are not public records or are exempt from disclosure under the California Public Records Acts.

Americans with Disabilities Act of 1990: Under this Act, a qualifying person may request that the District provide a disability-related modification or accommodation in order to participate in any public meeting of the District. Such assistance includes alternative formats for the agendas and agenda packets used for any public meetings of the District. Requests for assistance shall be made in person, in written form, or via telephone by calling (209) 364-6136. Requests must be received at least 18 hours prior to a scheduled public meeting.

**PANOCHÉ WATER DISTRICT MEETING MINUTES
REGULAR MEETING OF THE BOARD OF DIRECTORS
April 13, 2021, at 9:00 A.M.**

A regular meeting of the Board of Directors was held in accordance with Governor Newsom's Executive Orders N-25-20 and N-29-20 issued in response to the COVID-19 Pandemic, which allows local and state legislative bodies to hold meetings by web and teleconference, and to make meetings accessible to the public electronically. Those present at the meeting were:

Directors Present: John Bennett, President
Sue Redfern-West, Vice-President
Mike Stearns, Secretary
Michael Linneman, Director
Ross Koda, Director

Directors Absent: None

District Staff Present: Ara Azhderian, General Manager
Juan Cadena, Water Resources Manager
John Paul Otollo, Treasurer & Controller
Lorena Chagoya, Ethics & Compliance Officer

Others Present: Philip Williams, General Counsel
Diane Rathmann, Of Counsel
Jonathan Guz, Bond Counsel
Robert Porr, Municipal Financing Advisor
Lora Carpenter, Municipal Financing Advisor
Erik Helgeson, Proposition 218 Project Manager
Steve Smith, Turlock Fruit
Aaron Barcellos, A-Bar Ag Enterprises
Palmer McCoy, Grassland Basin Authority

ANNOUNCEMENT PURSUANT TO GOVERNMENT CODE SECTION 54952.3

Pursuant to the Brown Act, President Bennett announced that Directors do not receive compensation or a stipend for simultaneous or serial order meetings of Panoche Water District, Panoche Drainage District, Panoche Financing Authority, and/or the Panoche Resource Conservation District.

CALL TO ORDER

President Bennett called the regular meeting to order at 9:02 a.m.

REVIEW OF AGENDA

There were no changes to the Agenda.

ROLL CALL

A quorum of the Board and presence of the District's Officers were confirmed.

POTENTIAL CONFLICTS OF INTEREST

No conflicts were reported.

PUBLIC COMMENT

There was no public comment.

DIVISION REPORTS

- A. Water Resources Manager, Juan Cadena reported on water deliveries and maintenance activities, noting that District deliveries were varying significantly between mid-week and weekends, presumably due to changes in overtime laws, and that the swings were adversely impacting canal operations and water quality. Cadena explained that the District was reaching out to growers to request that reductions in irrigation be rotated so as to smooth the impact throughout the week as opposed to concentrating it in the weekend.
- B. Controller, JP Otollo reported accounting staff were working on the 2021 fiscal year-end close-outs, monthly water usage billings, development of the 2021-22 Water District fiscal-year budget, supporting the Proposition 218 process, and supporting the financial audit of the Drainage District's for the fiscal-year ending 2020.
- C. Ethics & Compliance Officer, Lorena Chagoya reported on various risk management activities for the month of March. She stated that there were no liability, workers' compensation, COVID-19 cases, nor reports on the District's Speak-Up Hotline. However, she noted, there were six internal cases reported, of which 4 cases had been closed and 2 were still open. Chagoya also reported that various job specific safety trainings and a mandated sexual harassment training had been completed in early April. She explained that the Ethics & Compliance annual training was postponed until after the District completed the 2nd round of COVID-19 vaccinations, scheduled for the end of April; in the hopes that the training can then be conducted in person. Chagoya concluded with an announcement that the statement of Economic of Interest, Form 700, were due by April 1st and urged those who had not submitted their forms to do so as soon as possible.

CONSENT CALENDAR

General Manager Azhderian presented the Board with the Consent Calendar items, including the monthly financial statements for the period ending March 31, 2021, and the Director's Monthly Credit Card Usage Report. After consideration, on a motion by Director Linneman, seconded by Director Stearns, the Board unanimously accepted the Consent Calendar as presented.

The vote on the matter was as follows:

Ayes:	Bennett, Redfern-West, Stearns, Linneman, Koda
Nays:	None
Abstain:	None
Absent:	None

THE BOARD TO REVIEW AND CONSIDER AMENDING THE DISTRICT'S GROUNDWATER CONVEYANCE POLICY

General Manager Azhderian reported that on March 23rd, Reclamation announced suspension of the District's 2021 Central Valley Project contract water allocation and, given the severity of the drought, that he did not expect it to be restored, effectively leaving the District with a 0% CVP supply for the year. He explained that staff looked back to the last time the District experienced a 0% CVP supply during the 2014-2016 period to determine what alternative water supply sources might be available given the circumstance. He said staff identified a number of private wells that previously provided the District water and that the result of utilizing these wells was degradation of the District's water quality. Azhderian

explained that if the District were to utilize these wells again, then the Board would need to consider further relaxation of the District's Groundwater Conveyance Policy water quality standards. Members of the public expressed concern with further relaxation of the District's standards due to the potential impact on crop yield and marketability. After consideration, the Board directed staff to maintain the current standards and to continue closely monitoring water quality throughout the District. No further action was taken on the matter.

THE BOARD TO REVIEW AND CONSIDER APPROVING REQUEST FROM LITTLE GREEN NUT, LLC, TO TRANSFER 100 ACRE-FEET TO WESTLANDS WATER DISTRICT

General Manager Azhderian reported that Little Green Nut had requested a hardship transfer to Westlands Water District. Azhderian recommended that if the Board approves the transfer, the District collect Operations & Maintenance revenue from Little Green Nut to avoid a redirected financial impact to the other District customers. After consideration, on a motion by Director Redfern-West, seconded by Director Linneman, the Board unanimously approved the transfer and collection of the O&M.

The vote on the matter was as follows:

Ayes:	Redfern-West, Stearns, Linneman, Koda
Nays:	Bennett
Abstain:	None
Absent:	None

THE BOARD TO REVIEW AND CONSIDER AUTHORIZING AMENDMENT TO THE DISTRICT'S RULES & REGULATIONS REGARDING THE ALLOCATION OF CENTRAL VALLEY PROJECT WATER

General Manager Azhderian requested the Board consider amending the District's Rules & Regulations to align the allocation of Central Valley Project contract water with the acreage being considered for the proposed special benefits assessment to fund the District's CVP 9(d) contract conversion and prepayment of its CVP construction capital obligation. He explained that under the District's current rules, which reflect certain limitations under the Reclamation Reform Act, not all acres within the District receive an allocation CVP contract water; however, if the special benefits assessment is approved and the contract subsequently converted, then those certain limitations will cease to apply. Since the special benefits assessment is being proposed for all acres within the District, Azhderian recommended the allocation of CVP contract water be modified to aligned with the cost being proposed by the Proposition 218 election. After discussion, the Board provided staff direction to draft a proposed amendment to the District's Rule & Regulations governing the allocation of CVP contract water for further consideration at a future meeting. No further action was taken on the matter.

THE BOARD TO REVIEW AND CONSIDER AMENDING THE DISTRICT'S EMERGENCY COVID-19 PANDEMIC RESPONSE POLICY TO ADDRESS CDC GUIDANCE ON VACCINATED TRAVEL

General Manager Azhderian presented the Board a draft amended COVID-19 Employee Screening Questionnaire for consideration. He explained that with the growing availability of vaccines, the restrictions on travel had been relaxed and that staff's proposed changes to the Questionnaire were aimed at reflecting the new standards. After consideration, on a motion by Director Stearns, seconded by Director Linneman, the Board unanimously approved the proposed amendments as presented.

The vote on the matter was as follows:

Ayes:	Bennett, Redfern-West, Stearns, Linneman, Koda
Nays:	None
Abstain:	None

Absent: None

THE BOARD TO REVIEW AND CONSIDER APPROVING PAYMENT OF BILLS

Controller Otollo presented the Board with the District's accounts payable. After consideration, on a motion by Director Linneman, seconded by Director Redfern-West, the Board unanimously approved payment of the bills.

The vote on the matter was as follows:

Ayes:	Bennett, Redfern-West, Stearns, Linneman, Koda
Nays:	None
Abstain:	None
Absent:	None

CONTROLLER'S REPORT

Controller Otollo reviewed the District's revenue and expense report with the Board for the month ending March 31, 2021.

REPORTS UNDER DISTRICT POLICIES

General Manager Azhderian updated the Board on the District's COVID-19 management efforts, including review of the District's Supplemental Paid Sick Leave Policy. He also reported on staff participation in other Brown Act meetings including the San Luis & Delta-Mendota Water Authority, Central Delta-Mendota Subbasin Groundwater Sustainability Agency, and the Grassland Basin Authority.

GENERAL MANAGER'S REPORT

General Manager Azhderian presented the Board the District's Water Accounting Report for March, a Project Operations Report and water supply forecasts prepared by Westlands Water District, and the District's water quality monitoring report.

CLOSED SESSION

General Counsel Williams announced that the Panoche Water District's Board would meet in closed session for a conference with legal counsel to discuss those items listed on the Agenda pursuant to Government Code Section 54956.9, Subdivision (d), Paragraphs (2) or (3).

At approximately 11:23 a.m., President Bennett called the closed session to order.

At approximately 1:07 p.m., President Bennett adjourned the closed session.

CLOSED SESSION REPORT

General Counsel Williams reported the Board met with legal counsel in closed session and took no reportable action.

JOINT CLOSED SESSION

General Counsel Williams announced that the Panoche Water and Drainage Districts Boards would meet jointly in closed session for a conference with legal counsel on anticipated litigation pursuant to Government Code Section 54956.9, Subdivision (d), Paragraphs (1), (2), or (3).

At approximately 1:07 p.m., President Bennett called the joint closed session to order.

At approximately 2:05 p.m., President Bennett adjourned the joint closed session.

JOINT CLOSED SESSION REPORT

General Counsel Williams reported the Boards met jointly with legal counsel in closed session and took no reportable action.

REPORTS ON OTHER ITEMS PURSUANT TO GOVERNMENT CODE SECTION 54954.2(a)(3)

There was no report on other items.

FUTURE MEETING DATES

A special meeting of the Board was scheduled for April 27, 2021, at 9:00 a.m. The next regular meeting of the Board was scheduled for May 11, 2021, at 9:00 a.m.

ADJOURNMENT

With no further business on the agenda, President Bennett adjourned the meeting at 2:06 p.m.

JOHN BENNETT, President

MIKE STEARNS, Secretary

**PANOCHÉ WATER DISTRICT MEETING MINUTES
SPECIAL MEETING OF THE BOARD OF DIRECTORS
April 27, 2021, at 9:00 A.M.**

A special meeting of the Board of Directors was held in accordance with Governor Newsom's Executive Orders N-25-20 and N-29-20 issued in response to the COVID-19 Pandemic, which allows local and state legislative bodies to hold meetings by web and teleconference, and to make meetings accessible to the public electronically. Those present at the meeting were:

Directors Present: John Bennett, President
Sue Redfern-West, Vice-President
Mike Stearns, Secretary
Michael Linneman, Director
Ross Koda, Director

Directors Absent: None

District Staff Present: Ara Azhderian, General Manager

Others Present: Philip Williams, General Counsel
Diane Rathmann, Of Counsel
Steve Smith, Turlock Fruit
Aaron Barcellos, A-Bar Ag Enterprises
Beau Correia, KB Family Farm
Audry Arnao, WestWater Research

ANNOUNCEMENT PURSUANT TO GOVERNMENT CODE SECTION 54952.3

Pursuant to the Brown Act, President Bennett announced that Directors do not receive compensation or a stipend for simultaneous or serial order meetings of Panoche Water District, Panoche Drainage District, Panoche Financing Authority, and/or the Panoche Resource Conservation District.

CALL TO ORDER

President Bennett called the regular meeting to order at 9:01 a.m.

REVIEW OF AGENDA

There were no changes to the Agenda.

ROLL CALL

A quorum of the Board and presence of the District's Officers were confirmed.

POTENTIAL CONFLICTS OF INTEREST

No conflicts were reported.

PUBLIC COMMENT

There was no public comment.

THE BOARD TO REVIEW AND CONSIDER APPOINTMENT OF DISTRICT OFFICERS TO SERVE DURING THE FISCAL YEAR BEGINNING MARCH 1, 2021, AND ENDING FEBRUARY 28, 2022

General Manager Azhderian requested the Board consider if it wanted to change the Officers serving the District for the fiscal year-ending February 28, 2022. He reported the current Officers of the District were John Bennett, President; Suzanne Redfern-West, Vice-President; Mike Stearns, Secretary; and John Paul Otollo, Treasurer. After consideration, on a motion by Director Linneman, seconded by Director Stearns, the Board unanimously elected to maintain the status quo.

The vote on the matter was as follows:

Ayes:	Bennett, Redfern-West, Stearns, Linneman, Koda
Nays:	None
Abstain:	None
Absent:	None

THE BOARD TO REVIEW AND CONSIDER ACCEPTING THE TREASURER'S ANNUAL REVIEW OF THE DISTRICT'S INVESTMENT POLICY

Treasurer JP Otollo reported to the Board that he had performed the annual review of the District's Statement of Investment Policy and was recommending no changes to the Policy at this time. After consideration, on a motion by Director Stearns, seconded by Director Redfern-West, the Board unanimously accepted the Treasurer's recommendation to maintain the Policy.

The vote on the matter was as follows:

Ayes:	Bennett, Redfern-West, Stearns, Linneman, Koda
Nays:	None
Abstain:	None
Absent:	None

THE BOARD TO REVIEW AND CONSIDER APPROVING REQUEST FROM WESTSIDE TRANSPLANT TO TRANSFER UP-TO 11 ACRE-FEET TO WESTLANDS WATER DISTRICT

General Manager Azhderian presented the Board a hardship request from Westside Transplant to transfer 7 acre-feet of its 2021 supply to Westlands Water District. Azhderian recommended that if the Board approves the transfer, the District collect Operations & Maintenance revenue from Westside Transplant to avoid a redirected financial impact to the other District customers. After consideration, on a motion by Director Stearns, seconded by Director Linneman, the Board unanimously approved the hardship transfer and collection of the O&M.

The vote on the matter was as follows:

Ayes:	Bennett, Redfern-West, Stearns, Linneman, Koda
Nays:	None
Abstain:	None
Absent:	None

THE BOARD TO REVIEW AND CONSIDER ADOPTING A RESOLUTION TO HOLD A PROPOSITION 218 SPECIAL ASSESSMENT HEARING ON JUNE 2, 2021

General Manager Azhderian requested the Board consider adopting a Resolution to set a public hearing date for the Proposition 218 Special Assessment election. General Counsel Williams explained setting a public hearing date was a requirement of State law and that staff was recommending June 2nd to maintain the proposed bond funding schedule. After consideration, on a motion by Director Stearns,

seconded by Director Linneman, the Board unanimously adopted the Resolution setting the public hearing for June 2, 2021.

The vote on the matter was as follows:

Ayes:	Bennett, Redfern-West, Stearns, Linneman, Koda
Nays:	None
Abstain:	None
Absent:	None

GENERAL MANAGER'S REPORT

General Manager Azhderian updated the Board on water supply and quality issues. Members of the public expressed continuing concern with water quality and potential impacts to crops and questioned about the potential of implementing wellhead treatment systems. After discussion, the Board directed staff to continue closely monitoring water quality and work to maintain Boron levels at or below 1.2 ppm, and to explore the implications of wellhead treatment in the District.

JOINT CLOSED SESSION

General Counsel Williams announced that the Panoche Water and Drainage Districts Boards would meet jointly in closed session for a conference with legal counsel on anticipated litigation pursuant to Government Code Section 54956.9, Subdivision (d), Paragraphs (1), (2), or (3).

At approximately 10:10 a.m., President Bennett called the joint closed session to order.

At approximately 10:20 a.m., President Bennett adjourned the joint closed session.

JOINT CLOSED SESSION REPORT

General Counsel Williams reported the Boards met jointly with legal counsel in closed session and took no reportable action.

FUTURE MEETING DATES

The next regular meeting of the Board was scheduled for May 11, 2021, at 9:00 a.m.

ADJOURNMENT

With no further business on the agenda, President Bennett adjourned the meeting at 10:20 a.m.

JOHN BENNETT, President

MIKE STEARNS, Secretary

PANOCHE WATER DISTRICT TREASURER'S MONTHLY FINANCIAL REPORT BALANCE SHEET-CURRENT ASSETS & LIABILITIES		
DATE AS OF	<u>January 31, 2022</u>	<u>December 31, 2021</u>
<u>CURRENT LIABILITIES</u>		
ACCOUNTS PAYABLE	\$265,742	\$512,673
PREPAYMENTS/CREDIT ACCOUNTS	\$403	\$403
TOTAL CURRENT LIABILITIES	\$266,145	\$513,076
<u>CASH AND INVESTMENT ACCOUNTS</u>		
O&M CHECKING	\$31,065	\$281,075
PAYROLL CHECKING	\$54,700	\$7,028
CONTRACTUAL OBLIGATION FUND MONEY MARKET	\$5,070	\$5,069.92
LAIF	\$4,873,257	\$5,470,389
2021A REVENUE BONDS - LAIF RESTRICTED	\$1,167,888	\$1,167,216
TOTAL CASH AND INVESTMENTS	\$6,131,981	\$6,930,778
<u>ACCOUNTS RECEIVABLES</u>		
WATER	\$91,108	\$236,552
GROUNDWATER MANAGEMENT FEE	\$8,847	\$8,847
DELINQUENT ACCOUNT CHARGES	\$568	\$60
OTHER	\$116,449	\$117,869
GBA NOTE RECEIVABLE	\$16,796	\$33,567
PDD NOTE RECEIVABLE	\$11,709	\$23,389
CASH ADVANCE - PROP 84	\$460,000	\$400,000
TOTAL ACCOUNTS RECEIVABLES	\$705,477	\$820,284
TOTAL CURRENT ASSETS	\$6,837,458	\$7,751,062

General Ledger Detail Report
Summary Report for Period 01 Thru 11 Ending 1/31/2022

Account Number/Description	PANOCHE WATER DISTRICT (PWD)				
	Beginning Balance	Debit	Credit	Net Change	Ending Balance
13112-000					
MECHANIC CKNG #*****8566	1,193,993.19	32,460,145.29	33,623,073.33	1,162,928.04-	31,065.15
13412-000					
MECHANIC PR#*****7895	49,471.87	1,848,754.97	1,843,526.85	5,228.12	54,699.99
13465-000					
2021A REVENUE BONDS - LAIF	0.00	1,167,988.30	100.00	1,167,888.30	1,167,888.30
13470-000					
CONTRACTUAL OBLIGATION FUND #9745	0.00	18,164,838.21	18,159,768.20	5,070.01	5,070.01
13520-000					
LOCAL AGENCY INVESTMENT FD	2,369,849.38	11,003,407.60	8,500,000.00	2,503,407.60	4,873,256.98
Report Total:	<u>3,613,314.44</u>	<u>64,645,134.37</u>	<u>62,126,468.38</u>	<u>2,518,665.99</u>	<u>6,131,980.43</u>



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RETURN SERVICE REQUESTED

PANOCHÉ WATER DISTRICT
O & M ACCOUNT
52027 W ALTHEA AVE
FIREBAUGH CA 93622-9401

Statement Ending 01/31/2022

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Expires January 31, 2022

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1. Purchase of a new payroll package required. Terms and conditions apply. See banker for important information.

Mechanics Bank is a Member of FDIC and an Equal Housing Lender. Mechanics Bank has partnered with Paychex to provide payroll services to Mechanics Bank customers. Referred customers are under no obligation to engage with Paychex. Mechanics Bank is compensated for new accounts resulting from referrals to Paychex. The payroll processing agreement is between customer and Paychex.

Summary of Accounts

Account Type	Account Number	Ending Balance
PUBLIC CHECKING	XXXXXXXX8566	\$105,580.58





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PANOCHÉ WATER DISTRICT
PAYROLL ACCOUNT
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FIREBAUGH CA 93622-9401

Statement Ending 01/31/2022

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and receive \$200 off the setup fee.¹

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Summary of Accounts

Account Type	Account Number	Ending Balance
PUBLIC CHECKING	XXXXXXXXX7895	\$29,388.11





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PANOCHÉ WATER DISTRICT
CONTRACTUAL OBLIGATION FUND
52027 W ALTHEA AVE
FIREBAUGH CA 93622-9401

Statement Ending 01/31/2022

Page 1 of 4

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Managing Your Accounts



Client Services 800.797.6324



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A special offer from

PAYCHEX®

LIMITED TIME ONLY

Expires January 31, 2022

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Join Paychex between October 1, 2021 and January 31, 2022
and receive \$200 off the setup fee.¹

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1. Purchase of a new payroll package required. Terms and conditions apply. See banker for important information.

Mechanics Bank is a Member of FDIC and an Equal Housing Lender. Mechanics Bank has partnered with Paychex to provide payroll services to Mechanics Bank customers. Referred customers are under no obligation to engage with Paychex. Mechanics Bank is compensated for new accounts resulting from referrals to Paychex. The payroll processing agreement is between customer and Paychex.

The "Per Check Charge" defined on your statement represents a \$15 charge for each check that exceeds the six check limitation on your account. Refer to Mechanics Bank's Account Agreement for additional information.

Summary of Accounts

Account Type	Account Number	Ending Balance
PUBLIC MONEY MARKET	XXXXXXXX9745	\$5,070.10



PANOCHE WATER DISTRICT
Account Receivable Report
Fiscal Year 03/01/2021 - 02/28/2022

Report Period 1/31/22 - 2/2/22

Report Date: 2/02/22

	Total	Water	Others
Receivable Balance as of January 31, 2022	<u>\$ 216,972</u>	<u>\$ 100,523</u>	<u>\$ 116,449</u>
Billings:	\$ -	\$ -	\$ -
Total Billings:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Payments Received:			
Payments Received:	\$ 75,333	\$ 72,480	\$ 2,853
Total Payments Received:	<u>\$ 75,333</u>	<u>\$ 72,480</u>	<u>\$ 2,853</u>
Receivable Balance as of February 02, 2022	<u>\$ 141,639</u>	<u>\$ 28,043</u>	<u>\$ 113,597</u>
Outstanding Accounts:			
Total Current Accounts Receivables	\$ 35,678	\$ 9,981	\$ 25,697
Delinquent Accounts Receivables	\$ 105,962	\$ 18,062	\$ 87,900
	<u>\$ 141,639</u>	<u>\$ 28,043</u>	<u>\$ 113,597</u>

PANOCHÉ WATER DISTRICT
AGED ACCOUNTS RECEIVABLE - Delinquent
As Of 1/31/2022

Name	31-60 Days	61-90 Days	Over 90 Days	Total A/R
Abbate, James	-	220.81	-	220.81
Barrett, Margie	-	55.50	-	55.50
Cardella, Michelle	-	167.48	-	167.48
Carrillo, Jose A.	-	26.68	-	26.68
Cecilia Echeveste Survivor's Trust	1,702.65	-	-	1,702.65
De La Torre, Carlos and Jose	-	55.92	-	55.92
Enrico Children's Trust	-	547.03	-	547.03
Enrico Irrevocable Trust of 1994	-	193.50	-	193.50
Estate of Edward K. Koda	-	100.85	-	100.85
Fadak Orchards, LLC	0.09	-	-	0.09
Hanna M&M Family Trust	-	1,073.34	-	1,073.34
Harvest Point, LLC	-	911.77	-	911.77
Imperial Merchants USA, LLC	-	210.70	24.45	235.15
J&M Enterprises	-	665.52	-	665.52
J&M Enterprises, Et Al	-	545.19	-	545.19
John S. Diedrich Farms,	-	-	7,378.15	7,378.15
Koda, Ross Business Trust	-	941.52	-	941.52
Koda, Tama T.	-	100.85	-	100.85
McGrath Trust, Mary K.	-	204.33	-	204.33
Nyman Family	-	360.00	-	360.00
Olam West Coast, Inc. (OSVI)	-	-	556.38	556.38
Old Oak Land Company	-	227.83	-	227.83
Terra Bella Farm Co & I Matson	-	1,791.35	-	1,791.35
	1,702.74	8,400.17	7,958.98	18,061.89
Other				
Camp 13 Drainage District	-	53,748.34	3,302.63	57,050.97
Central California Irrigation District	-	-	13,545.80	13,545.80
Grassland Basin Authority	-	-	17,302.86	17,302.86
	-	53,748.34	34,151.29	87,899.63
Total Accounts - Delinquent	1,702.74	62,148.51	42,110.27	105,961.52

BACK

PANOCHÉ WATER DISTRICT RESOLUTION NO. 800-22

A RESOLUTION OF THE BOARD OF DIRECTORS PROCLAIMING A LOCAL EMERGENCY, RATIFYING GOVERNOR NEWSOM'S MARCH 4, 2020, PROCLAMATION OF A STATE OF EMERGENCY, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF PANOCHÉ WATER DISTRICT THROUGH MARCH 10, 2022 PURSUANT TO BROWN ACT PROVISIONS

WHEREAS, the Panoche Water District is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of Panoche Water District's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the District's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District's boundaries, caused by natural, technological, or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist in the District, specifically, on March 4th, 2020, Governor Newsom proclaimed a State of Emergency due to the COVID-19 pandemic and such proclamation has not as of the date of this Resolution been lifted; and

WHEREAS, due to what may be the sensitivity of some members of the public as well as to members of the Board and District staff, the contagious nature of COVID-19, including variants of the virus, and current guidance from federal, state, and local agencies that social distancing reduces the transmission of the virus, meeting in person would present imminent risks to the health or safety of attendees; and

WHEREAS, the Board of Directors does hereby find that the current status of the COVID-19 pandemic has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to proclaim a local emergency and ratify the Proclamation of a State of Emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the local emergency, the Board of Directors does hereby find that the legislative bodies of Panoche Water District shall conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, District notices and agendas shall provide a reasonable means for members of the public to meaningful participate in public meetings of the District; and

NOW, THEREFORE, BE IT HEREBY RESOLVED AS FOLLOWS:

1. The Board of Directors of the Panoche Water District hereby finds and determines the above Recitals are true and correct and are incorporated herein by this reference.
2. The Board hereby proclaims that a local emergency now exists throughout the District, and meeting in person would present a significant risk to the health and safety of those participating in person.
3. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance on March 4, 2020.
4. The General Manager, or his designee, and legislative bodies of the District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.
5. This Resolution shall take effect on February 8, 2022, and shall be effective until the earlier of (i) March 10, 2022, or (ii) such time as the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of the District may continue to teleconference without strictly complying with certain provisions of the Brown Act due to the ongoing COVID-19 pandemic and resulting State of Emergency.

PASSED AND ADOPTED this 8th day of February 2022, in a duly noticed and open meeting of the Board of Directors by the following vote, to wit:

Ayes:
Nays:
Abstain:
Absent:

BACK

John Bennett, President

Attest: _____
Mike Stearns, Secretary



PANOCHÉ WATER DISTRICT

52027 West Althea Ave., Firebaugh, CA 93622 – (209) 364-6136 – panochewd.specialdistrict.org

NOTICE OF PUBLIC HEARING

February 8, 2022

NOTICE IS HEREBY GIVEN that on February 22, 2022, at a special public meeting of the Panoche Water District's (the "District") Board of Directors (the "Board"), the Board will consider entering into an energy service contract with FOREFRONT POWER, LLC., or its designated affiliate, for the installation of certain energy savings measures on property owned or controlled by the District. Participation in the meeting may be in-person at the District's Office located at 52027 West Althea Ave., Firebaugh, CA, 93622, or via web and teleconference pursuant to Assembly Bill 361. In-person participation may be limited due to COVID-19 restrictions and members of the public wishing to speak in-person at the meeting are encouraged to contact the District beforehand.

At said meeting, the Board will hold a **PUBLIC HEARING** on and consider a Resolution to adopt findings required by California Government Code section 4217.12 regarding anticipated energy cost savings and other benefits the District may receive if the Board decides to enter into the energy service contract.

The Resolution, agreement and supporting documents will be included with the Agenda for the Board's February 22nd special public meeting. The Agenda will be posted at least 72 hours prior to the meeting at the District's office and web site under Governance/Board Meetings:

<https://panochewd.specialdistrict.org/board-meetings>

If you should have any questions, please do not hesitate to contact me directly.

A handwritten signature in blue ink, appearing to read 'Ara Azhderian', is written over a light blue oval background.

Ara Azhderian
General Manager



Panoche Water District

Renewable Energy Feasibility Analysis

Brian Taylor

Director – CA Public Sector

January 2022





Panoche Water District

Sustainability Leader for CA Special Districts



On-Site Solar



Energy Savings



Statewide RFP



Included O&M



Solar Displays



Sustainability Goals

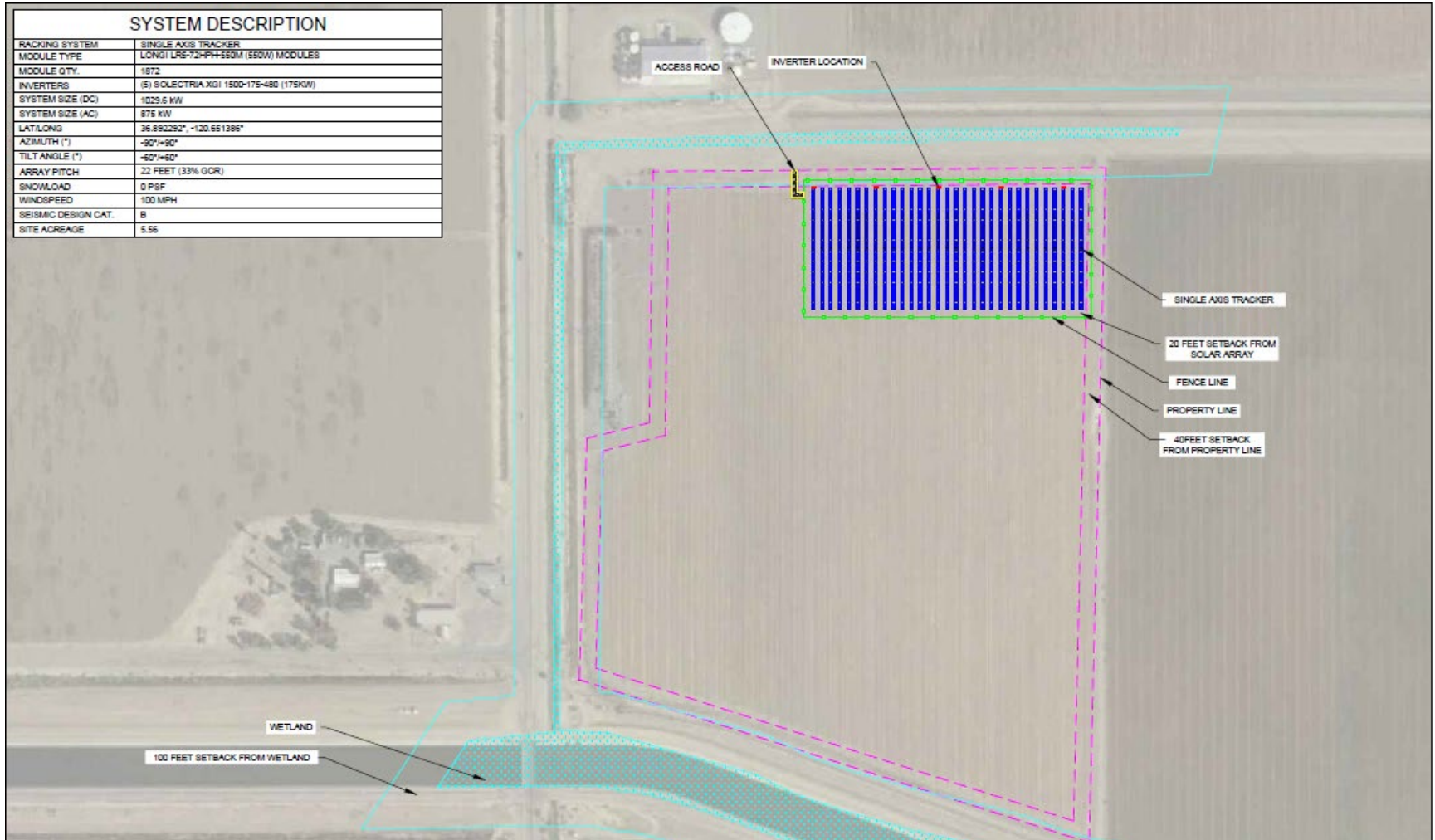


Panoche WD Office Lot SAT-1080 kW





San Joaquin River Drainage SAT – 1030 kW





Panoche Water District Renewable Strategy

Site	PPA Rate	Solar System Size	Y1 Production (kWh)	% Energy Offset	Current Bill	Year 1 Savings	Year 1 Savings (%)	20 Year Savings
Panoche WD Office Lot SAT	\$0.0895	1,081	2,251,688	87%	\$590,415	\$130,697	22%	\$4,932,983
San Joaquin River Drainage SAT	\$0.0935	1,030	2,145,749	91%	\$471,571	\$122,689	26%	\$4,707,821
Total	\$0.0917	2,110	4,397,437	89%	\$1,061,986	\$253,387	24%	\$9,640,804

■ On Site Solar Solutions

- 1080 KW near Panoche WD Office
 - Existing 1500A Service
- 1030 kW near San Joaquin River Drainage Field
 - New Service Installation Included
- <1MW AC CEC avoids PG&E IX Expenses

■ Single Axis Tracker Systems

- 2 NEMA Systems including
 - 13 meters
 - 6 meters

■ Save

- \$253K in year 1 Savings
- \$9.6M over 20 years



Meter List

PWD Office Lot SAT, Meter List

utility_service_id	utility_meter_number	Site Name:	Annual Consumption kWh*	Target Production kWh*
1264538850	1009987591	Station 7W Courtney New Orleans Pump	730,054	657,048
3241365145	5000118786	Station 2 Courtney/New Orleans Pump	471,511	424,360
497433715	1009987399	Station 3 Courtney/New Orleans Pump	335,113	301,602
3001920012	1010245360	Station 6W Courtney New Orleans Pump	233,725	210,352
3241365931	1010055701	Station 4 Courtney/New Orleans Pump	211,298	190,168
3008455582	1008819132	Old Station #1	109,877	98,889
3241365691	1010023769	Panoche WD Office	85,403	76,862
3003384652	1010262273	STA #T6	78,239	70,415
3003256118	1010070296	STA #T4	72,085	64,876
3241365651	1009716661	Panoche WD Office	44,360	39,924
3241365334	1009963392	Russ Return Sys 2	29,059	26,153
3009338696	1010074088	Russ Return Sys 1	25,529	22,976
1581462544	5000000237	Panoche WD Office	22,479	20,231
		TOTAL	2,448,732	657,048

San Joaquin River drainage SAT, Meter List

utility_service_id	utility_meter_number	Site Name:	Annual Consumption kWh*	Target Production kWh*
6227993450	1009481511	Station 6E	969,574	872,616
3008455679	1009987386	Recirculation Plant	868,176	781,358
2801882732	1009985219	T-1	199,842	179,858
3005374390	1010409860	T-2	155,462	139,916
3241365724	1008829444	Koda Lift #1	5,293	4,764
3008455466	1009502287	Tie In meter @ San Joaquin River Drainage Field	13,154	11,839
		TOTAL	2,211,501	1,990,351

*Approximate Values



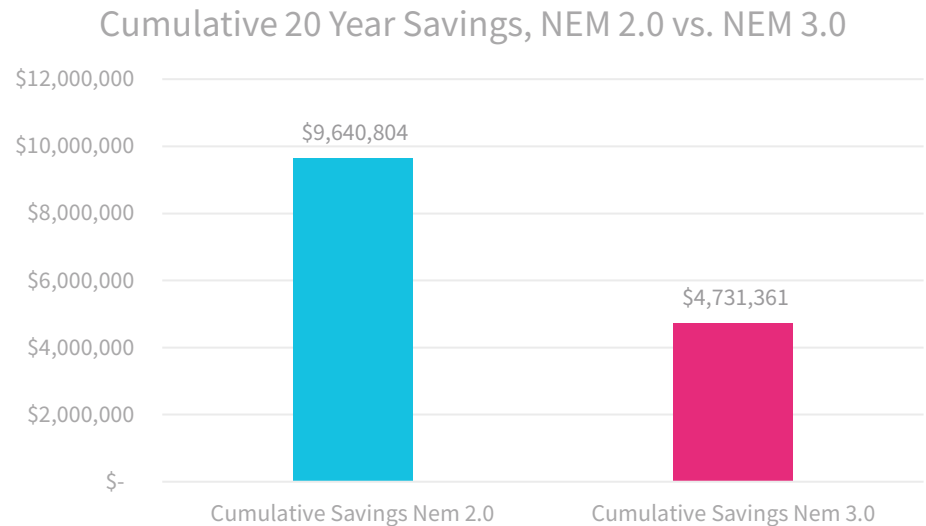
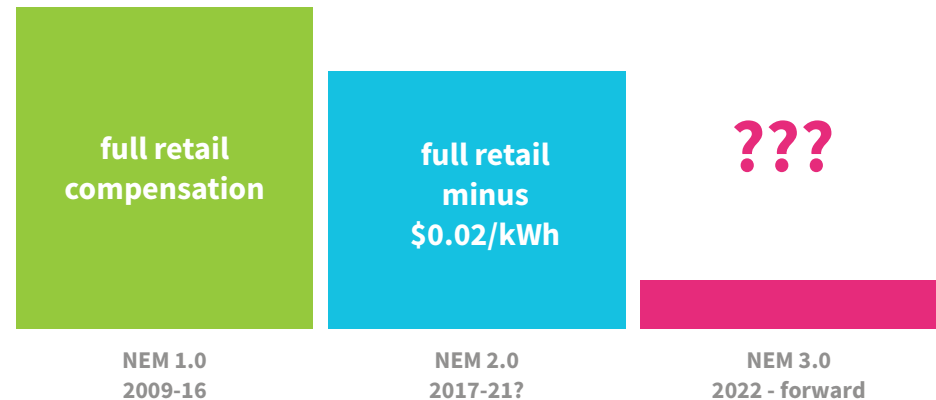
Solar Challenges NEM 3.0

■ Net Energy Metering

- CPUC decides NEM 3.0 in early 2022
- Lowers value of exported energy.
- Get Legacy NEM 2.0
 - Submit IX Applications NOW
 - Build Systems After
 - 20 Years of Compensation

■ Impact:

- \$9.6M savings under NEM 2.0 vs. \$4.7M under NEM 3.0
- Assumes NEM 3.0 as currently proposed by PUC





NEMA:
Contiguous &
Adjacent Parcels



Conclusions & Next Steps

- **Conclusions**

- NEM 3.0 February '22
- SPURR
 - Joint Powers Authority
 - GC 4217: Completed RFP
- ForeFront Power
 - Experienced Developer
 - Financially Stable
- Panoche Water District
 - Executable Projects
 - Energy Savings

- **Next Steps**

- Feedback
- Contract Review
- Parcel Ownership Determination
- IX Application
- 4217 14-Day Notice of Public Hearing
- Board Approval





FOREFRONT
POWER

Project Cashflows: Panoche WD - Jan '22

Rate Scenario	NEM 2.0
Solutions	Solar Only
Project	Total
Year 1 Savings	\$253,387
Cumulative Savings	\$9,640,804
Cumulative NPV Savings	\$5,768,454
Payback Period	Immediate
Solar System Size (KW)	2,110
Storage System Size (KW)	0

Financial Assumptions

Parameter	Value
Year 1 PPA Rate (\$/kWh)	\$0.0917
PPA Rate Escalator (%/yr)	0.0%
Utility Energy Escalator (%/yr)	2.7%
Utility Demand Escalator (%/yr)	5.0%
PPA Term (Years)	20
Discount Rate (%)	5.0%
Solar Degradation Rate (%)	0.50%

Year	PPA Rate (\$/KWH)	KWH Generated	Historic Utility Bill (without solar)	PPA Payment	New Utility Bill (with solar)	Total Electricity Costs (PPA + Utility)	Net Savings	Cumulative Savings
1	0.0917	4,397,437	1,061,986	403,279	405,320	808,599	253,387	253,387
2	0.0917	4,375,450	1,097,587	401,263	422,473	823,736	273,850	527,237
3	0.0917	4,353,573	1,134,495	399,257	440,400	839,657	294,838	822,075
4	0.0917	4,331,805	1,172,764	397,260	459,138	856,398	316,366	1,138,441
5	0.0917	4,310,146	1,212,448	395,274	478,723	873,997	338,451	1,476,891
6	0.0917	4,288,595	1,253,604	393,298	499,196	892,494	361,109	1,838,001
7	0.0917	4,267,152	1,296,292	391,331	520,600	911,932	384,361	2,222,361
8	0.0917	4,245,816	1,340,575	389,375	542,978	932,353	408,222	2,630,584
9	0.0917	4,224,587	1,386,518	387,428	566,376	953,804	432,714	3,063,297
10	0.0917	4,203,464	1,434,189	385,491	590,843	976,334	457,855	3,521,152
11	0.0917	4,182,447	1,483,658	383,563	616,429	999,993	483,665	4,004,818
12	0.0917	4,161,535	1,535,000	381,645	643,188	1,024,833	510,167	4,514,985
13	0.0917	4,140,727	1,588,293	379,737	671,175	1,050,912	537,381	5,052,366
14	0.0917	4,120,023	1,643,618	377,838	700,449	1,078,287	565,330	5,617,696
15	0.0917	4,099,423	1,701,058	375,949	731,070	1,107,020	594,038	6,211,734
16	0.0917	4,078,926	1,760,701	374,070	763,104	1,137,174	623,528	6,835,262
17	0.0917	4,058,531	1,822,642	372,199	796,618	1,168,817	653,825	7,489,087
18	0.0917	4,038,239	1,886,974	370,338	831,682	1,202,020	684,954	8,174,041
19	0.0917	4,018,048	1,953,800	368,486	868,370	1,236,856	716,943	8,890,985
20	0.0917	3,997,957	2,023,223	366,644	906,761	1,273,405	749,819	9,640,804
Total		83,893,881	\$29,789,425	\$7,693,727	\$12,454,894	\$20,148,621	\$9,640,804	\$9,640,804

Project Cashflows: Panoche WD - Jan '22

Rate Scenario	NEM 3.0
Solutions	Solar Only
Project	Total
Year 1 Savings	\$65,035
Cumulative Savings	\$4,731,361
Cumulative NPV Savings	\$2,691,244
Payback Period	Immediate
Solar System Size (KW)	2,110
Storage System Size (KW)	0

Financial Assumptions

Parameter	Value
Year 1 PPA Rate (\$/kWh)	\$0.0917
PPA Rate Escalator (%/yr)	0.0%
Utility Energy Escalator (%/yr)	2.7%
Utility Demand Escalator (%/yr)	5.0%
PPA Term (Years)	20
Discount Rate (%)	5.0%
Solar Degradation Rate (%)	0.50%

Year	PPA Rate (\$/KWH)	KWH Generated	Historic Utility Bill (without solar)	PPA Payment	New Utility Bill (with solar)	Total Electricity Costs (PPA + Utility)	Net Savings	Cumulative Savings
1	0.0917	4,397,437	1,061,986	403,279	593,672	996,951	65,035	65,035
2	0.0917	4,375,450	1,097,587	401,263	615,911	1,017,174	80,413	145,447
3	0.0917	4,353,573	1,134,495	399,257	639,061	1,038,318	96,178	241,625
4	0.0917	4,331,805	1,172,764	397,260	663,162	1,060,422	112,342	353,967
5	0.0917	4,310,146	1,212,448	395,274	688,256	1,083,530	128,918	482,884
6	0.0917	4,288,595	1,253,604	393,298	714,387	1,107,684	145,919	628,804
7	0.0917	4,267,152	1,296,292	391,331	741,601	1,132,932	163,360	792,164
8	0.0917	4,245,816	1,340,575	389,375	769,945	1,159,320	181,255	973,419
9	0.0917	4,224,587	1,386,518	387,428	799,472	1,186,900	199,618	1,173,037
10	0.0917	4,203,464	1,434,189	385,491	830,232	1,215,723	218,466	1,391,503
11	0.0917	4,182,447	1,483,658	383,563	862,282	1,245,845	237,813	1,629,316
12	0.0917	4,161,535	1,535,000	381,645	895,679	1,277,324	257,676	1,886,992
13	0.0917	4,140,727	1,588,293	379,737	930,483	1,310,220	278,073	2,165,066
14	0.0917	4,120,023	1,643,618	377,838	966,758	1,344,596	299,021	2,464,087
15	0.0917	4,099,423	1,701,058	375,949	1,004,570	1,380,519	320,539	2,784,626
16	0.0917	4,078,926	1,760,701	374,070	1,043,988	1,418,058	342,644	3,127,270
17	0.0917	4,058,531	1,822,642	372,199	1,085,085	1,457,285	365,357	3,492,627
18	0.0917	4,038,239	1,886,974	370,338	1,127,938	1,498,276	388,698	3,881,325
19	0.0917	4,018,048	1,953,800	368,486	1,172,625	1,541,112	412,688	4,294,013
20	0.0917	3,997,957	2,023,223	366,644	1,219,231	1,585,875	437,349	4,731,361
Total		83,893,881	\$29,789,425	\$7,693,727	\$17,364,337	\$25,058,063	\$4,731,361	\$4,731,361

BACK

From: [Steve Smith](#)
To: [Ara Azhderian](#)
Subject: Water Transfer to Turlock Fruit Account in Westlands
Date: Wednesday, February 2, 2022 12:18:35 PM

Ara,

I am writing to request a 12 acre foot transfer to land we farm in Westlands Water District. This will enable us to complete our pre irrigation which will accomplished this month. I am now anticipating that we will be transferring into Panoche significant water between our fallow land transfer from FCWD, as well as the possibility of Level 2 water from the BOR, and water from our RO wells. I would hope that this would mitigate any concern that the Board may have regarding this transfer.

Respectfully
Stephen Smith

BACK

Sent from my iPad

COMPANY	DATE	MANUAL	SUBJECT
Panoche Water District	January, 2021; revised July 8, 2021; <u>revised</u> <u>February 8 2022</u>	IIPP	CORONAVIRUS / COVID-19 PREVENTION PROGRAM

This CPP (COVID-19 Prevention Program) is Panoche Water District's policy and program designed to control exposures to the SARS-CoV-2 virus that may occur in our workplace. All of the District's prior COVID-19 policies are rescinded and replaced by this CPP. This COVID-19 Prevention Program is intended to meet the requirements of the California Emergency Regulation 3205 et. seq. and also is based on CDC (Center for Disease Control), California DPH (Department of Public Health), Cal/OSHA industry guidance documents and other guidance issued from the state of California or the US Federal Government.

This program is applicable to all places of employment unless no contact and no potential infection of/with other employees occurs while performing work, or employees are working from home or another remote work location that is not under the control of **Panoche Water District**. The Program is a living document and as such, will need to be adjusted for new findings and facts for each specific location. Ex: Review/update as part of annual IIPP review, or as Local Health Departments make specific requirements or recommendations, and assessments identify infection hazards not addressed in the current program. We stay informed on the virus presence in our community as well as recommendations made by national and local health agencies. We review and update this plan as necessary. This plan was last reviewed and updated on February 8—, 2022.

The District will endeavor to keep this program plan up to date and based on the latest regulations and guidance. However, even if this plan is not updated, the District will abide by the latest, in effect regulations and guidance notwithstanding the fact that this plan has not been updated.

Authority, Responsibility, and Communication

The Ethics and Compliance Officer has overall authority and responsibility for implementing the provisions of this CPP in our workplace. In addition, all managers and supervisors are responsible for implementing and maintaining the CPP in their assigned work areas and for ensuring employees receive answers to questions about the program in a language they understand.

- All employees are responsible for using safe work practices, following all directives, policies, and procedures, and assisting in maintaining a safe work environment.

Reporting symptoms and COVID-19 hazards is required of all employees. If employees report symptoms, then they will not be penalized and the information will be treated as a confidential medical report and used only for permitted purposes such as management of COVID-19 risk, contact tracing, medical leave and workers compensation claim processing, and workplace accommodation.

- Employees will have access to testing during paid time when required by this program during outbreaks or close contact/potential exposure at no cost to the employee. The District will make COVID-19 testing available at no cost to employees with COVID-19 symptoms ~~who are not fully vaccinated~~, during employees' paid time
- Employees and other people who visit the workplace will be notified of these policies and procedures.
- COVID-19 hazards include notice of COVID-19 exposure depending on the situation, – including other employers who work at the site.

Panoche Water District's goal is to ensure that we have effective two-way communication with our employees, in

a form they can readily understand. Employees should report COVID- 19 symptoms and possible hazards to the supervisor first; then to the Ethics and Compliance Officer if they do not receive an answer from their supervisor. Our communication includes the following information:

- That employees are required to report symptoms, possible close contacts, and hazards without fear of reprisal.
- Our procedures or policies for accommodating employees with medical or other conditions that put them at increased risk of severe COVID-19 illness. Employees who wish to request or discuss a workplace accommodation should contact the Ethics and Compliance Officer.
- Where testing is ~~not~~ required, how employees can access COVID-19 testing. Covid-19 testing is provided at no cost during paid work time to all employees of the District who had a close contact in the workplace.
- In the event we are required to provide testing because of a workplace exposure or outbreak, we will communicate the plan for providing testing and inform affected employees of the reason for the testing and the possible consequences of a positive test.
- Information about COVID-19 hazards employees (including other employers and individuals in contact with our workplace) may be exposed to, what is being done to control those hazards, and our COVID-19 policies and procedures.

Identification and Evaluation of COVID-19 Hazards.

Panoche Water District will implement the following in our workplace:

A COVID-19 Hazard Assessment will be documented, performed, and updated as needed. Employees and authorized representatives may be involved in the hazard assessment process. The District will evaluate employees' potential workplace exposures to all persons at, or who may enter, our workplace. A workplace exposure can occur due to any contact with an infected person, or by cross contact with the virus from any object that has been contaminated. Common areas and commonly touched surfaces will be evaluated.

Screening will be performed in accordance with the District's Protocols for Screening and Testing Panoche Water District Employees for COVID-19 before any person accesses the workplace including self-screening at home prior to coming to work. Screening procedures include-

- Screening prior work beginning each day. Panoche Water District advises that all employees self-monitor for temperature or symptoms prior to arrival at work. Anyone with a fever of 100.4°F or greater (or reported feelings of feverishness), respiratory symptoms, or other Covid-19 symptoms in the prior 24 hours must not come to work.
- Screening will include each unvaccinated employee completing a screening questionnaire at the beginning of the employee's shift at the work site each workday. Screening can also include observation of employee symptoms and information received by the District concerning employee's potential exposure to COVID-19, symptoms, or related information.
- All persons, Unvaccinated employees, regardless of symptoms or negative COVID-19 test results, will be considered potentially infectious. In identifying and evaluating COVID-19 hazards, particular attention will be paid to areas where people may congregate or come in contact with one another, regardless of whether employees are performing an assigned work task or not. For example: meetings, entrances, bathrooms, hallways, aisles, walkways, break or eating areas, cool-down areas, and waiting areas.
- Evaluation of potential workplace exposure will be to all persons at the workplace or who may enter the workplace, including coworkers, employees of other entities, members of the public, customers, or clients, and independent contractors. We will consider how employees and other persons enter, leave, and travel through the workplace, in addition to addressing fixed work locations.
- The air at indoor locations will be reviewed to maximize outdoor air and filtration depending on the ventilation system.

- We evaluate the need for PPE including respiratory protection and gloves, goggles, and face shields and provide such PPE as needed. We provide and ensure use of eye protection and respiratory protection when employees are exposed to procedures that may aerosolize potentially infectious material such as saliva or respiratory tract fluids.
- State provided industry guidance documents and orders along with LHD (Local Health Department) will be reviewed as applicable to the specific work location.
- Evaluation of COVID-19 controls will be performed, and improvements made as needed based on hazard correction procedure, physical distancing needs, and other engineering controls. Periodic inspections will be performed to identify practices, conditions, and procedures to ensure compliance with this program.

The District will document the vaccination status of all employees as required by law.

The District has developed COVID-19 policies and procedures to respond effectively and immediately to individuals at the workplace who are a COVID-19 case to prevent or reduce the risk of transmission in the workplace, as described below.

The District will review applicable orders and general and industry-specific guidance from the State of California, Cal/ OSHA, and the local health department related to COVID-19 hazards and prevention.

The District conducts periodic inspections as needed to identify and evaluate unhealthy conditions, work practices, and work procedures related to COVID-19 and to ensure compliance with our COVID-19 policies and procedures.

Employees and their authorized representatives are encouraged to participate in the identification and evaluation of COVID-19 hazards by reporting hazards or making suggestions to the Ethics and Compliance Officer.

Investigating and Responding to Cases.

Panoche Water District will investigate all interactions and areas where a COVID-19 positive case could have infected another worker including non-work common areas and document who and locations of potential exposure/close contact. Supervisors, the Ethics and Compliance Officer, or their designees will seek information from employees regarding COVID-19 cases, close contacts, COVID-19 test results, and the onset of COVID-19 symptoms. Employees are required to report to the Ethics & Compliance Officer if they are experiencing COVID-19 symptoms, if they have been in close contact with a COVID-19 positive individual, and if they have tested positive for COVID-19.

Employees that had a close contact with a positive COVID-19 case will be offered COVID-19 testing at no cost during their working hours, excluding:

- ~~Employees who were fully vaccinated before the close contact and do not have symptoms.~~
- COVID-19 cases who were allowed to return to work per our return-to-work criteria and have remained free of symptoms for 90 days after the initial onset of symptoms, or for cases who never developed symptoms, for 90 days after the first positive test.
- The information on benefits described in Training and Instruction and Exclusion of COVID-19 Cases sections of this policy will be provided to employees.
- Written notice will be provided within 1 day of the District's knowledge of a COVID-19 case that people at the worksite may have been exposed to COVID-19. This notice will be provided to all employees (and their authorized representative), independent contractors, and other employers at the worksite during the high-risk exposure period.

The District's investigation will include documenting the day and time of symptoms, when the individual tested positive, when the positive case was present at work, and where exposure could have occurred and been reduced. The COVID-19 positive case status, including testing and symptom timing and on-set, will be monitored by the Ethics and Compliance Officer.

Confidentiality of cases and records shall be maintained unless required by a government entity or by written consent of the positive case.

Correction of Covid-19 Hazards.

Correction of hazards identified will be done in a timely manner based on the severity of the hazard, including implementing controls, policies, and procedures as detailed in this CPP.

Training and Instruction.

Employee training will include review of:

- The District's COVID-19 policies and procedures to protect employees from COVID-19 hazards, and how to participate in the identification and evaluation of COVID-19 hazards.
- Information regarding COVID-19-related benefits (including mandated sick and vaccination leave) to which the employee may be entitled under applicable federal, state, or local laws.
- The fact that:
 - COVID-19 is an infectious disease that can be spread through the air.
 - COVID-19 may be transmitted when a person touches a contaminated object and then touches their eyes, nose, or mouth.
 - An infectious person may have no symptoms.
- The fact that particles containing the virus can travel more than six feet, especially indoors, so physical distancing, face coverings, increased ventilation indoors, and respiratory protection decrease the spread of COVID-19 and are most effective when used in combination.
- The right of employees that are not fully vaccinated to request a respirator for voluntary use, without fear of retaliation, and the District's policies for providing the respirators. Employees voluntarily using respirators will be trained in:
 - How to properly wear them.
 - How to perform a seal check according to the manufacturer's instructions each time a respirator is worn, and the fact that facial hair can interfere with a seal.
- The importance of frequent hand washing with soap and water for at least 20 seconds and using hand sanitizer when employees do not have immediate access to a sink or hand washing facility, and that hand sanitizer does not work if the hands are soiled.
- Proper use of face coverings and the fact that face coverings are not respiratory protective equipment. Since COVID-19 is an airborne disease, N95s and more protective respirators protect the users from airborne disease, while face coverings primarily protect people around the user.
 - The conditions where face coverings must be worn at the workplace.
 - That face coverings are additionally recommended outdoors for people who are not fully vaccinated if six feet of distance cannot be maintained.
 - Employees can request face coverings and can wear them at work regardless of vaccination status and without fear of retaliation.
- COVID-19 symptoms, and the importance of obtaining a COVID-19 test and not coming to work if you have COVID-19 symptoms.
- Information on the District's COVID-19 policies and how to access COVID-19 testing and vaccination, and the fact that vaccination is effective at preventing COVID-19, protecting against both transmission and serious illness or death.

Control of COVID-19 Hazard

Physical Distancing.

The following are examples of situations where physical distancing may be required:

- When an employee is unvaccinated and cannot wear a face covering or a non-restrictive alternative due to a medical or mental health condition or disability, or due to a hearing impairment.

- After a “close contact” with a positive COVID-19 case.
- During an “outbreak” of COVID-19 in the workplace.

~~Panoche Water District will evaluate implementing measures to physically separate people by at least six feet where possible in the event there are three or more COVID-19 cases in the workplace. If there is a major COVID-19 outbreak of 20 or more COVID-19 cases in the workplace, the District will implement physical distancing methods for employees who were exposed to a COVID-19 case.~~ Methods of physical distancing include:

- telework or other remote work arrangements;
- reducing the number of persons in an area at one time, including visitors;
- visual cues such as signs and floor markings to indicate where employees and others should be located or their direction and path of travel;
- staggered arrival, departure, work, and break times; and
- adjusted work processes or procedures, such as reducing production speed, to allow greater distance between employees.

When it is not feasible to maintain a distance of at least six feet, individuals shall be as far apart as feasible.

Face Coverings.

Panoche Water District provides clean, undamaged face coverings and ensure they are properly worn by employees that are required to wear face coverings, including employees who are not fully vaccinated. Face coverings must be worn over the nose and mouth when indoors or in vehicles, and where required by orders from the California Department of Public Health (CDPH) or local health department.

“Face covering” means a surgical mask, a medical procedure mask, a respirator worn voluntarily, or a tightly woven fabric or non-woven material of at least two layers. (i.e., fabrics that do not let light pass through when held up to a light source) that completely covers the nose and mouth and is secured to the head with ties, ear loops, or elastic bands that go behind the head. If gaiters are worn, they shall have two layers of fabric or be folded to make two layers. A face covering is a solid piece of material without slits, visible holes, or punctures, and must fit snugly over the nose, mouth, and chin with no large gaps on the outside of the face. A face covering does not include a scarf, ski mask, balaclava, bandana, turtleneck, collar, or single layer of fabric.

This definition includes clear face coverings or cloth face coverings with a clear plastic panel that, despite the non-cloth material allowing light to pass through, otherwise meet this definition and which may be used to facilitate communication with people who are deaf or hard-of-hearing or others who need to see a speaker’s mouth or facial expressions to understand speech or sign language respectively. A face covering has with no visible holes or openings and must, which covers the nose and mouth. A face covering does not include a scarf, ski mask, balaclava, bandana, turtleneck, collar, or single layer of fabric.

While wearing face coverings under the conditions stated in this policy is a public health measure intended to reduce the spread of COVID-19 in communities, it may not be practical for workers to wear the same face covering for the full duration of a work shift (e.g., eight or more hours) during work operations if the face covering becomes wet, soiled, or otherwise visibly contaminated during the work shift. Panoche Water District will provide readily available clean face coverings (or disposable facemask options) for workers to use when the coverings become wet, soiled, or otherwise visibly contaminated. Employees can request face coverings from the District at no cost to the employee and can wear them at work, regardless of vaccination status, without fear of retaliation.

When face coverings are required, they must:

- Fit over the nose and mouth and fit snugly but comfortably against the side of the face;
- Be secured with ties or ear loops;
- Include multiple layers of fabric;
- Allow for breathing without restriction (and are not worn by anyone with trouble breathing);

- Be put on and removed by the wearer without help;
- Not lead to heat-related illness or other safety risk;
- Be laundered using the warmest appropriate water setting and machine dried daily after the shift, without damage or change to shape (a clean cloth face covering should be used each day);
- Not be used if they become wet or contaminated;
- Be replaced with clean replacements, provided by the District, as needed;
- Not be shared among workers unless the face coverings are adequately laundered between uses;
- Be handled as little as possible to prevent transferring infectious materials to the cloth; and
- Not be worn with or instead of respiratory protection when respirators are needed.

The following are exceptions to the use of face coverings in our workplace:

- When an employee is alone in a room or vehicle.
- While eating or drinking at the workplace, provided employees are at least six feet apart and outside air supply to the area, if indoors, has been maximized to the extent feasible.
- Employees wearing respirators required by the District.
- Employees who cannot wear face coverings due to a medical or mental health condition or disability, or who are hearing-impaired or communicating with a hearing-impaired person. Alternatives will be considered on a case-by-case basis.
- Specific tasks that cannot feasibly be performed with a face covering. This exception is limited to the time period in which such tasks are actually being performed.

Employees exempted from wearing face coverings due to a medical condition, mental health condition, or disability shall wear an effective non-restrictive alternative, such as a face shield with a drape on the bottom, if their condition or disability permits it. Any employee not wearing a face covering or allowed non-restrictive alternative, will be at least six feet apart from all other persons unless the unmasked employee is either fully vaccinated or tested at least weekly for COVID-19 during paid time and at no cost to the employee. The District will not use COVID-19 testing as an alternative to the use of face coverings when face coverings are otherwise required by this policy.

The District will not prevent any employee from wearing a face covering when not required by this policy, unless it would create a safety hazard, such as interfering with the safe operation of equipment. The District will provide face coverings to employees upon request, regardless of vaccination status.

Engineering Controls, Administrative Controls and PPE.

The District implements measures to maximize, to the extent feasible, the quantity of outside air for our buildings with mechanical or natural ventilation systems by increasing filtration efficiency to the highest level compatible with the existing ventilation system when possible taking into consideration when circumstances where the amount of outside air needs to be minimized due to other hazards, such as heat, cold and wildfire smoke.

Hand washing and sanitizing

In order to implement effective hand washing and sanitizing procedures, Panoche Water District will:

- Provide adequate handwashing facilities.
- Encourage and allow time for employee handwashing.

- Provide employees with an effective hand sanitizer, and prohibit hand sanitizers that contain methanol (i.e., methyl alcohol).
- Encourage/train employees to wash their hands for at least 20 seconds each time.
- Handwashing procedures will be evaluated to ensure there is time to properly wash hands for at least 20 seconds.

Panoche Water District implements the following cleaning and disinfection measures for frequently touched surfaces and objects, such as doorknobs, elevator buttons, equipment, tools, handrails, handles, controls, phones, headsets, bathroom surfaces, and steering wheels:

- Performing thorough cleaning in high traffic areas.
- Frequently disinfecting commonly used surfaces.
- Cleaning and sanitizing shared equipment between each use.
- Cleaning touchable surfaces between shifts or between users, whichever is more frequent.
- Ensuring District vehicles, vehicle cabs and equipment are cleaned before and after use and employees are provided hand sanitizer and effective disinfectant, such as disposable wipes, for each District vehicle. Employees must disinfect frequently touched surfaces and objects within the District's vehicle before and after use of the vehicle, if that vehicle is shared, or at the beginning and end of each shift, if no one else uses the vehicle during the employee's shift. These surfaces and objects include, but are not limited to, door handles, seatbelts, seats, steering wheels, and window buttons.
- Avoiding sharing phones, other work tools and equipment wherever possible.
- Ensuring that sanitary facilities stay operational and are stocked at all times.
- Cleaning restrooms frequently.
- Using products approved for use against COVID-19 on the EPA-approved list and follow product instructions and Cal/OSHA requirements.
- Employees using cleaners or disinfectants should wear gloves as required by the product label.
- Providing time for workers to implement cleaning practices before, during, and after shifts.
- Disposing of all cleaning material and non-reusable PPE in compliance with CDC recommendations to prevent further spread of COVID-19.

Shared tools, equipment, and personal protective equipment (PPE)

The District evaluates the need for PPE (such as gloves, goggles, and face shields) and provides and ensures use of such PPE as needed.

- Upon request, the District will provide respirators for voluntary use to all employees who are not fully vaccinated and who are working indoors or in vehicles with more than one person. Employees who wish to request a respirator should contact their supervisor or the Ethics and Compliance Officer.
- PPE must not be shared, e.g., gloves, goggles, and face shields.
- Items that employees come in regular physical contact with, such as phones, headsets, desks, keyboards, writing materials, instruments and tools must also not be shared, to the extent feasible. Where there must be sharing, the items will be disinfected between uses. Employees are expected to routinely disinfect surfaces and objects with which they interact. Employees should utilize effective disinfectants, such as disposable wipes, provided by the District to disinfect the surfaces and objects they come in contact with that may be touched by other employees or members of the public.

- Sharing of vehicles will be minimized to the extent feasible, and high-touch points (for example, steering wheel, door handles, seatbelt buckles, armrests, shifter, etc.) will be disinfected by the employee between users.
- When a COVID-19 positive individual has been in the workplace during the high-risk exposure period, the areas where exposure could occur will be thoroughly cleaned by personnel trained in how to protect themselves from infection and in the safe use of the disinfection chemicals.

Testing of symptomatic employees

When applicable after a "close contact, we make COVID-19 testing available at no cost to employees, during employees' paid time.

Reporting Recordkeeping and Access.

The District will:

- Report information about COVID-19 cases and outbreaks at our workplace to the local health department whenever required by law, and provide any related information requested by the local health department.
- Maintain records of the steps taken to implement our written COVID-19 Prevention Program (CPP).
- The CPP will be available to employees, authorized employee representatives, and to representatives of Cal/OSHA.
- Document and keep a record of and track all Covid-19 cases.
- Maintain the confidentiality of private medical information.

Exclusion of Covid-19 Cases and Employees who had a Close Contact.

Where we have a COVID-19 case or close contact in our workplace, we limit transmission by:

- Ensuring that COVID-19 cases are excluded from the workplace until return-to-work requirements are met.
- ~~Excluding employees that had a close contact from the workplace until our return-to-work criteria have been met,~~
~~with the following exceptions:~~
- ~~Employees who were fully vaccinated before the close contact and who do not develop COVID-19 symptoms.~~
- ~~COVID-19 cases who returned to work per our return-to-work criteria and have remained free of COVID-19 symptoms, for 90 days after the initial onset of COVID-19 symptoms, or for COVID-19 cases who never developed COVID-19 symptoms, for 90 days after the first positive test.~~
- Continuing and maintaining an employee's earnings, wages, seniority, and all other employee rights and benefits when an employee is excluded from work because of a workplace COVID-19 exposure and the employee is not able to telework and is not receiving Disability Payments or Workers' Compensation Temporary Disability Payments during the exclusion period. An employee is not entitled to this exposure pay:
 - If the employee's COVID-19 exposure was not work related; or
 - For any period of time in which the employee is unable to work for reasons other than protecting persons at the workplace from possible COVID-19 transmission.
- We will provide employees who are excluded from the workplace with information on available benefits.

- If the local health department has not excluded an employee, employees may return to work on the basis that the employee's absence would create undue risk to the community's health and safety. In such cases, the District will implement and maintain effective control measures to prevent transmission of COVID-19 in the workplace including providing isolation for the employee at the workplace and, if isolation is not feasible, the use of respirators in the workplace.

Covid-19 Return to Work Criteria.

The following return to work criteria may change based on guidance from local, state, or federal law or regulations.

Also, if an order to isolate, quarantine, or exclude an employee is issued by a local or state health official, the employee will not return to work until the period of isolation or quarantine is completed or the order is lifted.

As of January 14, we will implement the following return-to-work criteria:

COVID-19 Cases

Those who test positive for COVID-19, regardless of vaccination status, must isolate themselves according to the following:

- They must stay home for at least five days. Isolation can end after day five if symptoms either aren't present, or they're resolving **and** a diagnostic specimen (antigen test preferred) collected on day five or later tests negative.
- If they're unable to test or choose not to test, and symptoms aren't present or are resolving, isolation can end after day 10.
- If fever is present, isolation should be continued until fever resolves.
- If symptoms other than fever aren't resolving, they must continue to isolate until symptoms are resolving or until after day 10.
- Wear a well-fitting mask around others for a total of 10 days, especially in indoor settings.

Close Contacts — Unvaccinated and 'Booster Eligible' But Un-Boosted Employees

Both unvaccinated or vaccinated and "booster-eligible" individuals who haven't yet received their booster dose — including those infected with SARS-CoV-2 within the last 90 days — and are exposed to someone with COVID-19 must quarantine, the guidance for which is as follows:

- Stay home for at least five days following the last contact with a COVID-19-positive person.
- Test on day five.
- Quarantine can end after day five if symptoms aren't present **and** a diagnostic specimen collected on day five or later tests negative.
- If they're unable to test or choose not to test, and symptoms aren't present, quarantine can end after day 10.
- Wear a well-fitting mask around others for a total of 10 days, especially in indoor settings.
- If testing positive, follow above isolation recommendations for positive cases.
- If symptoms develop, test and stay home.

Cal/OSHA notes that employers are **not** required to exclude fully vaccinated and asymptomatic employees in this category if:

- A negative diagnostic test is obtained within three to five days after last exposure to a case;
- Employee wears a face covering around others for a total of 10 days; and
- Employee continues to have no symptoms

If an employee cannot be tested as required, quarantine must continue for at least 10 days as explained above.

Close Contacts — Vaccinated and Boosted Employees

For individuals who are boosted, or vaccinated but not yet booster-eligible, and are exposed to someone with COVID-19, they're not required to quarantine, but it's recommended that they:

- Test on day five.

- Wear a well-fitting mask around others for 10 days, especially in indoor settings.
- If testing positive, follow isolation recommendations above.
- If symptoms develop, test and stay home.

See the Table attached to this CPP. The District will notify you when the return to work criteria changes per federal, state or local law. as Employees who test positive for COVID-19, have a positive COVID-19 diagnosis from a health care provider, are subject to a COVID-19 related order to isolate issued by a local or state health official, or who and have COVID-19 symptoms will not return to work until all the following have occurred:

- ~~At least 24 hours have passed since a fever of 100.4 or higher has resolved without the use of fever-reducing medications; and~~
- ~~COVID-19 symptoms have improved; and~~
- ~~At least 10 days have passed since COVID-19 symptoms first appeared.~~

~~Employees who tested positive, have a positive COVID-19 diagnosis from a health care provider, or are subject to a COVID-19 related order to isolate issued by a local or state health official but never developed COVID-19 symptoms will not return to work until a minimum of 10 days have passed since the date of specimen collection of their first positive COVID-19 test.~~

- ~~A negative COVID-19 test will not be required for an employee to return to work.~~
- ~~Persons who had a close contact, meaning they were within six feet of a COVID-19 case for a cumulative total of 15 minutes or greater in any 24-hour period within or overlapping with the "high-risk exposure period" may return to work as follows:~~
 - ~~A close contact who never developed symptoms may return to work when 10 days have passed since the last known close contact.~~
 - ~~A close contact who experiences symptoms may return to work when the "cases with symptoms" criteria (above) have been met, unless the following are true:~~
 - ~~The person tested negative for COVID-19 using a polymerase chain reaction (PCR) COVID-19 test with specimen taken after the onset of symptoms; and~~
 - ~~At least 10 days have passed since the last known close contact; and~~
 - ~~The person has been symptom-free for at least 24 hours, without using fever-reducing medications.~~

~~If an order to isolate or quarantine an employee is issued by a local or state health official, the employee will not return to work until the period of isolation or quarantine is completed or the order is lifted. If no period was specified, then the period will be as stated in this Return to Work Criteria section.~~

~~Cal/OSHA may allow employees to return to work when requested and specific conditions are met.~~

Multiple COVID-19 Infections and COVID-19 Outbreaks

An outbreak occurs if three or more employee COVID-19 positive cases within an exposed group visited the workplace during their high risk exposure period at any time during a 14-day period.

This section of the CPP will stay in effect until there are no new COVID-19 cases detected in the exposed group for a 14-day period.

- Testing will be provided to employees at no cost and during paid normal work hours to all employees in the exposed group except for:
 - Employees who were not present during the period of an outbreak identified by a local health department or the relevant 14-day period.
 - ~~Employees who were fully vaccinated before the multiple infections or outbreak and who do not have~~

~~symptoms-~~

- COVID-19 cases who did not develop symptoms after returning to work pursuant to our Return-to- Work Criteria, no testing is required for 90 days after the initial onset of symptoms or, for COVID-19 cases who never developed symptoms, 90 days after the first positive test.
- COVID-19 testing consists of the following:
 - All employees in the exposed group are immediately tested and then tested again one week later. Negative COVID-19 test results of employees with COVID-19 exposure will not impact the duration of any quarantine, isolation, or exclusion period required by, or orders issued by, the local health department.
 - After the first two COVID-19 tests, the District will continue to provide COVID-19 testing once a week of employees in the exposed group who remain at the workplace, or more frequently if recommended by the local health department, until there are no new COVID-19 cases detected in the workplace for a 14-day period.
 - The District provides additional testing when deemed necessary by Cal/OSHA.

The District will continue to comply with the applicable elements of this CPP, as well as the following:

1. Employees in the exposed group will wear face coverings when indoors, or when outdoors and less than six feet apart (unless one of the face-covering exceptions indicated in this CPP apply).
2. The District will give notice to employees in the exposed group of their right to request a respirator for voluntary use if they are not fully vaccinated.
3. The District will evaluate whether to implement physical distancing of at least six feet between persons, or where six feet of physical distancing is not feasible, the need for use of cleanable solid partitions of sufficient size to reduce COVID-19 transmission.

The District will immediately perform a review of potentially relevant COVID-19 policies, procedures, and controls and implement changes as needed to prevent further spread of COVID-19.

The investigation and review will be documented and will include:

- Investigation of new or unabated COVID-19 hazards including:
 - The District's leave policies and practices and whether employees are discouraged from remaining home when sick.
 - The District's COVID-19 testing policies.
 - Insufficient outdoor air.
 - Insufficient air filtration.
 - Lack of physical distancing.

The District will update the review of policies, procedures, and controls:

- Every thirty days that the outbreak continues.
 - In response to new information or to new or previously unrecognized COVID-19 hazards.
 - When otherwise necessary.
- The District will implement changes to reduce the transmission of COVID-19 based on the investigation and review. The District will consider:
 - Moving indoor tasks outdoors or having them performed remotely.
 - Increasing outdoor air supply when work is done indoors.
 - Improving air filtration.
 - Increasing physical distancing as much as feasible.
 - Requiring respiratory protection.

The District will filter recirculated air with Minimum Efficiency Reporting Value (MERV) 13 or higher efficiency filters, if compatible with the ventilation system. If MERV-13 or higher filters are not compatible, the District will use filters with the highest compatible filtering efficiency, and also evaluate whether portable or mounted High Efficiency Particulate Air (HEPA) filtration units or other air cleaning systems would reduce the risk of transmission and, if so, implement their use to the degree feasible.

Major COVID-19 Outbreaks

A major outbreak occurs if 20 or more COVID-19 cases in an exposed group visit the District's workplace during the high-risk exposure period within a 30-day period.

This section of the CPP will stay in effect until there are no new COVID-19 cases detected in our workplace for a 14-day period.

The District will continue to comply with the Multiple COVID-19 Infections and COVID-19 Outbreaks section above, except that the COVID-19 testing, regardless of vaccination status, is made available to all employees in the exposed group twice a week, or more frequently if recommended by the local health department.

In addition to complying with this CPP, the District will also:

- Provide employees in the exposed group with respirators for voluntary use and determine the need for a respiratory protection program or changes to an existing respiratory protection program to address COVID-19 hazards.
- Separate by six feet (except where we can demonstrate that six feet of separation is not feasible and there is momentary exposure while persons are in movement) any employees in the exposed group who are not wearing respirators. When it is not feasible to maintain a distance of at least six feet, individuals are as far apart as feasible.
- Install cleanable solid partitions that effectively reduce transmission between the employee and other persons at workstations where an employee in the exposed group is assigned to work for an extended period, and where the physical distancing requirement is not always maintained.
- Evaluate whether to halt some or all operations at the workplace until COVID-19 hazards have been corrected.
- Implement any other control measures deemed necessary by Cal/OSHA.

Employer Provided Transportation

This section of the CPP will apply when there is District provided transportation, which is any transportation of an employee, during the course and scope of employment, provided, arranged for, or secured by the District, including transportation to and from different workplaces, jobsites, delivery sites, buildings, stores, facilities, and agricultural fields regardless of the travel distance or duration involved, unless the driver and all passengers live in the same household outside of work, such as family members, the driver is alone in the vehicle, the transportation is necessary for emergencies for example; firefighting, rescue or evacuation, all the employees in the vehicle are fully vaccinated, or employees are using public transportation.

To the extent feasible, the District reduces exposure to COVID-19 hazards by assigning employees sharing vehicles to distinct groups and ensuring that each group remains separate from other such groups during transportation, during work activities, and in employer-provided housing. The District prioritizes shared transportation assignments in the following order:

- Employees working in the same crew or workplace are transported in the same vehicle.
- Employees who do not share the same household, work crew or workplace are transported in the same vehicle only when no other transportation alternatives are feasible.

The District ensures that the:

- Face covering requirements of this policy are followed for employees waiting for transportation, if applicable.
- All employees ~~who are not fully vaccinated~~ are provided with a face covering, which must be worn unless an exception applies.
- Upon request, the District provides respirators for voluntary use in compliance with this policy to all employees in the vehicle who are not fully vaccinated.
- Before entering the vehicle, screening will take place following guidelines from this CPP and drivers and riders with COVID-19 symptoms will be excluded prior to boarding shared transportation.
- All high contact surfaces will be disinfected with employer provided sanitizing material including door handles, seatbelt buckles, armrests, steering wheel, arm rests, and shifter if different people will touch the area. We provide sanitizing materials, training on how to use them properly, and ensure they are kept in adequate supply.
- Ventilation in the vehicle will be maximized by keeping windows open, ventilation units will be set to use maximum outside air and not set to recirculate air. Windows can be shut if it is over 90 degrees or less than 60 degrees, the air quality index is over 100 (poor air quality), or protection is needed from weather conditions, such as rain or snow.

Each vehicle will have hand sanitizer available.

BACK



PANOCHÉ WATER DISTRICT

52027 West Althea Ave., Firebaugh, CA 93622 – (209) 364-6136 – panochewd.specialdistrict.org

EMPLOYEE HANDBOOK

BOARD APPROVED _____ [date]

THIS EMPLOYEE HANDBOOK REPLACES AND SUPERSEDES ALL PRIOR
PANOCHÉ WATER DISTRICT EMPLOYEE HANDBOOKS

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PANOCHÉ WATER DISTRICT

EMPLOYEE HANDBOOK

_____, 2021

This Employee Handbook is effective _____, 2021. It replaces and supersedes all prior Panoche Water District Handbooks.

I. **EMPLOYMENT AT PANOCHÉ WATER DISTRICT**

A. ABOUT PANOCHÉ WATER DISTRICT

Welcome to Panoche Water District!

Panoche Water District (the “District”) serves approximately 38,000 acres in and around Firebaugh. The District receives water from the Central Valley Project via the Delta Mendota Canal and the San Luis Canal. It is continually making improvements to reduce water losses and increase water delivery reliability and flexibility, improve drainage water management, and implement policies that promote efficient water use.

Congratulations on becoming part of our team!

B. INTRODUCTION

This Panoche Water District Employee Handbook (“Handbook”) is intended to provide you with an overview of the District’s policies and practices. This Handbook sets forth the terms and conditions of employment with the District. You are responsible for reading and understanding this Handbook. The Panoche Water District Board of Directors (the “Board”) has the sole responsibility to prescribe the terms and conditions of employment at the District. The Board may delegate its responsibilities only in a written resolution approved by the Board.

No employee handbook can anticipate every circumstance or question about policy, and the District may adopt formal or administrative policies with additional detail at any time. Such additional policies or policy statements applicable to District employees may be separately provided to supplement the Handbook. Therefore, please do not hesitate to ask your supervisor, the General Manager or Ethics & Compliance Officer for clarification of any of the policies contained in this Handbook.

This Handbook applies to all District employees, including employees covered by a collective bargaining agreement, and is supplemented by the Collective Bargaining Agreement between the District and the International Brotherhood of Electrical Workers (“IBEW”), Local 1245, (the “CBA”), which applies only to represented employees. Represented employees covered under the CBA are subject to the terms and conditions of the existing CBA in circumstances where there is a conflict between the CBA and this Handbook.

This Handbook is not a contract, express or implied, nor does it guarantee employment for any specific length of time. Either the District or you can end the employment relationship at any time, with or without cause, and with or without prior notice. No oral statements or representations can alter the provisions of this Handbook.

Please note that Panoche Water District may revise, supplement, and/or rescind any of the policies contained in this Handbook as necessary, at its sole and absolute discretion. Employees will be notified of all revisions and updates to the Handbook.

This Handbook, dated [REDACTED], supersedes any previous Handbook, District policies that apply to employees, and unwritten policies. You must read, understand, and comply with all provisions of the Handbook, as it describes many of your responsibilities as an employee and outlines the programs developed by Panoche Water District to benefit employees.

This Handbook is not intended to interfere with employees' right to participate in concerted activity such as communicating with their co-workers regarding their wages, hours, or terms and conditions of employment, or with any other rights protected under the National Labor Relations Act.

C. SERVICE POLICY

The District's goal is to leave a positive, lasting impression with the public we serve. We accomplish this through caring and professional employees who strive to provide exceptional service.

What we say to the public and how we say it are the basic building blocks of exceptional service. This requires a committed, team approach. We are all expected to accommodate requests and needs as they arise. The primary tools in accomplishing this are knowledge of your job, the services we provide, and your attitude when delivering that knowledge and service. Remember to always interact with the public in the most pleasant and efficient manner.

The public is interested in courteous, prompt service. If problems or difficulties with the public arise, communicate directly with the Ethics & Compliance Officer, who will work with you to resolve them.

D. STATEMENT OF AT-WILL EMPLOYMENT STATUS

All employment with the District is at-will. Nothing in this Handbook (or any other document) should be construed as a guarantee of long-term employment, or of employment for any particular length of time. In fact, either the employee or the District may terminate the employment relationship at will, for no reason at all, and at any time, with or without notice. This is what is referred to as "at-will" employment.

Although other terms, conditions, and benefits of employment with the District may change from time to time, the at-will relationship of employment is one aspect that cannot be changed except by an express written agreement signed by both the affected employee (or the employee's representative) and the District representative authorized to sign such agreement by the Board of Directors.

No one has authority to enter into an agreement on behalf of Panoche Water District for employment contrary to the policy of at-will employment. It would take action by the Board of Directors, if the District decided to offer an employment agreement for a specified period of time; any such agreement would have to be in writing and signed by both the affected employee (or the employee's representative) and the District representative authorized to sign by the Board of Directors.

E. EQUAL EMPLOYMENT OPPORTUNITY

Panoche Water District is an equal employment opportunity employer. Panoche Water District will not discriminate against qualified applicants or employees with respect to any terms or conditions of employment based on race, color, religion (including religious dress and religious grooming), national origin, ancestry, physical or mental disability, legally protected medical condition or information, genetic information, marital status, sex (including pregnancy or perceived pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity (defined as each person's internal understanding of their gender or perception of a person's gender identity, which may

include male, female, neither male nor female, a gender different from the person's sex assigned at birth, or transgender), gender expression (defined as a person's gender-related appearance or behavior, or the perception of such appearance or behavior, whether or not stereotypically associated with the person's sex assigned at birth), age, sexual orientation, military or veteran status, or any other characteristic protected by federal or state law or local ordinance.

To comply with applicable laws ensuring equal employment opportunities to qualified individuals with a disability, the District will reasonably accommodate employees and applicants for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or an employee, as required by law, if they are otherwise qualified to safely perform all of the essential functions of the position, unless undue hardship would result.

Any applicant or employee who requires an accommodation should contact the Ethics & Compliance Officer and request such an accommodation. The District and the applicant or employee will engage in an interactive process to identify and evaluate possible accommodations. If an accommodation is identified that is reasonable and will not impose an undue hardship, the District will make the accommodation. The District will not unlawfully retaliate against any employee or applicant who requests an accommodation regardless of whether the request is granted.

F. IMMIGRATION LAW COMPLIANCE

Panoche Water District is committed to full compliance with federal immigration laws, and will not unlawfully discriminate on the basis of citizenship, national origin, or immigration status. All offers of employment are contingent on verification of the right to work in the United States. In compliance with the Immigration Reform and Control Act of 1986, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 no later than the employee's first day of employment, and present documentation establishing identity and employment eligibility within three business days of the date employment begins. Former employees who are rehired must also complete the form if they have not completed an I-9 with Panoche Water District within the past three years, if their previous work authorization has expired, or if their previous I-9 is no longer retained or valid. Employees may raise questions or complaints about immigration law compliance without fear of reprisal by Panoche Water District.

G. PRE-EMPLOYMENT BACKGROUND CHECKS AND MEDICAL EXAMINATIONS

Once an offer of employment has been made but prior to commencement of employment, the District will require applicants in specific job classifications to undergo a pre-employment medical examination paid for by the District. The sole purpose of the pre-employment medical examination is to determine if the employee can perform the duties of the job, with or without reasonable accommodation. All such medical examinations will be conducted in accordance with applicable laws, and by physicians selected by the District at the District's expense. All records of such medical examinations will be kept

confidential pursuant to applicable law.

To comply with applicable laws ensuring equal employment opportunities to qualified individuals with a disability, the District will make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or an employee unless undue hardship would result.

Additionally, all applicants for employment who have received a conditional offer of employment must receive a criminal record clearance and past employment verification as a condition to, and prior to commencement of employment, to the extent allowed by law. No questions regarding criminal convictions will be asked until a conditional job offer has been made to the individual.

As a condition of, and prior to commencement of employment, all final candidates for employment must obtain fingerprint clearance via Live Scan. Fingerprinting is coordinated through the Ethics & Compliance Officer. If, after a conditional job offer has been made, it is discovered that the employee has been convicted of certain criminal offenses as provided by law, the District will first do an individualized assessment as to whether the conviction has a direct and adverse relationship with specific job duties that would justify denying employment. If the District preliminarily decides not to hire the individual based on the conviction, the District will send written notice to the individual so that the individual can respond. The District will consider any information the individual provides. If the District's assessment is that the conviction disqualifies the individual from the job sought, the District will provide the individual with written notice including certain specific information.

Once hired, District employees have an ongoing obligation to immediately advise the District of any subsequent criminal conviction, other than a minor traffic violation. Disclosure of a subsequent conviction will not, in and of itself, constitute grounds for termination of employment. However, failure to comply with this policy in any way, at any time, shall constitute grounds for immediate termination of employment.

H. WHISTLEBLOWER POLICY

The District requires all employees to maintain high standards of ethical conduct at all times. As representatives of the District, employees must practice honesty and integrity in fulfilling their responsibilities and complying with all applicable laws and regulations. The District is committed to maintaining a workplace where employees feel free to raise questions and concerns, such as a suggestion for improving a procedure, a concern about legal compliance, or an issue of ethics. It is the intent of the District to adhere to all laws and regulations that apply to the District and the underlying purpose of this policy is to support the District's goal of legal compliance.

The purpose of this policy is to establish policies and procedures to prevent or detect and correct improper activities, violations of any policies, violations of the Code of Conduct or any violation of law; to encourage each employee to report what the employee in good faith reasonably believes to be a violation of law; and to protect reporting employees from retaliatory action.

A “whistleblower” is an employee who discloses information to a government or law enforcement agency, the Ethics & Compliance Officer, a person with authority over the employee, or to another employee with authority to investigate, discover, or correct the noncompliance; or who provides information to or testifies before a public body conducting an investigation, hearing, or inquiry. An employee is a “whistleblower” only if the employee has reasonable cause to believe the information discloses a violation of a state or federal statute, a violation or noncompliance with a local, state, or federal statute, rule, or regulation, or unsafe working conditions or work practices in the employee’s employment or place of employment.

A “whistleblower” can also be an employee who refuses to participate in an activity that would result in a violation of or noncompliance with a local, state, or federal statute, rule, or regulation.

A person need not be a “whistleblower” to use the District’s Ethics & Compliance Program. Any employee may use the District’s Ethics & Compliance Program.

I. ETHICS & COMPLIANCE PROGRAM

Our ETHICS & Compliance Program is designed and intended to ensure that officers, employees, agents and representatives of the District not only meet legal requirements in the conduct of our business, but also act responsibly and with integrity in everything we do. Through our Code of Conduct, training and management oversight, the District seeks to ensure that everyone complies with all applicable laws and the ethical standards reflected in its Code of Conduct.

The District’s Ethics & Compliance Program incorporates the following key elements:

1. **Written policies and procedures.** At the District, you will receive a Code of Conduct that defines the expectations of behavior and practices which are both acceptable and unacceptable to the District. This Code of Conduct is intended to serve as a resource guide for you, outlining the District’s overall commitment to ethical business practices and legal requirements. The Code of Conduct is available to you in hard copy.
2. **Ethics & Compliance Officer and Compliance Committee.** The Ethics & Compliance Officer and is responsible for overseeing the District’s Compliance Program, which includes training, monitoring systems, developing informational resources, and investigating or causing the investigation of potential violations of law or District policy. The Compliance Committee oversees and supports the District’s efforts to ensure that its business is conducted appropriately. The Compliance Committee is made up of two (2) members of the Panoche Water District Board of Directors. The names and contact information for the Ethics & Compliance Officer and Compliance Committee Members (“Compliance Contacts”) are attached to the final page of this Panoche Water District Employee

Handbook Section I. The District will provide a copy of the Compliance Contacts to each employee. The Ethics & Compliance Officer will review the Compliance Contacts at least annually. If the Ethics & Compliance Officer at any time learns that the Compliance Contacts information has changed, the Ethics & Compliance Officer will prepare a revised Compliance Contacts sheet and promptly provide the update to each employee and add the update as a revision to the Employee Handbook. No other form of amendment to the Handbook is required to update the Compliance Contacts.

3. **Training and education.** One of the cornerstones of an effective compliance program is education and training. The District is committed to providing effective training to all its employees, board members, agents and representatives. The training will be either live and/or through other means. In some cases, you may be required to complete annual compliance training and additional specific training as warranted.
4. **Effective lines of communication.** The District is committed to providing an environment in which our employees, board members, agents, representatives, customers, suppliers, contractors and others with whom we interact are comfortable in raising concerns or reporting any suspected or potential breach of our Code of Conduct or violation of law. The District encourages employees to offer up ideas and solutions and allows employees to report any concerns to any supervisor, manager, the Ethics & Compliance Officer or the Compliance Committee without fear of retaliation.
5. **Monitoring and Auditing.** The fundamental aspect of preventing and detecting matters which may result in non-compliance with District policy or laws is internal monitoring and auditing. The Ethics & Compliance Officer and the Compliance Committee will be responsible for auditing the policies and procedures of the Compliance Program. The Compliance Committee will maintain responsibility for overseeing and directing the monitoring and auditing functions.

Reporting

If an employee has knowledge of or a reasonable belief that the District or anyone employed by or doing business with the District has engaged in any violations of state or federal statutes, rules, or regulations, violations of the Code of Conduct, violations of fiduciary responsibility or violations of any District policy, the employee is to provide a written or verbal report to the Ethics & Compliance Officer as soon as possible, unless the Ethics & Compliance Officer is the subject of the violation or concern, in which case the employee is to provide the report to the General Manager or to the Compliance Committee which consists of two (2) members of the Board. The District prefers and requests that you provide a written report. However, verbal reports will be accepted. All reports should include details of the actual or suspected violation(s), the names of individuals involved, the names of any witnesses, and relevant dates and times, if known, that will assist the District in conducting its investigation.

Concerns may be submitted anonymously. However, because it may not be possible to obtain additional information from an anonymous source, it is essential that such reports contain as much specific information as possible.

If the person to whom you report your concerns does not address your concern in a timely way, or does not address the concern in a manner that you believe is adequate, you may report the concern to the Ethics & Compliance Officer the General Manager, the Compliance Committee or contact the Whistleblower Hotline.

Hotline

If employees are uncomfortable discussing concerns directly with a District official, the District has engaged a third-party ethics and Speak-up hotline provider to collect allegations anonymously. Reports can be made 24 hours a day/7 day a week by calling the number listed on the Compliance Contacts. All reports are routed directly to the Ethics & Compliance Officer for review and for investigation, unless the Ethics & Compliance Officer is the subject of the concern or violation, in which case the report will be routed directly to the General Manager or the Compliance Committee, depending on the nature of the matter.

If the nature of the concerns involves violations of state or federal statutes, rules, or regulations, or violations of fiduciary responsibility, that employee may also call (i) the California State Attorney General's Whistleblower Hotline at 1-800-952-5225, (ii) the U.S. Department of Labor's Occupational Safety and Health Administration ("OSHA") at 1-800-321-6742 [to report unsafe working conditions] or any other appropriate government agency as determined by the employee.

No Retaliation

The District encourages disclosure of illegal or dishonest or fraudulent activity, and will not retaliate against an employee who reports such matters or any of the matters above or who refuses to participate in illegal activities. Any person who believes they are being retaliated against must contact the Ethics & Compliance Officer, unless the Ethics & Compliance Officer is the subject of the concern or violation, in which case the employee must contact the General Manager or the Compliance Committee.

Further, employees have the rights and remedies with regard to Federal grants or contracts of the District provided in 41 United States Code Section 4712. An employee may not be discharged, demoted or otherwise discriminated against as a reprisal for disclosing information that the employee reasonably believes is evidence of gross mismanagement of a Federal contract or grant, a gross waste of Federal funds, an abuse of authority relating to as Federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule or regulation related to a Federal contract (including the competition for or negotiation of a contract) or grant to a Member of Congress or a representative of a committee of Congress; an Inspector General, the Government Accountability Office, a Federal employee responsible for contract or grant oversight or management at the relevant agency; a federal employee responsible for

contract or grant oversight or management at the relevant agency; a court of grand jury or a management official or other employee who has responsibility to investigate, discover or address misconduct. If an employee believes that they have been subjected to a reprisal prohibited by this statute, the employee may submit a complaint to the Inspector General of the Federal executive agency involved in the grant or contract and has the further rights and remedies provided under the statute.

Investigation and Confidentiality

All reports of illegal and dishonest activities or other matters referenced above will be promptly submitted to the Ethics & Compliance Officer who is responsible for investigating and coordinating corrective action, unless the Ethics & Compliance Officer is the subject of the concern or violation, in which case, the investigation shall be conducted by the General Manager or the Compliance Committee, as appropriate. The reporting person is not responsible for investigating the reported activity or for determining fault or corrective measures; the District and/or its designees are charged with these responsibilities. The District's board has the authority to retain outside legal counsel, accountants, private investigators, or any other resources deemed necessary to conduct a full and complete investigation of the allegations. Individuals who are found to have committed a breach are held accountable through disciplinary action up to and including termination. Subject to legal constraints the reporting party will receive information about the outcome of any investigations, if appropriate or legally permissible.

Employees with any questions regarding this policy should contact the General Manager or the Ethics & Compliance Officer.

J. CODE OF CONDUCT

It is the policy of the District to adhere to all laws and ethical standards applicable in all jurisdictions in which it conducts its business, to conduct its business affairs lawfully and ethically and to do so with honesty and integrity.

As used in this Code of Conduct, "official" means every director, officer, employee or consultant of the District. This Code of Conduct is applicable to officials at all locations operated by District, as well as all of the District's agents and representatives. The District also holds its vendors and contractors to high standards as appropriate. Vendors and contractors are expected to comply with all laws.

Our District expects and demands the highest level of ethical conduct on the part of our managers and staff. We do not condone or practice any behavior that fails to meet the standards set forth in our Code of Conduct.

1. Code of Conduct Standards

1. Officials shall perform their duties in good faith and to the best of their ability.
2. Officials shall conduct themselves honestly, fairly, and with a high degree of integrity in their professional dealings related to their employment or contracted

services with the District.

3. Officials shall comply with all statutes, regulations, licensing requirements and guidelines applicable to the District.

4. Officials shall refrain from any illegal conduct in the workplace.

5. All District resources, including funds, equipment, supplies, titles, and staff time must only be used for authorized District business. Expenses incurred in connection with the types of activities set forth in the District's policy statements generally constitute authorized expenses, as long as the other requirements of the District's policy statements are met.

6. Use of District-issued credit cards must be in compliance with the District's Credit Card Use Policy and policy statements.

7. Cash advances on the District's behalf must conform to the District's policy statements.

8. Public officials may not receive a personal loan from an officer, director, employee, or consultant of the District's, the District, or an agency over which the District exercises direction and control, or from an individual or entity that has a contract with the District or an agency over which the District exercises direction and control.

9. Officials and their immediate family members should not accept or receive gifts without consulting the District's applicable policy regarding the appropriateness of the same and the process to be followed.

10. The use of District-owned or -leased motor vehicles is restricted as provided in the District's Vehicle Policy Statement.

11. Officials shall not obtain any improper personal benefit by virtue of their service, employment or contractual relations with the District.

12. Officials shall ensure that all reports or other information provided to any internal or external entities including federal, state or local government agencies are accurate, to the best of their knowledge, and submitted in a timely manner.

13. Officials shall not use confidential information for their own personal benefit or for the benefit of any other person or entity while serving or employed with the District or under contract with the District.

14. District employees shall meet conduct requirements set out in the Panoche Water District Employee and book and shall not engage in any Prohibited Conduct as listed in the Employee Handbook.

15. The District prohibits retaliation against any person making a report that a violation may have occurred. Any official engaging in any form of retaliation will

be subject to censorship or disciplinary action. 16. District officials subject to the District's Conflict of Interest Code or Government Code Section 72000 shall comply with the District's Conflict of Interest Code, the prohibitions against conflicts of interest contained in Government Code Section 87100 and Title 2, California Code of Regulations, Section 18700, *et seq.*

Consequences for Violation of Code of Conduct Standards

District officials who violate one or more of the Code of Conduct Standards shall be subject to reporting to any applicable state or federal regulatory agency and to discipline in accordance with District policy and procedures, including termination of employment.

Reasons for Reporting Concerns

We all share the responsibility for ensuring that the District's business is conducted in a legal and ethical manner. You are responsible for understanding how the District policies and procedures apply to you, and to follow them. You should discuss all questions or concerns with your supervisor, Ethics & Compliance Officer or the Compliance Committee. Any violation of a law or District policy can result in disciplinary action, including termination of employment.

It is important that officials assist the District in avoiding problems by understanding the standards of conduct and raising concerns if those standards are being violated. By raising concerns, you give management the opportunity to address potential problems and protect the District.

Reporting Concerns – Open-Door Policy

At the District, many channels exist for reporting issues relating to this Code of Conduct. The District encourages openness and accessible discussion within the District. Most issues can be resolved before they become problems for officials, the District or the public. Our open-door policy encourages officials to present ideas, raise concerns and ask questions – especially those of a legal or ethical nature, but also those relating to quality of work and the working environment. All division directors, human resources personnel and District managers are responsible for supporting this policy by maintaining an “open-door” for employees or others who may reach out to them. Whenever you are in doubt, it is best to raise your concern.

In sum, if you reasonably believe that an official has violated or may violate a law or District policy, you have a duty to report that information immediately to your supervisor, another supervisor or division director, or Ethics & Compliance Officer. The District has open-door, anti-retaliation and confidentiality policies to protect officials who raise Code of Conduct concerns.

Alternate Process for Reporting Concerns

While we hope that employees feel comfortable in discussing any matter with their managers, there may be times when employees prefer to use another avenue for

addressing issues. In these cases, you may speak with others, including:

The next higher level of supervision;
Any supervisor;

Ethics & Compliance Officer; or
The Compliance Committee.

In addition, the Speak-up Hotline is available by phone at for reporting tool 24 hours a day, seven days a week, 365 days a year, and is operated by specially trained third-party representatives. The current Compliance Contacts are listed on the Compliance Contacts Sheet, as revised from time to time.

Retaliation against any official, who in good faith seeks advice, raises a concern or reports misconduct is strictly prohibited. The fact that an official has raised a concern in good faith, or has provided information in an investigation, cannot be a basis for denial of benefits, termination, demotion, suspension, threats, harassment or discrimination. If any individual, regardless of the individual's role at the District, retaliates against an official who has truthfully and in good faith reported a potential violation, the District will take appropriate action.

If you believe that you, or another official, have been retaliated against for raising a good faith concern, you should contact the Ethics & Compliance Officer immediately. You may also call the Speak-up Hotline.

It is essential that you feel secure when participating in the District's Ethics & Compliance Program. Confidentiality is a priority and every effort will be made to protect your identity whenever you interact with any element of the Compliance Program, if you so request. In some instances, however, it may not be possible to keep your identity confidential because of the nature of the investigation, the demands for a thorough investigation, or certain legal requirements. Where available or permitted by law, officials concerned about confidentiality may consider placing an anonymous call to the Speak-up Hotline.

Information regarding compliance contacts and the Speak-up Hotline number is posted on information boards throughout the District. In the event any information changes, the District will provide you with a notice and updated contact information. You should keep the notice, and any revised notice, with your copy of the Panoche Water District Code of Conduct.

K. POLICY ON LOANS

Public officials may not receive a personal loan from an officer, director, employee, member or consultant of the District, the District, or an agency over which the District exercises direction and control, or from an individual or entity that has a contract with the district or an agency over which the district exercises direction and control. For

purposes of this policy “public official” means an officer, director, employee, member or consultant of the district.

The foregoing limitations do not apply to loans received from commercial banks or other financial institutions, and retail or credit card transactions, made in the normal course of business on terms available to members of the public without regard to the official’s status.

Application to District Employees

It is the policy of the District not to provide payroll advances or loans to District employees or loans to any person except as authorized by law.

District employees who meet criteria as defined by Internal Revenue Service Regulations may be eligible for distributions from their accounts in the Panoche Water District 401(k) Retirement Plan, and this policy is not intended to preclude any such qualifying distribution.

District employees may receive expense advances in accordance with the District policy on advances of reimbursable expenses, and this policy is not intended to preclude such advances.

For any employee with an outstanding loan or payroll advance as of the date of this Policy, District Staff shall meet with such employee within 2 weeks after adoption of this Policy, communicate the policy, take steps to arrange immediate repayment where feasible, and keep the Directors informed of repayment arrangements made and repayment status.

II. EMPLOYEE CONDUCT

A. HARASSMENT, DISCRIMINATION AND RETALIATION PREVENTION POLICY

Panoche Water District is committed to providing a work environment that is free of unlawful discrimination, harassment, and retaliation. The purpose of this policy is to promote equal employment opportunity to succeed in the workplace; to prevent, deter, and remediate unlawful harassment, discrimination, and retaliation in the workplace and to assist all persons in understanding their rights, duties, and obligations in this regard.

In keeping with this policy, the District strictly prohibits discrimination and harassment of any kind, including discrimination and harassment on the basis of race, color, religion (including religious dress and religious grooming), national origin, ancestry, physical or mental disability, legally protected medical condition or information, genetic information, marital status, sex (including pregnancy or perceived pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity (defined as each person’s internal understanding of their gender or perception of a person’s gender identity, which may include male, female, neither male nor female, a gender different from the person’s sex assigned at birth, or transgender), gender expression (defined as a

person's gender-related appearance or behavior, or the perception of such appearance of behavior, whether or not stereotypically associated with the person's sex assigned at birth), age, sexual orientation, military or veteran status, or any other characteristic protected by federal or state law or local ordinance. Panoche Water District strongly disapproves of, and will not tolerate, harassment and discrimination in any form.

This policy applies to all persons involved in the operation of the District and prohibits unlawful discrimination, harassment, and retaliation by the District's employees, supervisors, managers, co-workers, paid and unpaid interns, volunteers, customers, suppliers, vendors, independent contractors, and others doing business with the District with whom employees come into contact with during the course of their work for the District. This policy prohibits unlawful discrimination, harassment, and retaliation in any form including verbal, physical and visual harassment.

The District prohibits abusive and hostile conduct in the workplace, which is conduct undertaken with malice that a reasonable person would find hostile, offensive, and unrelated to the District's legitimate business interests. Abusive conduct may include repeated infliction of verbal abuse, such as the use of derogatory remarks, insults, and epithets, verbal or physical conduct that a reasonable person would find threatening, intimidating, or humiliating, or the gratuitous sabotage or undermining of a person's work performance. This policy also prohibits discrimination and harassment in the form of sexual favoritism, which occurs when individuals are qualified for but are denied an employment opportunity or benefit because the person who received the employment opportunity or benefit submitted to sexual advances or requests, and the person denied the same benefit or opportunity did not. Favoritism or preferential treatment in the terms and conditions of employment on the basis of sexual conduct, sexual attraction, appearance, and/or physical characteristics or attributes is also prohibited.

This policy also prohibits harassment and discrimination in the form of sex stereotyping. As used in this policy, the term "sex stereotype" means an assumption about a person's appearance or behavior, or about an individual's ability or inability to perform certain kinds of work based on a myth, social expectation, or generalization about the individual's sex.

The District also prohibits discrimination and harassment against an individual who is transitioning, has transitioned, or is perceived to be transitioning. "Transitioning" in this context refers to a process some transgender people go through to begin living as the gender with which they identify, rather than the sex assigned to them at birth.

In addition, this policy prohibits retaliation of any kind against individuals who file complaints or who assist in the District's investigation of a discrimination, harassment, or retaliation complaint.

Harassment Defined

Harassment includes unwelcome verbal, visual, or physical conduct that creates an intimidating, offensive, or hostile working environment or that interferes with an employee's work performance. Sexual harassment is defined as any unwelcome sexual

advances, requests for sexual favors and other verbal or physical conduct of a sexual nature which (1) has been made either explicitly or implicitly a term or condition of an individual's employment, (2) is used as a basis for employment decisions such as promotions and benefits affecting such individual, or (3) substantially interferes with an individual's work performance or creates an intimidating, hostile, or offensive working environment.

Harassing conduct can take many forms, but the most common forms may include, but are not limited to:

- Verbal harassment such as jokes; epithets; vulgar or derogatory comments; slurs; negative stereotyping; unwelcome remarks about an individual's body, color, physical characteristics, appearance, or talents; references to women as "honey," "doll," "sweetheart," or the like; questions or comments about a person's sexual practices; or patronizing terms or remarks based on a protected characteristic listed in this policy;
- Physical harassment such as physical interference with normal work, impeding or blocking movement, assault, unwelcome physical contact, leering, staring at a person's body, and threatening, intimidating, or hostile acts that relate to a protected characteristic;
- Visual harassment such as offensive, derogatory, sexually oriented, or obscene photographs, calendars, posters, cards, cartoons, drawings, or gestures; the display of sexually suggestive or lewd objects, e-mail, computer graphics, or images; unwelcome notes or letters; and any other written or graphic material that denigrates or shows hostility or an aversion toward an individual because of a protected characteristic, that is placed on walls, bulletin boards, or elsewhere on the District's premises or circulated in the workplace; and
- Sexual favors such as unwanted sexual advances, which condition an employment benefit upon an exchange of sexual favors.

Sexually harassing conduct may be either "quid pro quo" or "hostile work environment" sexual harassment. "Quid pro quo" (Latin for "this for that") sexual harassment is characterized by explicit or implicit conditioning of a job or promotion on an applicant's or employee's submission to sexual advances or other conduct based on sex. "Hostile work environment" sexual harassment occurs when unwelcome comments or conduct based on sex unreasonably interfere with an employee's work performance or create an intimidating, hostile, or offensive work environment.

Sexual harassment need not be motivated by sexual desire. Sexual harassment can occur between any individuals, including harassment of women by men, of men by women, and same-sex and gender-based harassment. Harassers can be a superior, a subordinate, a co-worker, or anyone in the workplace, including paid or unpaid interns, independent contractors, volunteers, customers, visitors, vendors, suppliers, and others

doing business with the District. **Reporting and Investigating Harassment, Discrimination, and/or Retaliation**

Anyone who believes that the comments, gestures, or conduct of any co-worker, supervisor, manager, paid or unpaid intern, volunteer, customer, vendor, supplier, independent contractor, or other person doing business with or for the District are harassing, discriminatory, retaliatory, or otherwise constitute misconduct in violation of this policy, is required to immediately report the facts of the incident(s) to the General Manager or Ethics & Compliance Officer. Any harassing conduct, even a single incident, should be reported in accordance with this policy, so that any violation of this policy can be corrected promptly.

The report may be verbal or written and should include details of the incident(s), names of the individuals involved, and names of any witnesses. No adverse action will be taken against an employee who makes a report or cooperates or assists in the investigation of a report of discrimination, harassment, or retaliation. It is the responsibility of each employee to report promptly any violation or suspected violation of this policy to a supervisor or the General Manager. Any supervisor, or employee who receives a complaint or report of harassment, discrimination, or retaliation, or who is aware of any incident or situation that may be discriminatory, harassing, or retaliatory, or constitute misconduct in violation of this policy, must immediately inform the General Manager or Ethics & Compliance Officer so that the complaint can be investigated in accordance with this policy. The District will keep the complaint and investigation confidential to the extent possible.

The District's policy is to have a qualified individual conduct a prompt, fair, objective, and thorough investigation of the complaint and provide appropriate due process. The District will document and track the investigation to ensure reasonable progress.

At the conclusion of its investigation, the District will evaluate whether unlawful discrimination, harassment, or retaliation occurred based on the evidence collected. The District or its designee will look at the totality of the circumstances, including the nature of the conduct and the context in which it occurred, and will determine appropriate options for remedial actions and resolutions when necessary. The District will, as promptly as possible, communicate its findings, and the remedial action (if any) to be taken, to the accused, the complainant, and, when appropriate, to other persons who are directly concerned. The District will keep the complaint and investigation confidential to the extent possible.

Corrective Action

If the District determines that discrimination, harassment, or retaliation has occurred, the District will take appropriate remedial action commensurate with the severity of the offense. This action may include disciplinary action against the accused up to and including termination of employment. Steps will be taken by Panoche Water District, as necessary, to prevent any further discrimination, harassment, or retaliation.

No Retaliation

No individual will suffer any reprisals or retaliation for reporting, making a complaint, or participating in any investigation of incidents of discrimination, harassment, or retaliation or perceived discrimination, harassment, or retaliation.

Additional Enforcement Action

All employees are required to immediately report any incidents of discrimination, harassment, retaliation, or misconduct forbidden by this policy so that complaints can be resolved promptly.

Employees should also be aware that the Federal Equal Employment Opportunity Commission (“EEOC”) and the California Department of Fair Employment and Housing (“DFEH”) investigate and prosecute complaints of prohibited discrimination, harassment, or retaliation in employment. If you think that you have been discriminated against, harassed, or retaliated against for resisting such behavior or for complaining about it, or for participating in an investigation about a claim, you may file a complaint with the DFEH or EEOC. The nearest DFEH and EEOC branch offices are listed in the telephone book and can be found online. Also see Section I. H. above- Whistleblower Policy.

B. CONFLICT OF INTEREST POLICY

Employees are required to devote their best efforts to the interests of Panoche Water District and the conduct of its affairs. All employees must avoid situations involving actual or potential conflicts of interest between their personal interests and those of the District. A conflict of interest exists when an employee’s loyalties or actions are divided between the interests of the District and those of another entity or person, such as a customer, co-worker, vendor, or any recipient of the District’s services. Both the fact and the appearance of a conflict of interest should be avoided.

Employees are required to exercise sound and reasonable judgment in determining the proper ethical considerations that influence their decisions or actions as an employee. Employees are required to conduct their personal affairs in a manner that does not adversely affect the District’s or their own integrity, reputation or credibility. Illegal off-duty conduct or conduct that adversely affects the District’s legitimate business interests or the employee’s ability to perform the employee’s job may lead to disciplinary action.

Although the District recognizes the rights of employees to engage in activities outside of their employment which are of a private nature and unrelated to District services. Once a conflict, potential conflict, or a situation where the appearance of conflict is identified, the District will evaluate the situation and take appropriate action as needed. Activities that constitute an actual or potential conflict of interest or that interfere with the District’s business operations may result in an employee’s removal from the situation creating the conflict, or discipline up to termination of employment.

It is impossible to describe all possible or potential conflicts of interest or the appearance of such conflicts in the Employee Handbook. All employees are required to exercise sound and reasonable judgment in determining whether a potential conflict, actual conflict or prospective conflict may exist which may have an influence on the employee’s decisions

or actions as an employee of Panoche Water District, or which could give the appearance of conflict. The following are some examples of activities and situations which may create an actual or potential conflict of interest.

1. Outside Work

Outside work may present a conflict of interest in some situations. For that reason, outside work may be prohibited in the General Manager's discretion, and will be permitted only in limited circumstances as follows:

- a) Outside work is performed during hours when the employee is not on duty at Panoche Water District; and
- b) Outside work does not conflict with the employee's job at Panoche Water District; and
- c) Outside work does not conflict with the employee's work schedule, duties and responsibilities at the District; and
- d) Employee's work performance at Panoche Water District is not negatively affected; and
- e) Outside work does not create a conflict of interest, or an appearance of conflict, between Panoche Water District's interests and a third party.

Employees who wish to engage in additional employment that may create a real or apparent conflict of interest must submit a written request to Panoche Water District explaining the details of the additional employment. If the additional employment is authorized, Panoche Water District assumes no responsibility for it. Panoche Water District shall not provide workers' compensation coverage or any other benefit for injuries occurring from or arising out of additional employment. Authorization to engage in additional employment can be revoked at any time.

2. Personal or Romantic Relationships

Personal or romantic involvement with a customer, vendor, co-worker, or supervisor, which may impair an employee's ability to exercise good judgment on behalf of the District, creates an actual or potential conflict of interest. Supervisor-subordinate romantic or personal relationships can also lead to supervisory problems, claims of sexual harassment, and morale problems. An employee involved in these types of relationships or any conduct that may create a conflict of interest must immediately and fully disclose the relevant circumstances to the Ethics & Compliance Officer or General Manager for a determination about whether an actual conflict exists. If an actual conflict is determined, the District may take whatever corrective action appears appropriate according to the circumstances. Failure to disclose facts shall constitute grounds for disciplinary action.

3. Gifts or Favors

All employees are strictly prohibited from accepting any gifts or cash gratuities from anyone doing business with, or for, Panoche Water District. Please discuss any proposed payment of expenses by such persons for business meals or trips with the Ethics & Compliance Officer in advance.

4. Personal Use of Panoche Water District Property

Equipment, materials or supplies owned or leased by Panoche Water District may not be used by District employees in conducting a business enterprise or for any activity for personal financial gain or benefit. Personal use of Panoche Water District property, not for financial gain or benefit, may be allowed only with prior authorization from the General Manager and Ethics & Compliance Officer. Use of District funds or credit cards for personal use, even if subsequently reimbursed, is strictly prohibited. Violations may result in discipline up to and including termination of employment, and/or civil penalties or prosecution for misuse of public resources.

5. Additional Potential Conflict of Interest Activities

In addition, the following activities violate this policy and are therefore prohibited:

- Conducting personal business or engaging in work for another employer while at work at Panoche Water District.
- Using proprietary or confidential Panoche Water District information for personal gain or to Panoche Water District's detriment.
- Using Panoche Water District funds, resources, or labor for personal use
- Using one's position with Panoche Water District to gain beneficial treatment for personal purposes from any vendor or provider of services, such as stores, banks, etc.

An employee involved in any of the types of relationships or situations described in this policy should immediately and fully disclose the relevant circumstances to the Ethics & Compliance Officer or the General Manager for a determination about whether an actual or potential conflict exists. If an actual or potential conflict is determined, Panoche Water District may take whatever corrective action appears appropriate according to the circumstances. Failure to disclose potential conflicts and information shall constitute grounds for disciplinary action.

C. PROHIBITED CONDUCT

To assure orderly operations and provide the best possible work environment, we require all employees to follow the rules of conduct listed below. It is, of course, not feasible to list all the forms of behavior that are considered unacceptable in the workplace. Accordingly, conduct that is unacceptable in Panoche Water District's discretion, whether specifically

listed below or not, may result in discipline up to and including termination of employment.

- Provoking a fight, or fighting, threatening, or contributing to violence in the workplace or during work hours;
- Participating in horseplay or practical jokes while on duty or on District premises;
- Carrying firearms or any other dangerous weapons on District property or while on duty at any time, unless permitted by the District's firearms policy which permits the carrying or use of firearms while on duty **only** by employees specifically designated by the General Manager and who are fully trained and require the use of firearms to protect themselves from reptiles or large animals, or are engaged in authorized hazing birds or rodent or predator control, and only when other means of such protection or control are not effective or feasible. The use or possession of all other dangerous weapons is prohibited. Dangerous weapons include guns, knives, swords, crossbows, slingshot and any other item that is capable of causing serious bodily injury;
- Theft or deliberate or careless damage or destruction of any District-owned, employee, customer or public property;
- Working under the influence of drugs or alcohol, or possession, distribution, or sale of drugs or alcohol, or any other violation of the District's Drug- and Alcohol-Free Workplace policy;
- Dishonesty in the performance of your job;
- Insubordination, including but not limited to failure or refusal to obey the orders or instructions of a supervisor, the General Manager or Ethics & Compliance Officer, or the use of abusive or threatening language toward a supervisor, co-worker, or member of management;
- Violation of health and safety rules;
- Violation of the District's Harassment, Discrimination, and Retaliation Prevention policy;
- Viewing or distributing any sexually inappropriate or otherwise offensive material(s) while on duty or on District property;
- Possession of dangerous or unauthorized material or weapons while on duty or on District property;
- Theft or inappropriate removal or possession of Panoche Water District property;
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- Making false statements to secure employment;
- Falsification of timekeeping records, employment records, or other District records;

- Recording the work time of another employee or allowing any other employee to record your work time, or falsifying any time card, either your own or another employee's;
- Using abusive language or engaging in abusive conduct at any time on District premises which a reasonable person would find hostile, offensive, and unrelated to Panoche Water District's legitimate business interests;
- Disclosing confidential or proprietary information;
- Excessive absenteeism or any absence without notice; legally protected absences excluded from this policy;
- Unauthorized absence from work during the workday; legally protected absences excluded from this policy;
- Failing to notify a supervisor, the General Manager or Ethics & Compliance Officer when unable to report to work; legally protected absences will not be treated as a violation of this policy but employees are required to provide notice of legally protected absences as soon as possible in accordance with this Handbook;
- Failing to work cooperatively and respectfully with co-workers, supervisors, and the public;
- Unauthorized use of telephones, fax machines, mail system, copiers, computers, or other District-owned equipment, time, materials, or facilities, including use in violation of the District's policies relating to the Use of Phones, Email, and the Internet and Use of Electronic and Social Media;
- Operating a District-owned vehicle without the required insurance and/or license;
- Violation of personnel policies or unsatisfactory performance or conduct;
- Failing to observe working schedules;
- Sleeping or malingering on the job;
- Making or accepting personal telephone calls, including cell phone calls, for an unreasonable length of time during working hours, except in cases of emergency;
- Working overtime without authorization or refusing to work assigned overtime;
- Breach of ethics; or
- Any other conduct prohibited by law, this Employee Handbook, or the District's policies and procedures.

This list is intended to be representative of the types of activities that may result in disciplinary action. It is not intended to be comprehensive. The General Manager retains the discretion to terminate an employee's employment without first providing a warning

or other discipline. The General Manager also retains the right to place an employee on suspension either as a form of discipline or in order to allow time to conduct an investigation.

This policy is not intended to interfere with employees' right to participate in concerted activity such as communicating with their co-workers regarding their wages, hours, or terms and conditions of employment, or with any other rights protected under the National Labor Relations Act.

D. CARE AND RETURN OF PANOCHÉ WATER DISTRICT PROPERTY

District-provided desks, computers, vehicles, cellular phones, tablets, tools, equipment, and any other Panoche Water District property must be kept clean and are to be used only for work-related purposes. Panoche Water District reserves the right to inspect all District property to ensure that it is being properly maintained; such inspection may be made without providing advance notice to the employee, and may be done in the employee's absence.

You are responsible for items in your possession and control that have been issued to you by Panoche Water District. Such items may include, but are not limited to the following: keys, manuals, protective equipment, uniforms, vehicles, identification badges, credit cards, written materials, computers, and cellular phones and tools.

You must return all District property immediately upon request or upon termination of employment. District property may not be removed from the premises without first obtaining prior authorization from the Ethics & Compliance Officer.

E. HOUSEKEEPING

All employees are required to keep their work areas clean and organized. Individuals who use common areas such as lunchrooms, locker rooms, and restrooms are expected to use them in such a way as to keep them sanitary and tidy. You are required to clean up after meals and to dispose of trash properly.

F. OFF-DUTY USE OF DISTRICT FACILITIES, PROPERTY, AND EQUIPMENT

Employees are prohibited from remaining on Panoche Water District premises or using District facilities while not on duty, unless approved by the General Manager or Ethics & Compliance Officer. Employees are expressly prohibited from using District facilities, property, and/or equipment for personal use while on or off-duty.

G. PERSONAL APPEARANCE AND GROOMING

Work attire and grooming standards should reflect an efficient, orderly business. Acceptable attire will depend greatly on your position. Generally, due to the nature of our services, it is acceptable to wear casual, comfortable clothes as long as your appearance is neat and well kept. Extreme styles that are distracting and do not conform to our acceptable dress codes are not permitted. Examples include midriff tops, sheer or cut-out

tops, sleeveless shirts or tops, low cut tops, torn clothing, and pants that reveal underwear due to tightness, cut or cut-outs. We expect that you will use appropriate discretion regarding your attire. You are to dress in good taste and in accordance with the requirements of your position, including any health and safety requirements. If you have questions or need guidance about dress and appearance standards, please speak with the Ethics & Compliance Officer.

The Ethics & Compliance Officer and your supervisor may issue more specific guidelines concerning any exceptions to this policy. The District will reasonably accommodate an employee's religious beliefs, gender expression, traits historically associated with race (including hair texture and protective hairstyles), or for other legitimate reasons.

H. CUSTOMER RELATIONS

At the District, it is everyone's responsibility to provide quality service to our customers. - Employees are expected to be polite, courteous, prompt, and attentive to every customer. You should never regard a customer's question or concern as an interruption or annoyance. You are required to respond to inquiries from customers, whether in person or by telephone, promptly and professionally in the extent that the inquiries do not fall under the Brown Act

Always direct incoming calls to the appropriate person and make sure that the call is received. All correspondence and documents should be neatly prepared and error-free; attention to detail and accuracy in our paperwork demonstrates your commitment to those with whom we do business.

Employees are to refrain from arguing with customers. If a problem develops or if you encounter a situation that you do not feel comfortable handling, please contact your supervisor or the Ethics & Compliance Officer immediately.

I. CONFIDENTIALITY

All employees are required to give their undivided loyalty to Panoche Water District. This means all District employees must consistently and diligently maintain and uphold the highest standards of ethical conduct and loyalty in the pursuit and transaction of our business.

As an employee, it is very likely that you will have access to confidential or proprietary information about customers and/or other employees. It is of utmost importance that you abide by the laws and this policy concerning confidentiality when dealing with this information.

Intellectual Property, Confidential And Proprietary Information, Trade Secrets, Use Of Panoche Water District's Name, Return Of Panoche Water District's Property.

During the course of employment, District employees will have access to, and become acquainted with, intellectual property, confidential and proprietary information that is or may be related to District Employees, Board members, the District's present or future

customers, persons and entities doing business with the District, and business practices of the District. Examples of intellectual property, confidential and proprietary information include the District's employee, Board member and customer names, identity, addresses, phone numbers, email addresses and other non-public contact information; District employee handbooks and internal policies; methodologies; and other proprietary and confidential information that is not known to the public. All such intellectual property and confidential and proprietary information is the sole property of Panoche Water District and it may not be used by any District employee for any purpose other than in the performance of employment for the District.

All work performed or developed by any employee while employed by the District is a "work for hire," and all work for hire and materials shall be owned and controlled exclusively by the District. All such work for hire is the confidential and proprietary information of the District.

Employees shall not assign, use, or disclose any intellectual property, or confidential or proprietary information, during their employment with Panoche Water District or at any other time except as required in the course of performing their duties for the District. Confidential information obtained during or through employment with the District may not be used by any employee for the purpose of furthering current or future outside employment (including self-employment) or for obtaining personal gain or profit. Panoche Water District will vigorously pursue all legal and equitable remedies to protect its intellectual property, confidential and proprietary information, and trade secrets.

Trade Secrets.

Panoche Water District's trade secrets include, but are not limited to, programs, formulas, patterns, processes, techniques and compilations of information, records, forms, specifications, and information concerning customers, products, technology, and business operations, work for hire, the District's name and logo, and the examples of intellectual property and confidential and proprietary information given above. For purposes of this Handbook, such trade secrets may also include proprietary intellectual property or confidential information of a third party that the District is contractually obligated to protect from disclosure.

Employees shall not disclose any trade secrets, intellectual property, or confidential or proprietary information, directly or indirectly, or use them in any way, either during their employment or at any time thereafter, except as required in the course of employment with Panoche Water District. Employees are prohibited from using or disclosing Panoche Water District's trade secrets, intellectual property, or confidential or proprietary information, for any purpose except to protect the District's business.

Compliance With This Policy.

Our goal is to conduct our business in a manner that promotes loyalty to Panoche Water District and provides all employees with a successful, dynamic place to work, and to promote a team approach to business. Any violation of this policy will subject an employee to disciplinary action up to and including termination of employment.

This policy is not intended to interfere with employees' right to participate in concerted activity such as communicating with their co-workers regarding their wages, hours, or terms and conditions of employment, or with any other rights protected under the National Labor Relations Act.

J. OFFICIAL USE OF DISTRICT-OWNED OR -LEASED MOTOR VEHICLES

Policy Statement. The use of District-owned or -leased motor vehicles ("District Vehicle") is restricted to official District purposes. No District official shall use or permit the use of any District Vehicles other than for use in the conduct of necessary District business, and as permitted herein for limited personal use in commuting to work, when on-call, and incidental use during District business trips when authorized in advance by the employee's supervisor as described below. For employee safety and maintenance of District assets, every District vehicle is equipped with Global Positioning System (GPS) technology. Employees are prohibited from tampering with or disabling the GPS technology on District vehicles.

Licensing and Operation

All employees who operate a District-owned vehicle or a personal vehicle for District-authorized business must possess and maintain a valid California Driver's License and have an acceptable driving record. In addition, all employees who operate a District-owned vehicle will be required to provide proof of valid insurance upon request. Failure to do so will result in the suspension of the employee's District driving privileges until such time as satisfactory proof of insurance can be provided.

In the event an employee's Driver's License is suspended or revoked, the employee shall immediately inform the Ethics & Compliance Officer and shall be prohibited from driving District vehicles. An employee who drives a District vehicle without a valid license will be subject to discipline, up to and including termination of employment.

Employees operating a District Vehicle or authorized to use a personal vehicle for District-authorized business must observe all traffic rules and regulations at all times. All vehicles shall be equipped with seat belts/shoulder harnesses, which shall be worn by all vehicle occupants at all times. If an employee is cited for any violation of law, the employee will be responsible to pay any fines or penalties associated with the violation.

Non-District employees or members of an employee's family are not allowed to ride as passengers in a District vehicle without prior approval by the supervisor, the General Manager, or the Ethics & Compliance Officer.

A non-official passenger includes a passenger who is not expected to participate in any business being conducted by the District (e.g., a spouse or child accompanying a District employee on a trip). Non-District employees such as Federal employees, State/City employees, consultants, contractors, etc. traveling with District employees and performing work supporting a District program are considered to be conducting official business and are not classified as non-official passengers. Employees are prohibited from

carrying hitchhikers.

Use and Care of Vehicles

Personal Use Prohibited. District-owned or -leased vehicles or property may not be used to conduct personal business. Personal business includes, without limitation, driving children to daycare, shopping, or transporting other non-District passengers. Employees may not use space in a District garage or repair shop, or use District-owned tools, parts, and accessories in the maintenance or repair of privately-owned motor vehicles.

Employees may be authorized to take a District vehicle home, and may be allowed to use the District vehicle for incidental uses only as described below. All other non-business uses are prohibited. In the event an employee violates this policy and uses a District vehicle for personal use, the employee will be required to reimburse the District for such unauthorized personal use of a District Vehicle and may be disciplined or terminated.

Authorized and Unauthorized Use. District Vehicles may only be used to travel between places of official District business and destinations that are part of official District business (e.g., picking up District supplies or parts, attending meetings on behalf of the District, or filing or delivering documents for the District). In addition, incidental uses of District Vehicles are permitted to certain places when such places are necessary for the subsistence, comfort, or health of the employee to foster the continued efficient performance of District business.

Examples of *authorized* incidental uses of District Vehicles while on a business trip include: (1) going to a pharmacy; (2) going to grocery stores; (3) attending worship services; (4) going to barber shops; (5) going to restaurants; (6) going to dry cleaning or laundry establishments. Examples of *unauthorized* incidental uses of District Vehicles include: (1) going to antique shops; (2) attending local sporting events or attractions unless part of a District-related activity (e.g., a conference); (3) going to liquor stores, bars, or lounges.

Driver Responsibilities. All employees who are assigned or authorized to drive a District vehicle are responsible for the following:

1. Assuring that the vehicle is kept up, maintained and serviced at locations and on schedules directed by the District.
2. Recording mileage on the Monthly Vehicle Mileage Log provided by the employee's supervisor;
3. Recording the vehicle number and/or vehicle license number on all gasoline charge slips and shop gas pump logs;
4. Exercising reasonable care and common sense in the employee's driving habits;
5. Reporting all property damage, personal injuries, and or theft immediately;
6. Obeying traffic laws at all times;
7. Traffic citations including moving, parking, speeding and or other traffic law violations

All expenses associated with use of District-owned vehicles for business purposes will be paid by the District as required by law.

When an employee is authorized to use a personal vehicle on District business, the employee will be reimbursed at the current Internal Revenue Service mileage reimbursement amount.

Authorization to Use a District Vehicle Between Employee's Domicile and Place of Employment While in Travel Status.

(a) Authority. "Official Travel Status" occurs when an employee is authorized by the employee's supervisor to conduct District business away from the employee's assigned District work location or locations. Employees on Official Travel Status may use District vehicles between their residence or lodgings and places of employment in connection with official duties when alternative arrangements are impractical and when:

- (1) Such use will substantially increase the efficiency and economy of the District in energy consumption and/or cost savings; or
- (2) The use is required at the beginning or close of a day to initiate, continue, or complete official travel.

Vehicle Home Retention ("Take-Home Assignment").

Home retention of District vehicles on an on-going basis by an employee may be authorized by written assignment by the General Manager ("Take-Home Assignment"). Employees with Take-Home Assignments do not have special privileges or permission to use the District vehicle for any activities other than official District business, except travel to and from the employee's workplace to their residence. It is the employee's responsibility to ensure the District vehicle is parked and secured when not in use. Isolated instances of temporary storage of a District vehicle at an employee's residence – up to one week or one weekend – does not require written authorization from the General Manager for Take-Home Assignments (see Temporary Vehicle Home Retention).

(a) Criteria for Take-Home Assignment. The District may make a Take-Home Assignment based on the following criteria:

- (1) Emergency Call Back. When there is a likelihood of the required return of an employee to duty after normal working hours as a result of an unexpected situation or sudden occurrence of a serious and urgent nature, which demands immediate action and the use of a District vehicle for work purposes. This category includes, but is not limited to, employees on call for emergency responses 24/7 during water delivery periods. An employee's scheduled return to work after normal working hours to complete work to meet a deadline does not qualify as an emergency. Take-Home Assignments requiring the retention of non-special purpose vehicles (vehicles equipped to respond to the emergency

situation) must meet a frequency response guideline of at least an average of two emergency callbacks per month.

- (2) Proximity to Place or Area of Work. IF an employee consistently uses a District vehicle on District business in areas closer to the employee's home than a District location where the vehicle would normally be parked, a Take-Home Assignment may be more economical for the District. A cost/benefit analysis must show an advantage to the District for an employee to respond directly from home rather than from the District vehicle storage area. This cost/benefit analysis will be performed by the General Manager or the General Manager's designee.
- (3) After-Hours District Business. Subject to General Manager approval and authorization, a District vehicle may be assigned to an employee required to attend frequent meetings or conduct District business outside of normal working hours (which would not otherwise qualify as after-hours "emergency" duties). The frequency of such regular meetings shall be documented and reviewed on a seasonable basis, at least biannually, for appropriateness of the Take-Home Assignment by the General Manager. Assignments made under this criterion should meet a frequency guideline of at least an average of three occasions per month.
- (4) Special Purpose Vehicles. When business needs exist, Take-Home Assignments of vehicles outfitted with special equipment or capabilities required for the response to emergency situations may be made. Examples of special equipment/capabilities include, but are not limited to, installed two-way radio communications equipment, off-road response capabilities, or the transportation of after-hours response equipment.
- (5) Vehicle Security. If the risk of damage to a District vehicle normally operated by an employee is less if parked overnight at the employee's home than the District location where the vehicle would normally be stored, the General Manager may authorize a Take-Home Assignment.
- (6) Employment Benefits. Vehicles provided to an employee as part of the employee's compensation for use for District purposes by such employee and for commuting and incidental personal use within the guidelines of this policy. Use of District vehicles provided to an employee as part of compensation must be approved by the Board of Directors.

- (b) Assignment Documentation. For each Take-Home Assignment, the General Manager will retain on file adequate documentation explaining the basis under which the home retention determination was made. On a seasonal basis, at least biannually, the General Manager or designee will review the necessity for all existing Take-Home Assignments and shall rescind any such assignments that do not meet the above criteria.

Employees authorized to drive District Vehicles shall complete and submit to the General Manager each month the Monthly Vehicle Mileage Log. The Monthly Vehicle Mileage Log will be used for District purposes including annual compliance auditing purposes and data necessary for compliance with the 1984 Tax Reform Legislation requiring use of a District vehicle on Take-Home Assignment to be reported as income. In completing the form, the employee must provide the vehicle's District identification number, the beginning mileage for the month, beginning and ending odometer readings, beginning and ending location, purpose for the trip, and a description of the activity. If more than one vehicle is used for Take-Home Assignments during the month, the employee is responsible to submit a Monthly Vehicle Mileage Log for each vehicle used. District employees that have Take-Home Assignment privileges will be taxed for a fringe benefit in accordance with applicable law based on the cost of commute mileage at a rate determined by the District Board of Directors. This cost and the rate includes the cost to the District of operating such vehicles and will be adjusted on an annual basis as these District costs and Internal Revenue Service guidance changes. The District will indicate the value of an employee's personal use (commute mileage) of the District-owned vehicle on the employee's Form W-2. Alternatively, at the District's option, District employees who receive this fringe benefit may reimburse the District for the cost of the commute mileage at a rate determined by the Board of Directors. This reimbursement rate includes the cost to the District of operating vehicles and will be adjusted on an annual basis as the District's costs and Internal Revenue Service guidance change.

- (c) Temporary Vehicle Home Retention. The General Manager or designee may allow the temporary home retention of a District vehicle on isolated and infrequent occasions lasting up to one business week or a single weekend (e.g., traveling to an out-of-town conference, providing temporary relief for another employee who is absent or on leave) when it is in the best interest of the District for the performance of official District business. Isolated and infrequent instances of home retention on a temporary basis will not be considered a Take-Home Assignment, and will not require written authorization of the General Manager; however, the employee shall still be required to complete and submit a Monthly Vehicle Mileage Log for each instance of temporary home retention. Any request for temporary home retention that exceeds a frequency of four instances per month or for a period longer than one business week or a single weekend must meet the criteria for a Take-Home Assignment.

District vehicles will not be provided as a temporary vehicle home retention for the purpose of providing District vehicles as temporary replacements for commuter vehicles (i.e., to get to work while the employee's personal vehicle is being repaired).

- (d) Motor Vehicle Use Agreement. All District employees driving a District Vehicle are required to review and sign the District's Motor Vehicle Use Agreement, which will be provided by the Ethics & Compliance Officer. **Accidents and Damages to Vehicles**

Employees are required to report any accident to their supervisor, the General Manager and/or Ethics & Compliance Officer at the earliest possible opportunity but no later than twenty- four (24) hours after the incident occurs. All District vehicles have the proper accident forms in the glove box; however, all accidents must be reported to the Ethics & Compliance Officer to ensure that the necessary paperwork has been completed. Employees who are involved in accidents may be subject to post-accident drug and alcohol testing as stated in the District's Drug Testing policy in this Employee Handbook.

Employees must take precautions to prevent damage to the vehicle or its equipment caused by insufficient oil, water, air, etc. Employees should ascertain that the vehicle has sufficient fluids and tire pressure as necessary and that the vehicle is clean, equipped, and safe to use.

K. PARKING

Employees may park their personal vehicles in designated areas on Panoche Water District property, if space permits. If parking is not available, employees must park their personal vehicles in permissible public areas in the vicinity of Panoche Water District property. Employees may not use parking areas specifically designated for customers, vendors, District vehicles, or management employees. Panoche Water District is not responsible for any loss or damage to employee vehicles or their contents while parked on Panoche Water District property.

In addition, employees may not park within thirty (30) feet of the gas tanks located on the Panoche Water District premises. This is for your own safety, and the safety of others.

L. GATES

At the conclusion of the workday, the last individual to leave the premises is required to make sure that all gates are locked and properly secured, including the gate that is located behind the main office.

M. SECURITY INSPECTIONS

It is our goal to maintain a work environment that is free of illegal activities, including the possession of drugs, alcohol, prohibited weapons, explosives, or other improper materials. To achieve this goal, the District retains the right to inspect all items and articles located on or in District property, including desks, computers, cell phones, tablets, vehicles, briefcases, purses, lockers, and other containers or items. Security inspections

are performed by any agent or authorized representative of Panoche Water District and may occur at any time with or without prior notice.

N. ELECTRONIC COMMUNICATIONS

Panoche Water District maintains various "Electronic Communication Systems" that are used in the course of its operations. These systems include computers (including desktop units, laptops, portable servers, local area networks, wide-area networks, printers, software); telephone, video, fax, recording equipment, and other portable communication devices; Internet tools and access (e.g., e-mail including access to message boards and blogs); voice mail; and imaging systems, copiers, cameras, and scanners.

Panoche Water District's Electronic Communication Systems, including the equipment and the data stored therein, are and remain at all times the property of Panoche Water District. As such, all messages created, sent, received, or stored on Electronic Communication Systems, as well as all information and materials downloaded to or transmitted through the District's Electronic Communication Systems are and will remain the property of Panoche Water District. Use of an employee's personal computer or electronic devices for District business is prohibited without express written authorization from the General Manager or Ethics & Compliance Officer. Additionally, any District data stored on an employee's personal computer or other device is and remains the property of the District and must be provided to the District upon request.

For employees authorized to perform District work from home, any Electronic Communication Systems device provided by the District must be used for District-related purposes only and may not be used for personal or any other use that does not serve the District's needs. Requests to work from home must be approved by the General Manager based on the needs of the District.

Panoche Water District's information technology resources may be used only for legitimate business-related communications, and may not be used for personal or any other use that is non-work related, or that does not serve the District's needs. While it is not possible to identify every standard and rule applicable to the use of Electronic Communication Systems, messages, communications, and other information and materials downloaded to or transmitted through the District's Electronic Communication Systems may not contain content that violates District policies, or that may reasonably be considered hostile, harassing, abusive, pornographic, or disruptive to any employee, and unrelated to Panoche Water District's legitimate business interests.

In addition, Panoche Water District's computer network and Electronic Communication Systems must not be used to transmit copyrighted materials that belong to entities other than Panoche Water District. All employees who obtain access to other companies' or individuals' materials must respect all copyright laws and therefore may not copy, retrieve, duplicate, modify, or forward copyrighted materials, except with express permission of the copyright holder or as otherwise permitted under applicable law.

The following policy guidelines relate to any communications made using any of the components of Panoche Water District's Electronic Communication Systems.

- Employees may only use Panoche Water District's Electronic Communication Systems during their regularly scheduled work hours. Use of Panoche Water District's Electronic Communications Systems when employees are off duty or for personal reasons is prohibited.
- Panoche Water District reserves the right to retrieve and review any messages and/or materials that are composed, sent, transmitted, received, or downloaded on Electronic Communication Systems. Please note that even when a message is deleted or erased, it is still possible to recreate that message; therefore, ultimate privacy of messages cannot be guaranteed to anyone. While electronic mail and various websites may accommodate the use of passwords for security purposes, confidentiality cannot be guaranteed. All Electronic Communication Systems are subject to regular monitoring, and therefore no employee shall have any expectation of privacy in connection with the creation, transmission, receipt, or storage of data via Panoche Water District's information technology resources, including its Electronic Communication Systems.
- In using the Electronic Communication Systems, employees shall comply with all District regulations and shall behave in a lawful, ethical, professional manner (e.g., insulting and/or obscene language is not acceptable).
- Since all information contained in District's phones and Electronic Communication Systems belongs to the District, employees are required to provide the District with all passwords and encryption keys to computer systems, voicemail, email, accounts used for work, and all other Electronic Communication Systems, which will be maintained on file by the District because an employee's system may need to be accessed by the District when an employee is absent. Any changes in passwords or encryption keys to District computer, voicemail, or Electronic Communication Systems or accounts must be reported immediately to the General Manager or Ethics & Compliance Officer. The District retains the right to override personal passwords at any time at the District's sole discretion.
- Employees shall make every effort to protect the confidentiality of information placed in their control, minimize the likelihood of accidental transmission of such information, prevent unauthorized individuals from accessing the Electronic Communication Systems, and prevent the introduction and spread of computer viruses. Employees shall obtain permission from the Ethics & Compliance Officer before installing, downloading, or removing any software from any of Panoche Water District's computers. Employees may not install personal software on the District's computer system.
- Employees shall treat all information as confidential if that information is possibly personal (e.g., medical or personnel records) or private (e.g., financial information), or proprietary (District operational information that is not publicly available.) Additionally, employees should be aware that internal and external e-mail messages and other documents are considered business records

and may be subject to discovery in the event of litigation, or may be subject to public inspection or disclosure by means of a public records request.

- When dealing with confidential information, employees shall minimize the use of e-mail and maximize the use of alternative communication media (e.g., fax or telephone). Generally speaking, only people who have a need-to-know confidential information will constitute authorized recipients.
- No employee shall attempt to disguise the origin of e-mail.
- No employee shall access another employee's e-mail unless first authorized to do so by the General Manager or Ethics & Compliance Officer.

Any information about Panoche Water District, its products or services, or other types of information that will appear in the electronic media about the District must be approved by the General Manager before the information is placed on an electronic information resource that is accessible to others.

Questions about access to electronic communications or issues relating to security should be addressed to the Ethics & Compliance Officer.

Violation of this policy is grounds for discipline up to, and including, termination of employment.

This policy is not intended to interfere with employees' right to participate in concerted activity such as communicating with their co-workers regarding their wages, hours, or terms and conditions of employment, or with any other rights protected under the National Labor Relations Act.

O. SOCIAL MEDIA

The District understands that social media can be a fun and rewarding way to share an employee's life and opinions with family, friends, and co-workers around the world. However, use of social media also presents certain risks and carries with it certain responsibilities. To assist employees in making responsible decisions about the use of social media, Panoche Water District has established these guidelines for appropriate use of social media. This policy applies to all employees who work for Panoche Water District.

Guidelines

"Social media" includes, but is not limited to, all means of communicating or posting information or content of any sort on the Internet, including to an employee's own or someone else's web log or blog, journal or diary, personal website, social networking or affinity website, web bulletin board, or a chat room, whether or not associated or affiliated with the District, as well as any other form of electronic communication.

The same principles and guidelines found in this Handbook and other District policies apply to an employee's activities online. Ultimately, the employee is solely responsible for what the employee posts online.

Any employee learning of any misuse of social media, or violation of this policy, shall notify the General Manager or Ethics & Compliance Officer immediately. Failure to report such misuse or violation of this policy may result in discipline, up to and including termination of employment.

This policy is not intended to interfere with employees' right to participate in concerted activity such as communicating with their co-workers regarding their wages, hours, or terms and conditions of employment, or with any other rights protected under the National Labor Relations Act.

Any questions about this policy should be directed to the Ethics & Compliance Officer.

Be Respectful

Employees must always be respectful, fair, and courteous to co-workers and others who work with or on behalf of the District. Work-related complaints are more likely to be resolved by speaking directly with co-workers or by utilizing the Open-Door policy than by posting complaints to a social media outlet. District employees must avoid using statements, photographs, video, or audio in social media posts that violate District policies or reasonably could be viewed as malicious, obscene, threatening, or intimidating, that disparage co-workers, or that might constitute harassment or bullying. Examples of such conduct might include posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, religion, or any other status protected by law or District policy.

Posts that include discriminatory remarks, harassment, threats of violence, or similar inappropriate or unlawful or abusive conduct which a reasonable person would find hostile and unrelated to the District's legitimate business interests, or that adversely affects the employee's job performance, the performance of fellow employees, or otherwise affects the District's legitimate business interests are not permitted and will result in discipline.

Be Honest and Accurate

Employees are required to be honest and accurate when posting information or news related to the District, and if an employee makes a mistake, the employee must correct it quickly. Employees must never post any information or rumors that are false about the District, co-workers, or others working with or on behalf of the District.

Confidentiality and Communications On Behalf of District

Employees must maintain the confidentiality of District confidential information, and may not post confidential internal reports, policies, procedures, or other confidential communications.

Employees may not create a link from their blog, website, or other social networking site to a District website without identifying themselves as a District employee and obtaining permission from the Ethics & Compliance Officer.

Employees are prohibited from representing themselves as a spokesperson for the District unless authorized to do so by the General Manager or President of the Board. If the District is a subject of the content an employee creates, the employee must be clear and open about the fact that the content is posted by an employee and that the employee's views do not represent those of the District, co-workers, or others working with or on behalf of the District. If an employee publishes a blog or post online related to the work performed by the employee or subjects associated with the District, employees must make it clear that they are not speaking on behalf of the District, and should include a disclaimer, such as, "The postings on this site are my own and do not necessarily reflect the views of Panoche Water District."

Using Social Media At Work

Employees must refrain from using social media while on work time or on equipment provided by the District, unless it is work-related as authorized by a supervisor and consistent with the District's policies. Employees may not use District e-mail addresses to register on social networks, blogs, or other online tools utilized for personal use.

Retaliation Is Prohibited

Panoche Water District prohibits taking negative action against any employee for reporting a possible violation of this policy or for cooperating in an investigation. Any employee who retaliates against another employee for reporting a possible violation of this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination of employment.

P. COMPUTER SOFTWARE

The intention of this computer software policy is to encourage an environment of informed and responsible behavior that supports the District's culture of openness, trust and integrity while facilitating effective software management. The policy addresses acquisition and use of software and measures to minimize risk to the District that could result from the inability to manage software, costs, media, licensing compliance, and other legal issues. The District is committed to protecting employees, software manufacturers, and the District itself from illegal or damaging actions caused by individuals, either knowingly or unknowingly violating software copyright. This policy outlines the acceptable activities in dealing with software at the District.

The Policy establishes a centralized approach to software asset management to enable the District to maximize the utility of software investments while minimizing the risks related to inappropriate software use by establishing guidelines to inform software management decisions that focus on the potential benefits derived from volume purchasing, improved productivity, version optimization, improved software support, easier administration, reduced risks from viruses, malware, and illegal software, and mitigation against breach of copyright due to non-compliance.

Definitions

License: The right to use the software granted by the licensor to the licensee under the conditions of a purchase agreement.

Illegal software: Software that is copied or used outside the terms of the software license. Such copying and use are illegal and carries penalties. This may apply to freeware, shareware, open source, proprietary, demo and/or trial versions of software.

District Clients: Employees, contractors, consultants, temporary staff, and other workers at the District, including all personnel affiliated through third parties that may connect to the District's network from time to time.

Standard operating environment: Standard operating environment (SOE) is a specification for standardized computer architecture and software applications used by the District. The implementation of a SOE leads to an environment that manages down the risks of copyright breaches or license non-compliance, improves reporting, and reduces the total cost of ownership by increasing efficiency and productivity.

Authorized software: Software included in the list of authorized software applications, permitted to be used with or installed onto District computers.

Applicability

This policy applies to all District Clients and computer equipment that is owned or leased by the District and computers owned or leased by other parties that may be connected to the District network from time to time.

Roles and Responsibilities

The Ethics & Compliance Officer ("ECO") has overall responsibility for software copyright compliance and the signing of software license agreements, if applicable, and the development and implementation of controls, procedures and standards to implement this policy.

The Contracts Administrator is responsible for informing District staff and clients about this policy and related software management procedures and standards. The CA has overall responsibility for the development and maintenance of an inventory of each District computer, including those of consultants and affiliated third parties that may connect to the District's network from time to time. The inventory shall include a filing system that maintains, on a computer-by-computer basis, the District's software licenses and keys, user names, passwords, renewal dates, if applicable, and any other information relevant to the operation and maintenance of the District's computer system. **Policy**

Software copyright compliance: The District will only use a genuine copy of legally acquired software that is configured and used in accordance with the license terms and conditions as set out by the copyright holder. The making or use of unauthorized or illegal software copies is prohibited.

Standardization of the operating environment: The District deploys a standard operating environment (SOE) to all District Client computing systems to deliver a stable, supportable and secure platform for District-related activity. Exceptions to the SOE and permission to self-install software are subject to approval by the General Manager. District Clients who, under this clause, acquire and/or install software on a District computer are responsible for ensuring that they do so in accord with the relevant installation procedure(s) and in accordance with the license terms and conditions as set out by the copyright holder.

Software asset management: Software sourcing and acquisition is conducted by the TS under the direction of the General Manager, Controller, and Ethics & Compliance Officer in accordance with the District's procurement policies to ensure suitable license terms and conditions, pricing and compatibility with the District's SOE. Software is installed and distributed by the TS. The District reserves the right to redistribute or withdraw software in support of evolving business needs. Software media and administration documentation, whether hardcopy or electronic, is to be maintained by the TS and securely stored in a secure location. Copies of software and documentation may be created for backup and disaster recovery purposes as permitted by the license terms and conditions. Where software is subject to a periodic renewal, this renewal shall be subject to review of continuing business needs. If a license is not subsequently renewed, the software will be withdrawn from the District Client and all media, backup, and documentation are disposed of in accordance with the software license terms.

Policy enforcement: District controls to prevent the making or use of unauthorized or illegal software copies include, but are not limited to, the following: Measures to verify compliance with acquired software licenses and this policy; and internal software audits conducted periodically on the District's computers. The District shall immediately remove unauthorized or illegal software, if discovered. The District will cooperate with external audits if requested by software manufacturers. The District reserves the right to restrict a District Client's access to software assets. Breaches of this policy shall be treated as misconduct may result in discipline up to and including termination of employment or service.

Q. CELL PHONE USE

Panoche Water District provides cell phones to employees to increase communication for those employees who frequently work outside the office. Employees are required to have their Panoche Water District-issued cell phones turned on and are expected to be available to respond to calls or e-mails during working hours. District-issued cell phones are provided for District-related purposes. Reasonable, minor, and limited personal use of District-issued cell phones or personal cell phones is permitted to the extent the personal use does not interfere with or disrupt District work or activities. As explained in the Electronic Communications policy, all data on a District owned cell phone, including all personal data, is District property and employees have no privacy rights in data or communications on a District owned cell phone.

Panoche Water District will pay for all business-related use of the District-provided cell phone. Employees are subject to discipline up to and including termination if they unreasonably use their District cell phone for personal calls or texts. The District may also seek reimbursement for charges associated with personal use of a District-issued cell phone.

California law makes it illegal to use a wireless telephone while operating a motor vehicle unless the driver is using a hands-free device. In the interest of safety, employees are prohibited from using cell phones for any purpose, including calling into the office while operating a vehicle. Employees who choose to make or receive calls while traveling are required to use a hands-free device and pull safely off the road to make or receive calls, or check voice-mail or e-mail messages. Text messaging while driving is prohibited.

Employees are not permitted to use camera audio or video recording features on personal cell or District owned cell phones unless necessary for performance of District business.

This policy is not intended to interfere with employees' right to participate in concerted activity such as communicating with their co-workers regarding their wages, hours, or terms and conditions of employment, or with any other rights protected under the National Labor Relations Act.

R. SMOKING

California law prohibits smoking in the workplace. For health and safety considerations, employees are discouraged from smoking. The District prohibits smoking, the use of all tobacco products, and the use of e-cigarettes or other vaping instruments on District premises, including offices, break/lunch rooms, meter shop, drain data room, chemical storage room, and the records room. Smoking, using tobacco products, e-cigarettes, and vaping while in a District vehicle or while fueling a vehicle at the District gas/diesel pump is prohibited.

If you wish to smoke, use tobacco products or e-cigarettes, you may do so only during approved meal and rest periods in designated outside areas. If you have questions about where you are permitted to smoke or use these products, please ask the Ethics & Compliance Officer.

Violation of this policy may be grounds for disciplinary action, up to and including termination of employment.

S. DRUG- AND ALCOHOL-FREE WORKPLACE POLICY

The District has a vital interest in maintaining a safe, efficient, and healthy work environment and is therefore committed to providing a drug- and alcohol-free workplace. The unlawful or improper presence or use of drugs or alcohol in the workplace conflicts with these important interests. In keeping with this commitment, the District has adopted this policy to ensure that employees perform their duties safely, efficiently, and in a manner that protects employees, customers, and the public. For purposes of this policy, the term “employee” refers to employees of the District and to consultants and contractors providing services to the District.

Employees who are under the influence of alcohol or impaired by a drug while on the job compromise the District’s interests, endanger their own health and safety, endanger the health and safety of others, and can cause a loss of efficiency and productivity and a disruptive working environment. Dangers of drug and alcohol use in the workplace include death and injury to the employee, co-workers, or the public resulting from accidents, dereliction of duty, poor judgment, and carelessness. The District has therefore adopted a strict policy regarding the use or possession of drugs or alcohol while on the job, at District events, or on District property. All employees must adhere to the rules stated in this policy. The objective of this policy is to keep the work environment drug- and alcohol-free.

There are three components to this policy. The first involves a general prohibition against conduct that is detrimental to the objectives of the policy and the interests of the District, its employees, and those with whom it does business. The second involves methods to ensure policy compliance, including the use of testing to detect drug or alcohol use that violates this policy. The third component is an employee assistance program designed to promote safety and awareness, reduce drug and alcohol abuse, and encourage voluntary requests for help. Employees may be eligible for Drug or Alcohol Rehabilitation leave of absence to obtain treatment for drug or alcohol rehabilitation program.

Any violation of this policy by any employee is grounds for disciplinary action, up to and including termination of employment. Employees may direct questions about this policy to the General Manager or the Ethics & Compliance Officer.

Prohibited Conduct

The District absolutely prohibits any use, sale, manufacture, distribution, dispensing, purchase, transfer or possession of any illegal or non-prescribed drug or controlled substance by employees while on duty, while on District premises, while operating vehicles on District business, and while on controlled or uncontrolled standby status for the District. Pending any change in federal law legalizing marijuana, the term “illegal drug” includes marijuana, even if medically prescribed and whether or not deemed legal under California law. In addition, the District strictly prohibits employees from being

under the influence of alcohol and/or any drug or controlled substance while on duty or performing District business.

“Controlled substance” means those substances defined as such by the federal Controlled Substances Act, and includes marijuana, even if medically prescribed or used for recreational purposes. “Illegal drug” means any drug or intoxicant that is not legally obtainable, as well as any drug or intoxicant that is legally obtainable but was obtained illegally or being used, sold, or distributed in an unlawful manner.

Employees who perform safety-sensitive functions on the job are prohibited from working within four hours after using alcohol, drugs (including marijuana), or controlled substances, even if such use did not occur during hours of employment; and, from reporting for work or remaining on duty if under the influence of alcohol and/or having a blood alcohol concentration of .02 or greater. An employee is considered to be performing a safety-sensitive function during any period in which the employee is actually performing, ready to perform, or immediately following performing such functions. Safety-sensitive functions include, but are not limited to, those required to be performed by an employee within the normal course of business such as operating vehicles or heavy equipment or those positions in which the employee’s performance, reflexes, and/or judgment impact the safety of the employee or others. This includes Class A and C drivers, and other employees who operate potentially dangerous equipment or who pose any threat or danger to others.

Legally prescribed medications, other than marijuana, are excluded from this rule and permitted only to the extent that the use of such medications does not adversely affect the employee’s work ability, job performance, the ability to drive safely, or the safety of that individual or others, including other District employees and members of the public. Any employee who is using prescription or over-the-counter drugs that may impair the employee’s ability to safely perform the job, or affect the safety or wellbeing of others, must notify a supervisor or the Ethics & Compliance Officer of such use immediately before starting or resuming work. In reporting such medication use, the employee is not required to identify the medication or specify the reasons why the employee is taking the medication.

The District may, in its sole discretion, determine that an employee’s use of a legally prescribed drug poses a threat to the employee’s own safety, the safety of the public or the safety of co-workers, or impairs the employee’s job performance. The employee may be required to take a leave of absence or comply with other appropriate action determined by the District. A District employee may be required to provide information from the employee’s prescribing physician concerning the effect of the prescribed drug, and any limitations the drug causes relative to the employee’s job performance.

The use of marijuana while on duty, while on District premises, while operating vehicles on District business, and while on controlled or uncontrolled standby status for the District is strictly prohibited, even if prescribed. No on-duty or off-duty employee may bring, possess, or consume alcohol on the District’s property, unless the District’s Board President gives express prior permission.

Policy Enforcement

Provisions Applicable to Employees of the District

Employment with the District is conditioned upon the employee's full compliance with this drug and alcohol-free workplace policy. Any violation may result in disciplinary action, up to and including termination.

The District reserves the right to take all appropriate and lawful actions where there is reasonable cause to believe an employee of the District has violated this policy. When an employee's behavior raises a reasonable concern about the employee's physical condition or ability to perform the employee's job, or whether the poses a risk or potential risk to the public and/or other employees, the employee in question shall be suspended pending an investigation.

Treatment and/or counseling for substance abuse may be provided in accordance with any applicable District medical benefits plan. Additionally, the District may grant a leave of absence for an employee to seek treatment to the extent these measures do not impose an undue burden upon the District or co-workers. Before returning to work, the employee must present a certification from the employee's health care provider stating that the employee can meet the safety and performance standards of the employee's job.

In order to promote a safe, productive, and efficient workplace, the District reserves the right to inspect desks, boxes, packages, lunchboxes, purses, briefcases, backpacks, containers, and other objects brought onto District property or vehicles that might conceal alcohol and/or controlled substances or illegal drugs. Any personal item inspection or search will be conducted as a self-search in the presence of a District observer, such as the District Board President, General Manager, Ethics & Compliance Officer, or a supervisor. Inspections and searches of District property may be performed without the employee being present. Failure to fully cooperate with a requested inspection may result in disciplinary action, including but not limited to, immediate termination of employment.

All offers of employment are conditioned upon the successful completion and passing result of a pre-employment drug screen test. An invalid test or a diluted sample will be treated as a positive test result.

Any questions about this policy should be directed to the Ethics & Compliance Officer and or the General Manager.

T. DRUG TESTING

The District's drug testing policy applies to all District employees, and certain requirements apply only to employees who hold a Commercial Driver's License ("CDL") and drive a Commercial Motor Vehicle ("CMV"), as explained below.

Department of Transportation Drug Testing for Commercial Drivers

The U.S. Department of Transportation ("DOT") and the Federal Motor Carrier Safety Administration ("FMCSA"), an agency within the DOT, have issued regulations which govern the use of drugs and alcohol by employees who hold a Commercial Driver's License ("CDL") and drive a Commercial Motor Vehicle ("CMV"). All employees who drive District commercial vehicles on public roads must submit to and cooperate in drug and alcohol testing as mandated by the DOT. You will be informed if your job is subject to the DOT requirements and given additional policy materials.

In general, the District is required by DOT to conduct tests under the following conditions and at the following times for employees who drive commercial vehicles. The District will conduct drug testing of District employees as follows:

- **Post-Offer Pre-Employment Drug and Alcohol Testing.** All persons offered employment by the District to whom an offer of employment has been made will be required to submit to and pass testing procedures that are designed to detect the presence of illegal drugs, other controlled substances, and/or alcohol.

All offers of employment to such individuals will be conditioned upon successful completion of the drug and alcohol testing procedure. Failure to test, an invalid test, or a diluted test sample will constitute a positive result. A positive drug test will disqualify an applicant/employee from employment and the conditional offer of employment will be withdrawn.

- **Job Transfer Testing.** All current employees transferring from a non-safety-sensitive position into a safety-sensitive position will be required to submit to and pass testing procedures that are designed to detect the presence of illegal drugs, other controlled substances, and/or alcohol. An employee's transfer is contingent upon their successful completion of the drug and alcohol testing procedure. Failure to test, an invalid test, or a diluted test sample will constitute a positive result. A positive drug test will disqualify the employee from transfer and is a violation of the District's Drug and Alcohol-Free Workplace policy that may result in disciplinary action.
- **Reasonable Suspicion Testing.** The District may require an employee who occupies a safety-sensitive position to submit to an alcohol, drug, and/or controlled substance test when the employee's supervisor or manager has reasonable suspicion to believe that the employee possesses or is under the influence of drugs, controlled substances, and/or alcohol and such use or

influence may adversely affect the employee's job performance, or the safety of the employee or co-workers. The District's determination that reasonable suspicion exists to require the employee to undergo an alcohol, drug, and/or controlled substance test will be based on objective symptoms such as specific, contemporaneous, articulable observations concerning the employee's appearance, behavior, speech, body odors, and/or other facts. The observations may include indications of the chronic and withdrawal effects of controlled substances. An employee may be directed by the District to undergo reasonable suspicion testing while the employee is performing job functions, just before the employee is to perform job functions, or just after the employee has ceased performing such functions.

Testing may also be required if an employee is found to be in possession of physical evidence, i.e., drugs, alcohol, or paraphernalia possibly connected with the use of an illegal drug or substance. Testing may also be required if illegal drugs, substances, and/or alcohol are found in the employee's immediate work area. However, it should be emphasized that possession of illegal drugs, substances, or alcohol is prohibited whether or not it is determined that the employee also used such substances.

- **Random Testing.** Every driver of a Commercial Vehicle and employees who occupy safety sensitive jobs shall submit to random testing. All such tests will be unannounced and performed at reasonable intervals throughout the year.

The District uses the services of an independent medical clinic or laboratory certified to administer the tests. The District will submit the names of all employees in safety-sensitive positions, including Commercial Drivers, to the testing facility for inclusion in a random selection system/pool. The random selections will be made by the testing facility without the District's participation or influence. The random selection system provides an equal chance for each employee to be selected each time random selection occurs. Random selection, by its very nature, may result in employees being selected in successive selections or more than once a calendar year. Alternatively, some employees may not be selected in a given calendar year.

Random selections will be reasonably spread throughout the year. All employees in safety-sensitive positions, including Commercial Drivers in the total pool may be tested during each calendar year for illegal drugs and alcohol. Random drug and alcohol testing may be done at any time.

- **Post-Accident Testing.** A driver who is performing a safety-sensitive function must submit to a post-Accident drug and alcohol test as soon as possible after any accident, defined by the DOT as an occurrence involving a commercial motor vehicle operating on a public road in commerce which results in:

(a) A loss of human life; or

- (b) The driver receiving a citation under state or local law for a moving traffic violation arising from the accident if the accident involved:
- (1) Bodily injury to a person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; and/or
 - (2) One or more motor vehicles incurring disabling damage as a result of the accident, requiring the motor vehicle to be transported away from the scene by a tow truck or other motor vehicle.

A driver may be directed to submit to a drug and/or alcohol test at the accident scene by a federal, state, or local law enforcement officer. Whenever a test is conducted by a law enforcement officer, the driver is required to immediately contact the General Manager or Ethics & Compliance Officer to report the drug and/or alcohol test result and to provide the District with the name, badge number, and telephone number of the law enforcement officer who conducted the test.

Whenever a driver is involved in a DOT accident and is not tested for drugs and/or alcohol by a law enforcement official, the driver is required to immediately contact the General Manager or Ethics & Compliance Officer and remain available to be tested. Nothing in this section shall be construed to require the delay of necessary medical attention for injured people following an accident, or to prohibit a driver from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident or to obtain necessary emergency medical care.

A driver who is required to take a post-Accident drug and/or alcohol test will, at the District's discretion, be placed on non-disciplinary suspension without pay, while awaiting the post-accident test results. If the test result is negative, the employee will be paid for any lost time. Employees will not be compensated for time missed from work if the test result is positive, adulterated, or substituted.

A driver who is subject to post-accident testing must remain available for testing or the District may consider the driver to have refused to submit to testing.

To ensure the accuracy and fairness of the District's testing program, all testing is conducted by a licensed laboratory according to DOT regulations. Any employee subject to testing under this policy will be asked to sign a form agreeing to comply with this policy, acknowledging the procedures governing testing, and consenting to the release of drug and/or alcohol test results to the District, as allowed for under the law. Refusal to sign the agreement and consent form may result in termination of employment.

Any employee who refuses to test or who tests positive will be immediately removed from duty until further notice, and will be subject to disciplinary action, including but not

limited to immediate termination of employment. If an employee refuses to cooperate in the testing process in such a way that it prevents completion of a test, or if an employee submits an adulterated sample, or tampers with a sample, such actions will be considered and treated as a refusal to test and positive test result.

If, in its sole discretion, the District does not terminate the employment of an employee in a safety-sensitive position who had a verified positive drug test result, or who refused to test (including by adulterating or substituting a specimen), the employee will be prohibited from performing safety-sensitive functions until successful completion of a return-to-duty process with a qualified Substance Abuse Professional.

In addition to paying the cost of required drug testing, the District will pay reasonable transportation costs to the testing facility. The employee will have the opportunity to alert the clinic or laboratory personnel to any prescription or non-prescription drugs that the employee has taken that may affect the outcome of the test. The clinic or laboratory will inform the District as to whether the employee passed or failed the test. If an employee fails the test, the employee will be considered to be in violation of this policy and will be subject to discipline up to and including termination. The District may grant an employee's request for an unpaid leave of absence from the employee's job to participate in a rehabilitation program, as described below, but the employee will be subject to discipline for a violation of this policy.

Confidentiality

Disclosures made by employees to District Management or other management personnel concerning their use of drugs and/or alcohol will be treated confidentially and will not be revealed to managers or supervisors unless there is an important work-related reason to do so. Disclosures made by employees to District Management or other management personnel concerning employee participation in any drug or alcohol rehabilitation program, as well as alcohol and drug testing records, will be treated confidentially to the extent possible consistent with the law.

U. TELEPHONE USE & PERSONAL MAIL

Incoming phone calls are an important and essential part of our business. If your job requires you to answer the phone, remember that the caller's entire impression of Panoche Water District will be based on how you sound. Be courteous and friendly, and whenever possible refer to the caller by name.

Reasonable, minor, and limited personal use of District telephones is permitted to the extent the personal use does not interfere with or disrupt District work or activities. The District may also seek reimbursement for charges associated with personal use of a District telephone. Messages of an emergency nature will be delivered promptly to you and District telephones are always available for use on an emergency basis.

Please do not have any personal mail sent to Panoche Water District. The use of District-paid postage, stationery and envelopes for personal mail is not permitted.

Panoche Water District's voice mail system should be used for District business only. Employees should not expect messages left on their voice mail to be private. In addition, the District may monitor telephone calls to ensure compliance with District policies and for other business reasons, including the desire to ensure that calls are handled in a professional manner and to promote efficiency in the manner in which the public is treated. Employees should, therefore, not assume that calls made or received on Panoche Water District lines are confidential.

V. POLITICAL ACTIVITY

The Constitution and laws of the State of California provide substantial guarantees to ensure that public officers and employees are able to exercise their right to participate in the political process. These laws also impose equally important limitations intended to ensure that everyone's participation (members of the public, District officers and employees alike) is free of coercion or fear of retribution. State law prohibits District officers, employees, and anyone else from using District resources to support or oppose a ballot measure or the election or defeat of a candidate at the federal, state, or local level.

Generally, the District may not restrict its employees' off-duty political activity, and the District will not discriminate against employees for participating in political activity on their own time outside of work. Employees are free to support or oppose candidates and ballot measures in their personal capacities, while off duty and outside of District-owned or controlled property. Within that general framework, however, District employees may not engage in political activities, including distributing signs, attending campaign events, making telephone calls for campaign purposes, and stuffing envelopes, during work hours. Employees are also prohibited from engaging in political activities on District property or using District-owned telephones or Electronic Communication Systems for political purposes. Employees are also prohibited from using District funds or resources to advocate for or against a ballot measure or the election or defeat of a candidate, which includes using public funds or resources to print or send non-political newsletters or mass mailings that feature or make reference to an elected official.

Employment by Panoche Water District may not be offered as a consideration or reward for the support or defeat of any person engaged in partisan political activity. Employees may not:

- A. Use their offices to influence elections or nominations or for other political purposes;
- B. Solicit or receive political contributions from other employees;
- C. Solicit or receive political contributions on the premises of property being used for Panoche Water District programs;
- D. Require or advise other employees to make political contributions;

- E. Use political influence in connection with their employment;
- F. Participate in political activities of any kind while in District uniform, or wearing certain District-required items (such as name tags); and
- G. Obstruct or corrupt the election process, including using or threatening, or hiring or arranging for someone else to use or threaten, force, violence, coercion, or intimidation to induce or compel someone to vote or refrain from voting in any election or to vote or refrain from voting for any person or measure on a ballot.

This policy is not intended to interfere with employees' right to participate in concerted activity such as communicating with their co-workers regarding their wages, hours, or terms and conditions of employment, or with any other rights protected under the National Labor Relations Act.

W. MEDIA RELATIONS

It is Panoche Water District's policy to cooperate with news media inquiries and communicate with the media with respect to matters that are appropriate for public knowledge. The General Manager is responsible for all releases to news media. Inquiries from communication media (press, radio, television, etc.) are to be referred to the General Manager. Employees are not authorized to speak or communicate with the media on the District's behalf unless authorized to do so by the Board President.

X. EMPLOYEE EDUCATION

From time to time, employees may need to attend training programs, seminars, conferences, lectures, meetings, or other outside activities for the benefit of Panoche Water District. Attendance at such activities, whether required by Panoche Water District or requested by the individual employee, requires the prior written approval of the General Manager or supervisor. To obtain approval, the employee should submit a written request detailing all relevant information, including the date, time, location, cost, nature and purpose of the event in question, and provide verbal clarification to the employee's supervisor or General Manager when requested.

The customary and reasonable expenses associated with attendance at pre-approved events required by Panoche Water District will be reimbursed upon submission of the proper receipts in accordance with the District's Expense and Use of Public Resources Policy. Acceptable, reimbursable expenses generally include reasonable costs associated with registration fees, materials, meals, transportation, lodging, and parking. Attendance at authorized and required educational activities will be considered hours worked for non-exempt employees and will be compensated in accordance with normal payroll practices as required by law.

III. REIMBURSEMENT OF REASONABLE EXPENSES AND EXPENDITURE OF PUBLIC RESOURCES

A. AUTHORIZED EXPENSES

- A. **It is the District's policy to reimburse all employees for reasonable expenses incurred in the conduct of District business. Expenses must be approved by your supervisor in advance. The following guidelines and procedures apply to reimbursement of employees' business expenses. All District resources, including funds, equipment, supplies, titles, and staff time must only be used for authorized District business. COST CONTROL**

To conserve District resources and keep expenses within community standards for employees of public entities, expenditures for which an employee requests reimbursement should adhere to the following guidelines.

Transportation

To the extent possible, travel arrangements to be reimbursed by the District involving public transportation, car rental, and hotel bookings shall be made by the Controller or the Controller's designee.

The most economical mode and class of transportation reasonably consistent with scheduling needs and cargo space requirements that is reasonable available in the locale must be used, using the most direct and time-efficient route. This policy does not preclude reasonable reimbursement of personal vehicle use authorized by this policy.

Government and group rates must be used when available.

Personal Vehicles. When reimbursable pursuant to this policy, personal vehicle mileage is reimbursed at Internal Revenue Service rates presently in effect. 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 or parking fees, which are also reimbursable. The Internal Revenue Service mileage rates will not be paid for rental vehicles; only receipted fuel expenses will be reimbursed.

District Vehicles. Refer to the Official Use of District-Owned or -Leased Motor Vehicles policy above.

Rental Vehicles. Charges for rental vehicles for travel to an out-of-town destination may be reimbursed if a District employee is traveling to attend an out-of-town conference, and it is determined that a rental vehicle is more economical than other forms of transportation and will meet scheduling and availability requirements. In making such determination, the cost of the rental vehicle, parking, and gasoline will be compared to the combined cost of such other forms of transportation.

Taxis/Shuttles. Taxi or shuttle fares may be reimbursed, including a 15 percent gratuity

per fare, when the cost of such fares is determined to be the most economical mode of transportation, or when such transportation is necessary for safety, availability, or time-efficiency.

Lodging

Lodging expenses will be reimbursed or paid for when travel on official District business reasonably requires an overnight stay.

- Conferences/Meetings. 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. If the group rate is not available, see next section.
- Other Lodging. Travelers must request government rates, when available. Lodging rates that are equal or less to government rates are presumed to be reasonable and hence reimbursable for purposes of this policy.
- Government Rates Not Available. In the event that government rates are not available at a given time or meeting venue lodging, lodging rates that do not exceed the median retail price for lodging for that area listed on websites like www.priceline.com or an equivalent service or lodging rates that do not exceed \$160 per night are presumed reasonable and hence reimbursable.

Meals

Reimbursable meal expenses and associated gratuities will follow the guidelines established by the U.S. General Services Administration for federal travel. Please consult the Ethics & Compliance Officer for current reimbursement rates.

Airport Parking

Long-term parking must be used for travel exceeding 24-hours where reduced-rate long-term parking is reasonably available.

Baggage Handling Fees and Gratuities

Baggage handling fees up to \$1 per bag and gratuities of up to 15 percent will be reimbursed.

Telephone/Fax/Cellular

Personal cell phone use will not be reimbursable for officials to whom District cellular phones are provided, except in unusual circumstances. In some cases, employees may be reimbursed for actual telephone and fax expenses incurred for use of District business. Telephone bills should identify which calls were made on District business. For District calls on personal cell phones, the employee can identify the number of minutes on calls

that appear on the employee's bill that were made for District business and the District will calculate the ratio of those minutes with the total minutes on employee's bill for reimbursement.

Boots & Tools

For employees requiring work boots, the Office Manager will provide a purchase order for purchase at a pre-approved location; provided, the cost of boots is not to exceed \$150.00 per year. Panoche Water District also provides a basic set of tools for each field employee who requires them. Employees are required to keep their tools intact and in good condition at all times.

When an employee's employment terminates voluntarily or involuntarily, the employee must return any and all tools received. Employees may be asked to sign an agreement that verifies their responsibility for any tools that they are furnished.

B. CREDIT CARD USE POLICY

Authorized Use of District Credit Cards

The District may issue credit cards to certain employees authorized to make purchases on behalf of the District for necessary District purposes. Use of District-issued credit cards is subject to the following:

- 1) In no event shall a District-issued credit card be used for personal expenditures, even if the intent at the time of credit card use is to reimburse the District and the expenditure is subsequently reimbursed;
- 2) The person in possession of a District-issued credit card is responsible for receiving, printing, retaining, and submitting to the District all receipts related to purchases made on the District-issued credit card; receipts must be annotated to state the business purpose of the purchase; for purchases at restaurants, the documentation must include the restaurant receipt as well as the credit card receipt and the names of parties for whom any meals were paid;
- 3) Receipts documenting expenses incurred on District credit cards and compliance with this Policy must be submitted to the District's Controller within five (5) business days of the purchase or travel to enable District staff to verify charges on the credit card monthly statement;
- 4) All credit card expenses must be submitted on an expense report form provided by the District and submitted within thirty (30) days of an expense being incurred; the form must comply with the District's policies related to expenses and use of public resources; the form must also document that the expense in question met the requirements of this Policy;
- 5) Inability to provide such documentation in a timely fashion may result in the

expense being disallowed and the employee may be disciplined for violation of this policy;

- 6) All credit card receipts and statements shall be kept in accordance with the District's records retention policy;

Authorized Users

- 1) Individual District credit cards shall be issued only to employees in the following positions:

General Manager
Ethics & Compliance Officer/
Water Operations Supervisor
Maintenance Manager

C. EXPENSE REPORT CONTENT AND SUBMISSION DEADLINE

All cash advance expenditures, credit card expenses, and expense reimbursement requests must be submitted on an expense report form provided by the District.

Expense reports must document that the expense incurred met the requirements of this Policy. For example, request for reimbursement of meals should document and explain whose meals were purchased, what issues were discussed during the meeting, and how those relate to the District's business.

Employees must submit their expense reports within 30 days of an expense being incurred, accompanied by receipts documenting each expense. Restaurant receipts, in addition to any credit card receipts, are also part of the necessary documentation.

D. POLICY VIOLATIONS

Under state law, 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 and credit card use privileges;
2. Demand for restitution to the District;
3. The District's reporting the expenses as income to the employee to state and federal tax authorities;

4. Civil penalties;
5. Prosecution for misuse of public resources; and
6. Discipline in accordance with District policy and procedures, including termination of employment.

E. AUDITS OF EXPENSE REPORTS

All expenses are subject to verification that they comply with this policy.

F. UPDATES TO POLICY

This policy does not cover every possible circumstance and may be updated periodically with supplements or addenda added between major updates. Such supplements or addenda will be distributed to affected employees of the District. This policy may also be supplemented by administrative rules or practices, formal and informal, which supply additional details for day-to-day implementation. This policy does not preclude the adoption or encompass every policy adopted by the Board affecting District employees or other District officials.

IV.EMPLOYMENT STATUS

A. EMPLOYMENT CATEGORIES – DEFINITIONS AND CATEGORIES

Definitions. Definitions of exempt and non-exempt status are based on provisions of the Fair Labor Standards Act (“FLSA”). These definitions are summarized as follows:

- **Exempt.** Management, supervisory, professional, and administrative employees whose positions meet specific tests established by the FLSA and who are exempt from overtime pay requirements.
- **Non-exempt.** Employees whose positions do not meet FLSA exemption tests and who are paid overtime.

Employees will be informed of their status as exempt or non-exempt.

1. Introductory. The initial ninety (90) days of employment for newly hired, full-time, promoted or transferred employees is when Panoche Water District and you closely evaluate your compatibility, abilities, and interest in the position.

2. Full-Time. Full-time employees are those who are not on a temporary or introductory status and who are regularly scheduled to work at Panoche Water District full-time, 40 hours per week.

3. Part-Time. Part-time employees are those who are not on a temporary or introductory status and who are regularly scheduled to work at Panoche Water District less than 29 hours per week. Part-time employees are not eligible for

Holiday pay, and health insurance benefits except as otherwise provided by law. Part-time employees may be eligible to participate in the District's retirement plan after successfully completing 6 consecutive months of service.

4. Temporary. Temporary employees are those who are hired as interim replacements temporarily to supplement the work force, or to assist in the completion of a specific project. Employment assignments in this category are of a limited duration of up to 180 days per calendar year. Although a part-time position normally has an established length of time, there is no guarantee that if you are hired to perform a part-time position you will be retained throughout the entire period of the assignment, as employment at Panoche Water District is at will for all employees. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain their temporary status unless and until notified in writing of a change in status. Temporary employees are not eligible for benefits, except as otherwise provided by law.

B. INTRODUCTORY PERIOD

All new and rehired employees work on an introductory basis for the first ninety (90) days after hire, referred to as the "Introductory Period." Note that the Introductory Period does not mean that an employee's position will extend for ninety days if, as discussed below, the District decides that performance is not satisfactory or if a Temporary Employee is hired for an assignment that will end in less than ninety (90) days. Additionally, completion of the Introductory Period does not guarantee employment for any period, or modify the District's at-will employment policy. The Introductory Period is intended to give you, as a new employee, the opportunity to demonstrate your ability to achieve a satisfactory level of performance and to determine whether the new position meets your expectations. This period is used to evaluate your capabilities, work habits, and overall performance.

During the Introductory Period, if the District determines in its sole discretion that a satisfactory performance level cannot be achieved through a reasonable amount of training and coaching, introductory employees will be released immediately.

Any significant absence (more than a total of nine (9) work days during the period) will automatically extend an Introductory Period by the length of the absence. If Panoche Water District determines that the designated Introductory Period does not allow sufficient time to evaluate your performance, the Introductory Period may be extended for a specified length of time. During the initial Introductory Period, new employees are eligible for those benefits that are required by law, such as Workers' Compensation Insurance. Upon satisfactory completion of the initial Introductory Period, employees enter into regular status within their employment classification as Full-Time, Part-Time, or Temporary. Completion of the Introductory Period and designation as a regular status employee does not change the at will nature of your employment. At all times during your employment, either you or the District may terminate your employment without cause.

Employees who are promoted or transferred may need to complete a secondary Introductory Period of the same length with each reassignment to a new position. In cases of promotions or transfers within Panoche Water District, an employee who, in the sole judgment of Panoche Water District, is not successful in the new position can be removed from that position at any time during the secondary Introductory Period or thereafter. If this occurs, the employee may be allowed to return to the employee's former job or to a comparable job for which the employee is qualified, depending on the availability of such positions and the needs of Panoche Water District. Benefits eligibility and employment status are not changed during the secondary Introductory Period that results from a promotion or transfer within Panoche Water District.

C. JOB DUTIES

During the Introductory Period, your supervisor, the General Manager or Ethics & Compliance Officer will explain your job responsibilities and the performance standards that you are expected to meet. You should be aware that your job responsibilities may change during the course of your employment, as job duties and descriptions are modified to meet the District's business needs. In addition, from time to time you may be required to work on special projects, or to assist with work separate from your regular job duties but which are necessary and/or important to the operation of your department and/or the District.

The District may at any time, with or without notice, alter or change job responsibilities, reassign or transfer jobs, and assign additional job responsibilities.

D. EMPLOYEE CROSS-TRAINING

District Goals

The District is committed to providing training and development opportunities to District employees to ensure employees have the skills necessary to perform various job functions within the District. The District's Cross-Training Program is designed to train staff to perform the duties of other staff members to ensure that District's functions continue during times of employee absence. The Cross-Training Program also provides employees the opportunity to increase their skills and for potential advancement and provides continuity of service during employee leaves of absences, vacations or periods of high demand.

Cross-Training Program

Positions identified by the District are eligible for the Cross-Training Program. A description of the knowledge and skills needed for each position selected for the Program is available from the Ethics & Compliance Officer.

Full time and part time employees are eligible to participate in the Cross-Training Program after completing the Introductory Period, demonstrating satisfactory performance in the employee's job, and being selected by the District General Manager upon recommendation by Division Directors. Temporary employees are not eligible to participate in the Cross-Training Program.

The District's Cross-Training Program will be ongoing and will be implemented on a timeline determined by the General Manager. The District will periodically announce Cross-Training opportunities and solicit volunteers. The District will assess an employee's aptitude for Cross-Training for a particular position prior to providing training. The District may also assign Cross-Training to employees. Upon consideration of an employee's level of interest, current and potential knowledge and skills, and the District's operational needs, the General Manager, Division Directors, and/or area foremen will select eligible employees for the Cross-Training Program. During the Cross-Training Program, an employee will learn the skills and job duties of another employee, called the "incumbent employee" in this policy.

Cross-training may consist of one or more of the following methods to cross-train and educate the selected employee in the performance of the incumbent employee's job:

- On the job training provided by the incumbent employee and/or the employee's supervisor;
- Seminars and/or workshops approved by the District;
- Educational courses; and
- Licensing programs.

Pay and Expenses

Cross-training will normally occur during an employee's work day. Cross-training that requires time away from an employee's normal work schedule requires written approval from the employee's supervisor in advance of the cross-training. Time spent by an employee in approved cross-training counts as hours worked in accordance with applicable law and must be reported on the employee's time card. The employee participating in the Cross-Training Program will be paid at the employee's regular hourly pay rate (or overtime as applicable) for all hours worked.

The District will pay for or reimburse the employee for all pre-approved expenses associated with approved cross-training in accordance with the District's Policy Statement on Reimbursement of Reasonable Expenses and Use of Public Resources. The District will provide forms for employees' use in requesting approval of cross-training and associated expenses.

The Cross-Training Program is provided by the District in its discretion in addition to Employee Education benefits described above. Employee Education benefits are provided for an employee to increase an employee's skills in that employee's current job, while the Cross-Training Program is used to train an employee to do another employee's job. Employee Education benefits and Cross-Training opportunities, whether voluntary or mandated, may or may not result in change of pay upon completion of the cross-training. Each employee's compensation will be reviewed subsequent to successful completion of cross-training and will be consistent with the District's Compensation Policies.

E. COMPENSATION

District Goals

The District is committed to maintaining compensation rates that are competitive in the community and the industry. The District's goal is to compensate all District employees at an amount within the established compensation range for their respective position. Compensation ranges are subject to periodic review by the General Manager and the Board of Directors, and may be adjusted by the Board of Directors, including through informal surveys of data available from public sources or private agencies with similar job descriptions in similar locations.

Hiring Rate

A new employee's starting salary or hourly rate will, in most cases, be at an entry level rate and will depend on the experience and qualifications (including any special skills and/or licensing) of the individual employee. The starting rate of pay shall be subject to review and approval by the General Manager and, in some cases, the Board of Directors.

Promotional Increases

When an employee is promoted to a different employment position with a higher compensation range, the employee's compensation shall depend on the promoted employee's experience, qualifications (including any special skills and/or licensing), and demonstrated job performance, and are subject to approval by the General Manager. Please note that a positive job performance review will not necessarily result in an increase in pay.

Cost of Living / Compensation Range Adjustments

Each year, at the discretion of the District Board of Directors and subject to the approval of the General Manager and the Board of Directors, an increase in each employee's salary or hourly rate may be provided to employees based on periodic changes in the compensation range established by the District for each employee's position. In addition, the District Board of Directors may, in its discretion, provide a cost-of-living increase to employees' salary or hourly rate. Both the objectives of the District's compensation program and the financial resources available to the District will be considered in the decision-making process.

Compensation range adjustments and annual cost of living pay increases may or may not be provided in addition to discretionary merit bonuses.

Disciplinary Reductions In Pay

An employee's compensation may be decreased within the established range of the employee's position for disciplinary purposes. The decrease may be permanent or for a fixed period of time and must always be approved by the District's Board of Directors and General Manager. Employees will receive notice in writing of such disciplinary reductions

in pay and the reason for the reduction.

F. DISCRETIONARY MERIT BONUSES

Purpose

Each year, the District may, in its sole discretion, subject to the approval of the General Manager and the Board of Directors, provide discretionary merit bonuses to eligible employees. Discretionary merit bonuses are intended to recognize and reward exceptional performance and, as such, will be given infrequently.

Procedures

Eligibility

To be eligible for a discretionary merit bonus, an employee must meet the following criteria during the District's 12-month fiscal-year period, running March through February, preceding the bonus award ("bonus consideration period"):

- Be employed with the District for at least six months of continuous service before the bonus award date;
- Receive ratings of 4 or 5 on the employee's most recent performance evaluation;
- Consistently maintain performance at an exceeds or exceptional level during the entire bonus consideration period;
- Be in good standing without disciplinary action at any time during the bonus consideration period;
- Receive a recommendation from the employee's supervisor and the General Manager.

Meeting the eligibility requirements does not guarantee an employee will receive a discretionary merit bonus. The objectives of the District's compensation program, the employee's contributions to the District, the employee's job performance, and the financial resources available to the District will be considered in the decision-making process for discretionary merit bonuses. Merit bonuses are intended to recognize and reward exceptional performance and, as such, will be given infrequently.

Determination of Discretionary Merit Bonus

Supervisors will submit annual recommendations to the General Manager regarding: (a) whether an employee meets the eligibility criteria and is recommended for consideration for a discretionary merit bonus based on the employee's annual performance evaluation and consistent job performance at the exceeds or exceptional level, and (b) the amount of proposed discretionary merit bonus appropriate given the employee's performance during the bonus consideration period.

The following factors contribute to the determination of an award of a discretionary merit bonus:

- The employee's performance as reported in the annual performance evaluation;
- The appropriate pay level within the range for the employee considering the employee's performance and performance of others in the range;
- Availability of funds; and
- Recommendations of supervisors and the General Manager.

The District's Board of Directors is responsible for making discretionary merit bonus decisions.

G. PERFORMANCE EVALUATIONS

Employee performance is to be formally reviewed at least once each year, ordinarily upon completion of the Introductory Period and in January or February of each year. The focus of the performance evaluation meeting between management and the employee is to:

- Assess and discuss the employee's performance for the rating period, including performance factors such as work quality, timeliness, and other factors applicable to the position;
- Review standards for the position and define performance areas needing development or improvement; and
- Establish short- and long-term performance goals and objectives.

Performance evaluations are confidential and will be placed in the employee's personnel file. Informal counseling and discussion of job performance will also be conducted with employees on occasion. The District maintains an "open door" policy regarding personnel matters and welcomes questions, at any time, from any employee who wants to know what they can do to improve their job performance.

Performance Evaluation Ratings Explained

Annual performance evaluations generally use a 5-point rating scale to evaluate the employee's demonstrated competencies throughout the review period for each essential job function:

(5)	Exceptional:	Work performance is marked by exceptional levels of performance above the rating exceeds expectations.
(4)	Exceeds Expectations:	Work performance exceeds the required standards of performance in the area being evaluated.
(3)	Meets Expectations:	Work performance satisfies the required

		standards of performance in the specific area being evaluated.
(2)	Below Expectations:	Employee needs to improve to meet the required performance standards in the area being evaluated; inconsistent performance.
(1)	Unsatisfactory:	Performance is far below the required standards for the area being evaluated.

In addition, each employee also receives an overall performance rating, which is determined by management to best describe the employee's overall performance for the evaluation period using the following rating scale:

- **EXCEPTIONAL: Exemplary overall performance deserving special recognition.**

Employee demonstrates particularly excellent sustained performance that is of such high quality that organizational goals have been achieved that would not have been otherwise. The employee demonstrates mastery of technical skills and a thorough understanding of the District's mission and has a fundamental impact on the completion of District objectives. The employee exerts a major positive influence on management practices, operating procedures and/or program implementation, which contributes substantially to organizational growth and recognition and improves cooperation among participants in the workplace and prevents misunderstandings. The employee demonstrates superior interpersonal relationship skills and works cooperatively and professionally with co-workers and supervisors. The employee has produced an exceptional quantity of work, often ahead of established schedules with little supervision.

- **EXCEEDS EXPECTATIONS: Performance exceeding the supervisor's expectation on nearly all performance criteria.**

Employee demonstrates performance that exceeds expectations in critical areas and exhibits a sustained support of District goals. The employee shows a comprehensive understanding of the objectives of the job and the procedures for meeting them. Effective planning by the employee improves the quality of management practices, operating procedures, task assignments, and/or program activities. The employee develops and/or implements workable and cost-effective approaches to meeting organizational goals. The employee demonstrates an ability to get the job done in more than one way while handling difficult and unpredicted and/or unprecedented problems. The employee demonstrates superior interpersonal relationship skills and works cooperatively and professionally with co-workers and supervisors. The employee produces a high quantity of work, often ahead of established schedules with less than normal supervision.

- **MEETS EXPECTATIONS: Performance generally meeting supervisor's expectation on most performance criteria.**

The employee demonstrates sound performance that meets District goals. All critical activities are completed in a timely manner and supervisor is kept informed of work issues, alterations, and status. The employee effectively applies technical skills and organizational knowledge to get the job done. The employee successfully carries out regular duties. The employee plans and performs work according to organizational priorities and schedules. The employee communicates clearly and effectively and works cooperatively and professionally with co-workers and supervisors.

- **BELOW EXPECTATIONS: Inconsistent performance on criteria; falls short of supervisor's expectations and job requirements.**

The employee's performance requires correction. Assignments are generally completed, but often require assistance from supervisor and/or peers. Organizational goals and objectives are met only as a result of close supervision. On one or more occasions, employee's work needs revision or adjustments for successful completion. Deadlines were missed as a result of deficiencies. Employee's communication skills need improvement, and employee does not meet expectations for working cooperatively and professionally with co-workers and supervisors.

- **UNSATISFACTORY: Unacceptable performance.**

Employee shows a lack of awareness of policy implications or assignments; circumvention of established procedures, resulting in unnecessary expenditure of time or resources; reluctance to accept responsibility; disorganization in carrying out assignments; incomplete understanding of one or more important areas of the field of work; unreliable methods for completing assignments; lack of clarity in writing and speaking; and/or failure to work cooperatively and professionally with co-workers and supervisors.

H. PERSONNEL FILES AND PRIVACY

A variety of records will be maintained containing information on each District employee to meet legal requirements and to assure efficient personnel administration. Personnel files are the property of the District and may not be removed from District property. Personnel files are not subject to public inspection. Access to personnel files is restricted to authorized individuals on a "need to know" basis. However, please note that the District will cooperate with requests from authorized law enforcement or local, state, or federal agencies conducting official investigations, and as otherwise legally required to do so.

1. Notification of Changes: Changes of address, telephone number, family status (number of dependents, marriage, death, divorce, legal separation, etc.), emergency contact information, beneficiary, and tax exemptions must be reported immediately to the General Manager or Ethics & Compliance Officer, as an employee's income tax status and group insurance may be affected by these changes.

- I. File Access. Employees may review certain documents in their personnel file. Inspection of an employee's personnel file may be accomplished at reasonable times during office hours. Employees may examine their files upon prior written notice submitted to the General Manager or Ethics & Compliance Officer. This review will take place with and in the presence of a representative of Panoche Water District during normal business hours. Records subject to inspection include records relating to an employee's performance, any grievances concerning the employee, documents the employee signed relating to the obtaining or holding of employment, and payroll records. Should the employee wish to make copies of any records contained in the employee's personnel file, the District will provide the employee with copies of the requested records.**
EMPLOYMENT REFERENCE REQUESTS

Requests for information from employee files received from other departments and inquiries from outside Panoche Water District, including requests for references on former employees, will be directed to the Ethics & Compliance Officer. All other employees and managers are prohibited from providing employment references on former employees or current employees. Employment references on former employees will be provided only by the Ethics & Compliance Officer who will disclose only the dates of employment and title of the last position held.

J. HIRING OF RELATIVES

The employment of relatives/spouse in the same area of an organization may cause serious conflicts and problems with favoritism and employee morale. In addition to claims of partiality in treatment at work, personal conflicts from outside the work environment can be carried into day-to-day working relationships. Accordingly, it is normally the policy of Panoche Water District not to hire relatives of currently or recently employed staff if the hire would create a real or perceived conflict of interest, or if the relative is in a supervisory or subordinate role with the employee. Relatives are defined to include spouses, domestic partners, siblings, parents, children, in-laws and step-relatives.

In the event a relationship between employees commences during employment, by marriage or otherwise, it may be necessary for one of the employees to transfer to a different department, provided an appropriate vacancy exists. If this cannot be arranged, one of the two employees may be discharged.

The District may, in its discretion, make exceptions to this policy in cases where a conflict of interest does not exist or the Board has determined the employment of relatives is in the District's best interest. Exceptions to this policy will be monitored by the Ethics & Compliance Officer to ensure no actual conflict of interest exists, with any such conflicts reported to the Board of Directors for appropriate action.

K. OPEN DOOR POLICY

The District strongly believes that the working conditions, wages and benefits we offer to employees are competitive with those offered by similar public sector employers. If

employees have concerns about working conditions or compensation, they are encouraged to voice these concerns openly and directly with the Ethics & Compliance Officer. The District's experience has shown that when employees deal openly and directly with one another, the work environment can be excellent, communications can be clear, and attitudes can be positive. Open communication is a "two-way street," so speak with your supervisor or the Ethics & Compliance Officer if you have any concerns or need questions answered.

Nothing in this policy alters the "at-will" nature of employment with the District. Either the employee or Panoche Water District may terminate the employment relationship at will, for no reason at all, and at any time.

V. **PAYROLL**

A. BUSINESS HOURS & WORK SCHEDULES

The District's business hours are generally from 6:00 a.m. to 5 p.m., depending upon duties, forty hours per week. All employees are expected to work 8 hours per day, 4 hours prior to the lunch break and 4 hours after, with a half-hour unpaid lunch break in between, though additional hours may be required depending on the District's need.

Your supervisor will schedule your hours of work. Employees may request specific start or finish times, provided that such scheduling requests are not made more than quarterly (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec) in any given calendar year. Your supervisor must approve any changes in your schedule. Requests for specific start or finish times may not be granted, or may be rescinded upon one-weeks' notice, if the requested scheduling is in any way disruptive to the District's work flow as determined at the discretion of your supervisor or the General Manager.

Employees are prohibited from working off-the-clock.

B. ATTENDANCE AND PUNCTUALITY

Regular attendance at work on the District's premises is an essential function of every job at the District. To maintain a safe and productive work environment, the District requires you to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on other employees and on our ability to serve our customers. In the event that you become aware of an anticipated tardiness or absence, please notify your supervisor as soon as possible, and no later than one (1) hour prior to the beginning of your scheduled shift. If you call less than one (1) hour before your scheduled start time, you will be considered tardy for that day. If you become aware of an anticipated absence or tardiness after normal working hours, you should notify your supervisor by leaving a

message on your supervisor's mobile phone. If your supervisor is absent, you must contact the Ethics & Compliance Officer instead.

Excessive absenteeism (excused or not) may result in counseling or discipline up to and including termination of employment. Each situation of excessive absenteeism or tardiness shall be evaluated on a case-by-case basis. However, even one unexcused absence may be considered excessive, depending on the circumstances. If you fail to report for work without any notification to your supervisor, or the Ethics & Compliance Officer if your supervisor is absent, and your absence continues for a period of three (3) days, Panoche Water District will consider that you have abandoned your employment and have voluntarily resigned. If you are out on a legally protected absence (for example jury duty, paid sick leave) for 3 consecutive days without notifying the District each day, you will not be presumed to have resigned from employment but you may be disciplined for failing to notify the District of the legally protected absence.

Requests to work from home must be approved by the General Manager based on the needs of the District. Because work on District property is an essential function of every job at the District, requests to work from home may be granted only on a temporary basis.

C. TIMEKEEPING REQUIREMENTS

All employees are required to record all of the time that they actually work using the District's time keeping system. Your supervisor will instruct you as to the method you must use to record your time. Errors on the time card must be reported immediately to your supervisor, who must then report it immediately to the Accounting Supervisor so that the error can be corrected in the same pay period in which the error occurred.

No employee is permitted to alter time cards or to record time for another employee. Such behavior will be grounds for disciplinary action, up to and including termination of employment. Repeated failure to report the beginning or ending of a shift, and the beginning and end of your meal period, on your time card may also result in disciplinary action, up to and including possible termination of employment.

When an employee signs off on his/her time record, by that signature the employee is deemed to be acknowledging, in writing, that the time card is an accurate record of all time the employee worked, that the employee was provided with an opportunity to take one 10 minute off duty rest break for every four hours worked or major fraction thereof, and one unpaid off duty meal period of at least 30 minutes whenever the employee worked more than five (5) hours, and a second unpaid meal period of at least 30 minutes whenever the employee worked more than ten consecutive (10) hours.

No employee is permitted to perform any work off-the-clock.

D. PAYDAY & DEDUCTIONS

All employees are paid on the 5th and 20th day of each month. Each paycheck will include earnings for all work performed through the end of the previous payroll period. The District's pay period is the 1st day of the month through the 15th, and the 16th day of the

month through the last day of the month. In the event that a regularly scheduled payday falls on a day off, such as a weekend or holiday, employees will be paid on the last day of work before the regularly scheduled payday. Generally, employees can pick up their paychecks from their supervisor at the end of the day; however, an employee can make prior arrangements to pick up their paycheck at the office or to sign up for direct deposit. Paychecks will not be issued early for any reason unless approved in advance by the General Manager, and may not be cashed on Panoche Water District's premises.

The District does not permit advances against paychecks. Certain deductions required by law will be made from your pay, including deductions for federal, state, and local withholding taxes, social security, state disability, and paid family leave. The District honors all earnings assignment orders as provided in Family Code section 5200, et. seq. Other deductions may be authorized by the employee or required by law. Every paycheck includes an itemized list of payroll deductions.

Any errors in your pay must be reported to the Senior Accounting Specialist within three (3) days. If pay corrections occur, the corrections will be made on the next pay check after verification of the error by the District. It is the employee's responsibility to turn in complete and accurate time records on time so that payroll can be correctly processed, and to promptly report any errors in pay.

E. OVERTIME

The Panoche Water District Board of Directors has the sole responsibility to prescribe the terms and conditions of employment at the District, including authorizing the payment of overtime. The Board may delegate its responsibilities only in a written resolution approved by the Board. Overtime pay will be paid to non-exempt employees based on actual hours worked, according to law. Employees who are exempt from overtime, including those who qualify as administrative, executive, or professional employees or are otherwise exempt within the meaning of federal wage and hour laws are exempt from overtime pay, and no overtime compensation will be paid to exempt employees.

If, during the week, you were paid for hours that you did not work (e.g., because of use of sick leave or other time off with pay), those paid hours will not be counted as hours worked for the purpose of calculating overtime pay.

Non-exempt employees may have to work hours beyond their normal schedules as work demands require. All overtime hours must be approved in advance by your supervisor, or the General Manager if your supervisor is absent. Failure to work scheduled overtime, or working overtime without obtaining advance approval, may result in discipline, up to and including termination of employment.

The workday begins at 12:00 a.m. and ends at midnight 24 hours later. The workweek begins Monday at 12:00 a.m. and ends Sunday at 11:59 p.m.

F. MAKE-UP TIME

The District allows for make-up time when exempt and non-exempt employees wish to request time off to tend to personal matters. Employees must have advance approval from their supervisor, or the General Manager if their supervisor is absent, prior to working or taking make-up time. If approved, employees may take time off and then make up the time later in the same workweek, or may work extra hours earlier in the workweek to make up for that time that will be taken off later in the workweek. Make-up time worked will not be paid at an overtime rate.

Make-up time requests must be submitted in writing on the form provided by the District to your supervisor, or the General Manager if your supervisor is absent, for approval and signature. Requests will be considered for approval based on the business needs of the District at the time the request is submitted. A separate written request is required for each occasion the employee requests make-up time.

If you request time off that you will make up later in the week, you must submit your request at least twenty-four (24) hours before the desired time off. If you ask to work make-up time and then take time off later in the same work week, you must submit your request at least twenty-four (24) hours before working the make-up time. If you work make-up time before you plan to take time off, you must take that time off, even if you no longer need the time off for any reason.

All make-up time must be worked in the same workweek as the time taken off. The District's seven (7) day workweek is Monday through Sunday. Employees may not work more than eleven (11) hours in a day or forty (40) hours in a workweek as a result of making up time that was or would be lost due to a personal matter.

If you take time off and are unable to work the scheduled make-up time for any reason, your supervisor, or the General Manager if your supervisor is absent, the hours missed will be unpaid. Note that instead of using a make-up time request, you may be able to use accrued sick time or vacation time, if available to you. For example, if the absence is for a medical appointment, sick time could be used or, if the absence is for a non-medical matter, vacation time could be used. The use of sick time and vacation time have separate rules and restrictions, which are described in Section IV A and Sections IV C and D of this Handbook, for your reference. Any questions regarding the availability or use of sick time and vacation time should be directed to the Senior Accounting Specialist and/or the Ethics & Compliance Officer.

An employee's use of make-up time is completely voluntary. The District does not guarantee, encourage, discourage, or solicit the use of make-up time.

G. ON-CALL TIME

In the course of employment, certain non-exempt employees may be required or assigned to be on call and ready to work in the event of an emergency, or when summoned by their supervisor or another designated dispatcher. Whether or not such on-call time is considered paid "hours worked" depends on the nature of the on-call assignment, as

explained in further detail below. Employees on Controlled or Uncontrolled Standby may not be impaired by alcohol or drugs during the time they are on-call. Please note that a requirement that the employee avoid alcohol and drugs during on-call time does not mean that the employee is on Controlled Standby during such time.

Controlled Standby

All non-exempt employees will be paid at least minimum wage for all hours spent on Controlled Standby. “Controlled Standby” generally means that the employee is required to remain on call and on District property or another fixed location, or so close to District property or other fixed location that the employee cannot effectively use the on-call time for their own activities. Controlled Standby also includes time when the employee is otherwise required to remain under District control in a manner that prevents the employee from effectively pursuing personal activities during such on-call time.

In some cases, Controlled Standby hours may be paid at a different hourly rate than the regular rate paid for working time, but will in no event be paid at an hourly rate less than the applicable minimum wage.

Uncontrolled Standby

Employees on Uncontrolled Standby are generally not required to remain on, or within a certain distance of, District premises or any fixed location, and are free to spend their on-call time predominantly for their own purposes, so long as they remain reachable by means of a designated cell phone or pager. The employee may be required to report to the workplace or other District site within a designated time period (e.g., 30 minutes) from the time that the employee is summoned by their supervisor or another designated dispatcher.

Time spent by a non-exempt employee on Uncontrolled Standby is not considered hours worked. However, an employee on Uncontrolled Standby will be compensated for work-related telephone calls and all other time actually worked, subject to the additional provisions below.

Travel Time

Travel time is paid as time actually worked for all time the on-call employee spends travelling to and from the worksite when called in, and travel time is included for the purpose of calculating overtime. Mileage is not reimbursed from the employee’s home to the worksite.

Refusing and Trading On-Call Shifts

Employees may refuse to respond to as many as one-third of call-backs received during their Uncontrolled Standby time. Employees are free to trade on-call responsibilities with other employees, so long as such trades are approved by the Director or Manager for that on-call shift and properly documented, so that the supervisor or dispatcher knows who to contact during the given shift.

Timekeeping Requirements

As with all hours worked by non-exempt employees, it is the employee's responsibility to accurately record all time actually worked in connection with on-call time.

VI. EMPLOYEE BENEFITS

A. MEDICAL, DENTAL & VISION INSURANCE

Medical, dental and vision insurance is currently available to eligible employees, their spouses, and their dependents according to the terms of the benefit plan documents. Panoche Water District currently pays the cost of eligible employees' insurance premiums. However, in the event that medical, dental and/or vision insurance premium rates increase, employees may be required to contribute to the cost of those increased premiums in order to retain coverage.

All employees who regularly work 30 or more hours per work week are eligible for enrollment in the medical insurance plan on the first of the month following 30 days of continuous employment with the District. Employees who work regularly work 30 or more hours a week are eligible for enrollment in the dental and vision plan on the first of the month following 90 days of continuous employment with the District. For details about the District's medical, dental and vision insurance plans, please refer to the plan-specific materials that have been provided to you, or direct your inquiry to the Ethics and Compliance Officer. The terms of Panoche Water District's benefit plans are subject to change at the District's discretion.

B. LIFE INSURANCE

Complimentary term life insurance is provided for full-time employees who have completed the Introductory Period and are enrolled in the medical and/or dental insurance plan(s) on the first of the month following 90 days of continuous employment with the District. For details, please refer to the plan-specific materials that have been provided to you, or direct your inquiry to the Ethics and Compliance Officer.

C. WORKERS' COMPENSATION

Panoche Water District complies with applicable law requiring workers' compensation insurance coverage to protect its employees who may be injured or become ill in the course of doing their work. The workers' compensation insurance company determines an employee's eligibility for benefits. All employees must report all work-related injuries and illnesses to their supervisor and the Ethics & Compliance Officer immediately, no matter how insignificant the injury may seem. Carrier information is available from the Ethics & Compliance Officer.

In the event that an employee is unable to work due to an injury sustained in the course and scope of employment, the employee may take workers' compensation leave. Workers' compensation leave is unpaid, though employees may seek wage replacement through the State Workers' Compensation system. Sick leave and vacation benefits shall not accrue

during leave but shall not be lost. The accrual of retirement benefits while an employee is out on workers' compensation leave is subject to the restrictions and requirements of the retirement plan.

The first twelve (12) weeks of any workers' compensation leave will run concurrently with any family and medical leave. Employees returning to work after being absent due to a work-related injury must report to the Ethics & Compliance Officer, and must bring a health care provider's note authorizing them to return to work and noting any work restrictions. Please contact the Ethics & Compliance Officer if you have any questions regarding workers' compensation insurance.

D. RETIREMENT PLAN

Full-time employees who have been employed by Panoche Water District for a minimum of six (6) months continuous employment and are age 21 or older are eligible to participate in the District's 401(k) plan. For details about our 401(k) plan, please refer to the plan-specific materials that have been provided to you, or direct your inquiry to the Ethics & Compliance Officer or Accounting Supervisor.

VII. **PAID LEAVES OF ABSENCE**

A. VACATION

To promote employee health and welfare, the District provides vacation time off with pay to all eligible full-time employees to afford time for rest, relaxation, and personal pursuits. Part-time employees are not eligible for paid vacation. Employees start accruing vacation on their first day of full-time employment, and accrue vacation based upon hours worked, not hours paid. Thus, for example, if an employee receives sick or vacation pay, employees do not accrue additional benefits based upon those hours because they are not hours worked, even though they may be hours paid. Employees also do not accrue paid vacation during any period of unpaid leave of absence. Employees may not use vacation time before it is earned. Vacation time accrues each pay period according to the following schedule:

- Date when employee started full-time employment through completion of 10 years of full time of employment: 10 days per year (3.33 hours per pay period);
- Date of 10th anniversary through completion of 15 years of full-time of employment: 15 days per year (5 hours per pay period);
- Date of 15th anniversary through completion of 20 years of full-time of employment: 20 days per year (6.66 hours per pay period);
- Date of 20th anniversary and beyond: 30 days per year (10 hours per pay period)

Using Vacation

Employees begin to accrue vacation time from the first day of full-time employment and are eligible to take time off during their first year of continuous service. Vacation must be scheduled at least 7 days in advance and is subject to approval by the employee's

Division Director. The approval of vacation time is dependent upon the quantity of the employee's accrued vacation time, Panoche Water District's operational needs, and the previous vacation requests and/or leaves of absence of other employees.

Vacation Cap

As part of the District's efforts to promote a safe and healthy workplace, the District believes eligible employees should use all earned vacation time each year. Employees may accrue unused vacation up to a maximum of 1.5 times the employee's annual accrual. This means that eligible employees may accrue up to the following:

- Employees with 1-10 years of eligible service may accrue up to 15 days of vacation time;
- Employees with 11-15 years of eligible service may accrue up to 22.5 days of vacation time;
- Employees with 16-20 years of eligible service may accrue up to 30 days of vacation time; and
- Employees with 20 or more years of eligible service may accrue up to 45 days of vacation.

If an employee's accrued but unused vacation reaches the maximum cap, the employee will not continue to accrue any additional vacation benefits. Once the employee uses enough vacation to fall below the maximum cap, the employee will once again begin accruing vacation from that date forward. No additional vacation benefits will be accrued during the period in which the employee's vacation benefits were at the maximum cap.

Cashing Out Vacation Time

Employees may request pay in lieu of vacation time only under extraordinary and demonstrable circumstances, such as a family medical emergency. All requests for pay in lieu of vacation time must be approved in writing by the Division Director and General Manager. If such approval is given and if accrued vacation time has been fully cashed out, the employee will have no right to paid vacation days until additional vacation days are accrued on the employee's next anniversary date.

Payment on Separation

Vacation time that has been accrued but not used at the time of an employee's separation from the District will be paid directly to the employee or, if permitted by the District's retirement plan, the employee may elect, in writing, to have the accrued vacation deposited in the employee's 401(k) retirement account. Vacation time that is paid will be done so at the employee's final rate of pay at the time of separation from the District.

B. HOLIDAYS

All full-time employees are eligible for holiday pay benefits upon completion of their Introductory Period of employment. Employees are eligible to receive holiday pay only if they would have worked 40 hours during the week that the holiday(s) occur. However, if an employee is using HWHFA sick leave during the week the holiday(s) occur, the employee is eligible for holiday pay. Employees who are on a leave of absence are not eligible to receive holiday pay if a holiday occurs during the employee's leave. The following paid holidays are recognized by Panoche Water District each year:

- New Year's Day
- Martin Luther King, Jr. Day
- Presidents' Day
- Memorial Day
- July 4th
- Labor Day
- Thanksgiving Day and the following Friday- in lieu of Veteran's Day.
- Christmas Eve - 1/2 day
- Christmas Day
- New Year's Eve.

All employees who are eligible for holiday pay will be paid their regular wages for the number of hours they would otherwise have worked on the holiday in question. If a holiday occurs on an employee's regularly scheduled day off, the employee will be allowed to take another day off. This day off must be approved by the employee's supervisor.

When a holiday falls on a Saturday or Sunday, it is usually observed on the preceding Friday or the following Monday. However, Panoche Water District may close on another day. Holiday observances will be announced in advance.

Each non-exempt employee's eligibility for holiday pay begins after completion of the employee's Introductory Period. To be eligible for holiday pay, you must be regularly scheduled to work on the day on which the holiday is observed, and must work your regularly scheduled working days immediately preceding and immediately following the holiday, unless on an approved absence on either day. If you are required to work on a paid scheduled holiday you will receive pay at one- and one-half times your hourly rate of pay.

C. PAID SICK LEAVE – “HEALTHY WORKPLACES, HEALTHY FAMILIES ACT OF 2014”

This policy provides paid sick leave to all eligible District employees as required by the Healthy Workplaces, Healthy Families Act of 2014 (“HWHFA”). Sick leave is to be used only for the purposes stated in this policy.

Employee Eligibility and HWHFA Sick Leave Accrual. District employees who have worked in the State of California for 30 or more days within a year from the

beginning of their employment with the District are eligible for paid sick leave. If a new hire is not an eligible employee, the new hire will become eligible once the employee has worked for the District for 30 days.

Eligible part-time employees will accrue sick leave at a rate of one (1) hour of paid sick leave benefits for every thirty (30) hours worked from the date of hire.

Eligible full-time employees will accrue sick leave at the rate of 4 hours per pay period beginning on the date of hire. On an annual basis, this amounts to 12 days (96 hours).

Capping and Carryover of Unused Paid Sick Leave

Accrued and unused paid sick leave shall carry over to the following year of employment and will be capped as follows:

	<u>Cap on Accrual</u>	<u>Cap on Annual Usage</u>
<u>Part-time employees</u>	48 hours (6 days)	24 hours (3 days)
<u>Full-time employees</u>	120 hours (15 days)	24 hours (3 days)

Employees will again start accruing sick leave once they are below their capped hours.

Employee Use of Paid Sick Leave.

Eligible employees may begin using paid sick leave on their 90th day of employment with the District. Pursuant to the cap on annual usage noted above, part-time employees may not use more than three (3) days (24 hours) of paid sick days in a calendar year, and full-time employees may not use more than three (3) days (24 hours) of paid sick days in a calendar year. Paid sick leave can be used in minimum increments of one (1) hour and can be taken only after it is accrued. Employees may use sick leave benefits for an absence due to diagnosis, care, or treatment of an existing health condition or preventative care for the employee or the following family members:

- The employee's biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands *in loco parentis* (i.e., provides day-to-day care or financial support for a child), regardless of the child's age or dependency status;
- The employee or the employee's spouse or registered domestic partner's biological, adoptive, or foster parent, stepparent, or legal guardian, or a person who stood *in loco parentis* when the employee was a minor child;
- The employee's spouse, registered domestic partner, grandparent, grandchild, or sibling.

Paid sick leave under this policy can also be used by an employee who is a victim of domestic violence, sexual assault, or stalking to obtain treatment or counseling, or engage in safety planning, or as otherwise provided under the law.

Separation of Employment

Unused paid sick leave benefits will not be paid to employees upon separation of employment with the Panoche Water District. However, if an eligible employee is rehired by the District within one (1) year from the date of employment separation, previously accrued and unused paid sick leave benefits under this policy shall be reinstated.

Notice and Records

If the need for paid sick leave is foreseeable, the employee shall provide reasonable advance notification to the employee's supervisor prior to the absence. If the need for paid sick leave is unforeseeable, the employee shall provide notice of the need for the leave as soon as practicable.

Each eligible employee's amount of paid sick leave benefits available for their use will be noted on the employee's paystub.

The District will not deny an employee the right to use accrued sick days under this policy, or discharge, threaten to discharge, demote, suspend, or in any manner discriminate or retaliate against an employee for using accrued sick days or exercising or attempting to exercise the rights provided by the HWHFA.

D. BEREAVEMENT LEAVE

It is the policy of Panoche Water District to grant employees paid leave for purposes of bereavement. The General Manager or Ethics & Compliance Officer will determine the number of paid bereavement days that will be approved, up to a maximum of 5 days of paid bereavement leave.

Bereavement leave will be granted when a death occurs in an employee's immediate family. Immediate family is considered to be the following: spouse, registered domestic partner, child, mother, father, sister, brother, legal guardian, grandparent, grandchild, and in-laws. The employee should notify the Ethics & Compliance Officer as soon as possible of the need for bereavement leave. Bereavement leave will be compensated based on the employee's scheduled hours on the day(s) of the leave, and will not be considered as hours worked for purposes of overtime calculation.

Additional unpaid time off may be approved by the General Manager or the Ethics & Compliance Officer.

E. TIME OFF FOR VOTING

Panoche Water District encourages employees to exercise their voting privileges in local, state, and national elections. Because the polls are open for long periods, you are encouraged to vote before or after regular working hours. However, if necessary, you may take up to two (2) hours paid leave from work at the beginning or end of your shift to vote in a governmental election or referendum. You are required to notify the Ethics & Compliance Officer at least two (2) working days in advance of your need to take time off to vote if, by the third working day prior to the election day, you know or have reason to believe time off will be necessary.

F. JURY DUTY LEAVE

Panoche Water District encourages employees to fulfill their civic duty and to serve on jury duty when called. Please notify the Ethics & Compliance Officer and your supervisor of the need for time off for jury duty as soon as a notice or summons from the court is received. You will be requested to provide written verification from the court clerk of having served. Jury duty leave is paid for only three (3) days unless additional days are approved by the General Manager. Any additional jury duty leave will be unpaid unless approved by the General Manager.

G. ORGAN AND BONE MARROW DONORS' LEAVE

Employees who choose to donate organs or bone marrow may use one of the following leaves, as appropriate:

- Organ donors will be provided with a 30-business day paid leave of absence in any one-year period. The one-year period is measured from the date the employee's leave begins and shall consist of 12 consecutive months. The employee is required to use up to two weeks of earned but unused sick leave or vacation during a leave of absence to donate an organ.
- Bone marrow donors will be provided a paid leave of absence up to five business days in any one-year period. The one-year period is measured from the date the employee's leave begins and shall consist of 12 consecutive months. The employee is required to use up to five days of earned but unused sick leave or vacation during a leave of absence to donate bone marrow.
- Employees who have exhausted all paid organ donor leave and are unable to return to work due to organ donation are eligible for an additional 30 business days of unpaid organ donor leave in a one-year period.

The leave must be taken for the purpose of donating an organ or bone marrow to another person, and may be taken in one or more periods. The employee who requests such a leave must provide written verification to the Ethics & Compliance Officer or General Manager. This verification must state the medical necessity for the donation.

Health benefits will be continued during the Leave of Absence, and time spent on leave for bone marrow or organ donation will not constitute a break in service for salary adjustments, sick leave, or vacation benefit purposes. The employee must continue to pay their portion of the premiums for insurance coverage.

**VIII.
UNPAID LEAVES OF ABSENCE****A. FAMILY AND MEDICAL LEAVE**

Panoche Water District provides family and medical leave to eligible employees under the provisions of the California Family Rights Act ("CFRA") and the Family and Medical Leave Act ("FMLA"). This policy is intended to comply with, and describes your rights, under the FMLA and CFRA. In addition, a description of your rights is posted in the

District's main office, the Ethics & Compliance Officer's office, and in each shop. A General Notice of your rights and responsibilities under the FMLA is also attached to this Handbook immediately following the acknowledgment page. To the extent permitted by law, leave under the FMLA runs concurrently with leave under the CFRA.

Definitions

Leave provided under this policy may qualify as FMLA leave, CFRA leave, or both. The definitions of the following terms may differ based on the terms of the FMLA or the CFRA.

- Covered Child
 - FMLA: a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person to whom the employee stands *in loco parentis*, who is (a) under 18 years of age, or (b) 18 years of age or older and incapable of self-care because of a mental or physical disability.
 - CFRA: a biological, adopted, or foster child, a stepchild, a legal ward, a child of a registered domestic partner, or a person to whom the employee stands *in loco parentis*.
- Covered Family Members
 - FMLA: the employee's parents, children, and spouse.
 - CFRA: the employee's parents, children, spouse, registered domestic partner, grandparents, grandchildren, and siblings.
- Parent
 - FMLA: a biological, foster, or adoptive parent, a stepparent, or other person who stood *in loco parentis* to the employee when the employee was a child.
 - CFRA: a biological, foster, or adoptive parent, a stepparent, a legal guardian, or other person who stood *in loco parentis* to the employee when the employee was a child.
- Serious Health Condition
 - A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the Covered Family Member from participating in school or other daily activities.
 - FMLA: "serious health condition" includes an employee's own disability due to pregnancy, childbirth, or related medical conditions.
 - CFRA: "serious health condition" does not include leave taken for disability on account of pregnancy, childbirth, or related medical conditions. An employee who is not eligible for CFRA leave due to pregnancy, childbirth, or related medical conditions may be eligible for Pregnancy Disability Leave.

Eligibility for Leaves

This policy applies to all employees who have worked for Panoche Water District for at least 12 months (52 weeks) at any time prior to the commencement of the requested leave,

and who has actually worked at least 1,250 hours for Panoche Water District during the 12-month period immediately preceding the date the requested leave would begin.

An employee returning from covered military service will be credited with the hours of service that would have been performed but for the period of military service in determining the 1,250 hours of service.

Amount of Leave

Provided all the conditions of this policy are met, eligible employees may take a family or medical leave of absence under this policy not exceeding the equivalent of twelve (12) of the employee's normally scheduled workweeks for specified purposes (or up to 26 workweeks for Service Member Family Leave) in any twelve (12) month period. Except for Service Member Family Leave, the twelve (12) month period means a rolling 12-month period measured backward from the date leave begins and continuing with each additional leave day taken. Leave under this policy does not need to be taken in one continuous period of time; however, it cannot exceed more than 12 workweeks total for any purpose in a 12-month period.

For any leave for birth, adoption, or placement of a child, the leave must conclude within 12 months after the birth, adoption, or placement. Leave taken under the CFRA shall run concurrently with the leave taken under the FMLA as permitted by law, and shall commence as of the date leave taken under the FMLA commences. However, leave that is taken under the provisions of CFRA to care for an employee's registered domestic partner who has a serious health condition shall not run concurrently with FMLA leave.

For Service Member Family Leave, the twelve (12) month period means a fixed twelve (12) month period that begins on the first day of Service Member Family Leave and ends twelve (12) months later. Service Member Family Leave shall only be available during a single twelve (12) month period. Service Member Family Leave shall run concurrently with leave taken under the FMLA and CFRA for other qualifying reasons.

Permissible Purposes of Family and Medical Leaves

Panoche Water District will grant unpaid family and medical leave to eligible employees for any one or more of the following reasons:

1. Birth of the employee's child, including but not limited to baby bonding with a child after birth;
2. The placement of a child with the employee in connection with an adoption or foster care of the child by the employee, including but not limited to bonding with the child;
3. To care for a child, parent (biological, foster, or adoptive parent, a step-parent, legal guardian, or other person who stood in *loco parentis* to the employee when the employee was a child), or spouse (including same-sex partners in marriage) or registered domestic partner of the employee who has a serious health condition;

4. Due to the employee's own serious health condition that prevents the employee from performing any one or more essential functions of the employee's position; or
5. Because of a qualifying exigency arising out of the fact that the employee's spouse, registered domestic partner (CFRA only) son, daughter, or parent is a military member of the U.S. Armed Forces (including the National Guard and Reserves) on covered active duty, or has been notified of an impending call to covered active duty in the Armed Forces of the United States; or
6. FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered service member during a single 12-month period. Service Member Family Leave may be requested to care for the employee's spouse, child, parent, or next of kin. For purposes of this leave, a covered servicemember is (1) a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, or is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness; or (2) a covered veteran who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness and who was a member of the U.S. Armed Forces (including a member of the National Guard or Reserves) and who was discharged or released under conditions other than dishonorable at any time during the period of five (5) years prior to the date on which the employee takes FMLA leave to care for the covered veteran.

In any case in which both parents of a Covered Child (defined above) are employed by the District and are eligible for CFRA leave, they are both entitled to a total of 12 weeks individually for such leave.

Intermittent Leave

An employee does not need to use FMLA and/or CFRA leave in one block of time. Medical leave for the employee's own serious health condition, family care leave for the serious health condition of a Covered Family Member, qualifying exigency leave, and Service Member Family Leave may be taken intermittently or on a reduced leave schedule when necessary. Leave that is taken intermittently for the birth, adoption, or foster care placement of a child must be a minimum duration of two weeks, except that the employee may request leave of less than two weeks duration twice.

In all cases of scheduled medically necessary treatment, the employee and the District will work together to schedule the leave in a manner that meets the needs of the employee and the District. The employee is required to make a reasonable effort to arrange scheduled medical treatments to minimize disruption to the District's operations. The District may require certification of the medical necessity of the need for intermittent leave or a reduced hour schedule, as provided below. After consulting with your supervisor, please contact the District as soon as you are aware of your need for leave.

Except when leave is taken due to a qualifying exigency, the employee may be required to transfer temporarily to a position with equivalent pay and benefits that better

accommodates recurring periods of leave when the leave is planned based on scheduled medical treatment.

Notification Requirements

Employees must notify the District of their request for family care, medical, military exigency, or military caregiver FMLA or CFRA leave as soon as they are aware of the need for such leave. The District will provide a Request for Leave form, which the employee must complete and return. An employee seeking leave under this policy shall provide at least verbal notice to the District of the need for leave, the anticipated timing and duration of the leave, and the reason for the leave (e.g., expected birth of a child or for medical treatment).

If the need for FMLA, CFRA, or Service Member Family Leave is foreseeable, based on an expected birth, placement for adoption or foster care of a child, or planned medical treatment for a serious health condition of the employee or the employee's qualified family member, the employee must give the Ethics & Compliance Officer at least thirty (30) days' advance notice of the need to begin leave under this policy. For events that are unforeseeable 30 days in advance, the employee must notify the District as soon as is practicable such as by providing verbal notice within one or two business days of when the need for leave becomes known. If the leave is requested in connection with a planned, non-emergency medical treatment, the employee must try to schedule such treatment so as to avoid unduly disrupting the District's business operations, and may be requested to reschedule the treatment so as to minimize disruption of the District's business, subject to the approval of the health care provider of the individual requiring the treatment or supervision.

If an employee fails to provide the requisite 30-day advance notice for foreseeable events without any reasonable excuse for the delay, the District reserves the right to delay the taking of the leave until at least 30 days after the date the employee provides notice of the need for family care or medical leave.

All requests for family care, medical, military exigency, and Service Member Family leave should include enough information to make the District aware that the employee needs qualifying leave, and the anticipated timing and duration of the leave, if known. Employees also must inform the District if the requested leave is for a reason for which FMLA/CFRA leave was previously taken or certified.

After reviewing this policy, if you believe you may be eligible for FMLA or CFRA leave, or you are unsure and have questions about this leave, contact the Ethics & Compliance Officer. You will be given a Request for Leave form to complete and return to assist the District in determining your eligibility for CFRA or FMLA leave.

Medical Certification

If an employee requests a family and medical leave due to a serious health condition of the employee or a Covered Family Member, the employee must support the request with a written certification from the health care provider of the individual with the serious health condition. Qualifying Exigency Leave must be supported by written documentation

that supports the need for leave due to a qualifying exigency. For FMLA Service Member Family Leave, the employee must provide confirmation of a family relationship to the seriously ill or injured service member. Panoche Water District will supply a certification form to the employee for this purpose. **A doctor's note is not sufficient to support a request for FMLA or CFRA because it does not contain all of the information the District needs to evaluate the request for leave and determine the employee's eligibility for leave.**

Employees generally must provide the required certification within 15 calendar days after the District's request for certification. For foreseeable leaves, employees must provide the required medical certification before the leave begins. When that is not possible, employees must provide the required certification within 15 calendar days after the District's request for certification, unless it is not practicable under the circumstances to do so, despite the employee's good faith efforts.

For medical leave due to the employee's serious health condition, the certification need not, but may, at the employee's option, identify the serious health condition involved, and must include the following information: (1) the date, if known, on which the serious health condition commenced; (2) the probable duration of the condition; (3) a statement that, due to the serious health condition, the employee is unable to work at all or is unable to perform any one or more of the essential functions of the employee's position, and (4) in the case of intermittent leave or reduced schedule leave where medically necessary, the probable duration of such a schedule.

The medical certification for a leave to care for a Covered Family Member who has a serious health condition need not identify the serious health condition involved, but must include (1) the date, if known, on which the serious health condition commenced; (2) the probable duration of the condition; (3) an estimate of the amount of time that the health care provider believes that the employee needs to care for the Covered Family Member; (4) a statement that the serious health condition warrants the participation of the employee to provide care during a period of treatment or supervision of the individual requiring care, and (5) in the case of intermittent or reduced schedule leave where medically necessary, the probable duration of such a schedule.

If the employee fails to timely return the certification, the District may deny FMLA and CFRA protections for foreseeable leave until a sufficient certification is provided. In the case of unforeseeable leaves, failure to provide timely certification may result in a denial of the employee's continued leave. Failure to provide the medical certification may result in the denial of leave because the District will be unable to determine the employee's eligibility for FMLA/CFRA leave. The same rules apply to recertification (discussed below).

Second Opinion

Where permitted by law, the District may require, at the District's own expense, the employee to obtain the opinion of a second, independent health care provider, designated or approved by the District, concerning any information in the certification. If the employee's health care provider providing the original certification and the health care provider providing the second opinion do not agree, the District may require a third

opinion, also at the District's expense, performed by a mutually-agreeable health care provider who will make a final determination.

Designation of Protected Leave

Once the District has enough information to determine whether the leave is FMLA/CFRA-qualifying, the District will inform the employee if leave will be designated as protected under the FMLA and/or the CFRA, and, if known at that time, the amount of leave that will be counted against the employee's leave entitlement. If the District determines that the employee is not eligible or the leave is not a qualifying leave, the District will notify the employee. If the District determines that it needs additional information to determine if the employee is eligible or if the leave is a qualifying leave, the District will notify the employee of the additional information required.

Recertification

The employee taking leave because of the employee's own serious medical condition or the serious medical condition of a Covered Family Member may be required, except in cases of Service Member Family Leave, to provide the District with recertification at appropriate intervals allowed by law. For purposes of recertification, the District may request the same information as requested in the original certification. The employee must provide the requested recertification within 15 calendar days of such a request, unless it is not practicable to do so despite the employee's diligent, good faith efforts.

Employee Status

Employees will retain their employee status during the period of a FMLA or CFRA leave. The employee's absence shall not be considered a break in service for purposes of determining their longevity or seniority. However, the employee will not accrue sick or vacation time when the employee is not working for the District during FMLA or CFRA leave because sick and vacation pay accrue only based on hours worked.

Benefits During Leave

Health insurance benefits ordinarily provided by Panoche Water District, and for which the employee is otherwise eligible, will be continued during the period of the leave if the employee elects to continue paying the employee's share of the premiums for such coverage. If the employee wishes coverage to continue, Panoche Water District will continue to pay its share of the premiums for the period of the leave, up to a maximum of 12 weeks (or 26 weeks for Service Member Family Leave). The cost of dependent coverage normally borne by the employee will remain the sole responsibility of the employee. The employee must pay the employee's share of the premiums for employee and dependent coverage by making timely payments to Panoche Water District, in care of the Accounting Supervisor, at the same time as such payments would be made if they were paid via payroll deductions. If the employee fails to pay the employee's share of the premiums during leave, or if the employee fails to return from the leave at the expiration of 12 weeks (or 26 weeks in the case of Service Member Family Leave) for a reason other than the recurrence, continuation, or onset of a serious health condition for which leave under this policy is allowed or other circumstances beyond the employee's control, the District can recover

any health plan premiums paid by the District on the employee's behalf during any period of the leave.

Life and disability insurance coverage that is in effect when a leave begins will be continued automatically at the employee's expense. The employee should make arrangements with the Accounting Supervisor to pay the costs of such coverage. In the rare event the District advances the cost of maintaining life and disability insurance during the employee's leave, the full costs of maintaining life and disability insurance coverage will be recovered from the employee upon return from the leave.

Use of Paid Sick Leave and Vacation Benefits

If an employee is receiving partial wage replacement benefits during leave under this policy, the employee is not considered to be on unpaid leave and is not required to use accrued vacation or sick leave, although the employee may elect to do so, and Panoche Water District and the employee may agree that the employee's sick leave and vacation will supplement the partial wage replacement benefits.

Reemployment Privileges

Except where the law authorizes a different result, an employee who complies with the provisions of this policy will be guaranteed reemployment upon expiration of an approved leave, provided that the total period of the leave does not exceed twelve (12) weeks (or 26 weeks for Service Member Family Leave). The employee will be reemployed in the same or a comparable position as that which the employee occupied when the leave commenced, consistent with applicable law.

Before returning to work, an employee who takes a leave because of the employee's own serious health condition must provide a medical certification verifying that the employee is able to return to work with or without reasonable accommodation and is able to perform the essential functions of that employee's job, with or without reasonable accommodation. If an employee fails to return for work immediately after the period of the approved leave expires, the employee will be considered to have voluntarily separated from the District's employ.

The District does not interfere with, restrain, or deny the exercise of any leave right. The District will not deny an employee the right to take FMLA or CFRA leave or discharge, threaten to discharge, demote, suspend, or in any manner discriminate against an employee for taking family and medical leave, or exercising or attempting to exercise the rights provided by FMLA and/or CFRA. If you have questions, or would like further clarification about FMLA/CFRA leave or other types of leave, please contact the Ethics & Compliance Officer.

B. GENETIC INFORMATION

The Genetic Information Nondiscrimination Act of 2008 ("GINA") and the Fair Employment and Housing Act ("FEHA") prohibit covered employers and other entities from requesting or requiring genetic information of an individual or family member of the individual, except as specifically allowed by this law. To comply with this law, we are

asking that you not provide any genetic information when responding to any request for medical information. "Genetic information," as defined by GINA or FEHA, includes an individual's family medical history, the results of an individual's or family member's genetic tests, the fact that an individual or an individual's family member sought or received genetic services, the manifestation of a disease or disorder in family members of the individual, and genetic information of a fetus carried by an individual or an individual's family member or an embryo lawfully held by an individual or family member receiving assistive reproductive services.

C. MEDICAL DISABILITY LEAVE

Employees who do not qualify for leave pursuant to the FMLA or CFRA, or who have exhausted their FMLA or CFRA leave and are unable to return to work because of a medical disability may take an unpaid medical disability leave of absence if necessary to reasonably accommodate a workplace injury or a qualified disability under the Americans with Disabilities Act or FEHA.

A medical disability leave may be a reasonable accommodation provided the leave is likely to be effective in allowing the employee to return to work at the end of the leave, with or without further reasonable accommodation, the leave does not create an undue hardship for the District, and is not for an indefinite duration.

Duration of Leave

The duration of medical disability leave under this section shall be consistent with applicable law, but in no event shall the leave extend past the date on which an employee becomes capable of performing the essential functions of the employee's position, with or without reasonable accommodation. For a full explanation of leave rights, employees should contact the Ethics & Compliance Officer.

If medical disability leave is needed due to a work-related injury, all matters relating to an employee's leave rights, including compensation, benefits, substitution of paid leave, notice, certification requirements, and reinstatement shall be governed by applicable laws, including workers' compensation law and federal disability laws. Employees having questions about such rights should contact the Ethics & Compliance Officer.

An employee taking medical disability leave must substitute any accrued sick pay and vacation pay for the leave. Except to the extent that paid leave is substituted for medical disability leave, the medical disability leave will be unpaid.

The District will extend a medical disability leave of absence beyond approved pregnancy disability leave, other legally mandated leave, or beyond the initial approved medical disability leave if additional leave is likely to be effective in allowing the employee to return to work in the reasonably foreseeable future, and approval of additional leave will not cause an undue hardship for the District. In the event additional medical disability leave is requested, the District will engage in the interactive process with the employee to determine if additional medical disability leave is a reasonable accommodation. If additional medical disability leave is requested, the employee's health care provider must

provide a medical certification stating how much additional medical disability leave is likely to be effective in allowing the employee to return to work so the District and the employee can evaluate whether an extension of leave is a reasonable accommodation. Each request for an extension of approved medical disability leave is evaluated on a case-by-case basis to determine if additional leave will enable the employee to return to work in the reasonably foreseeable future, with or without additional accommodation. The law does not require the District to provide an indefinite medical disability leave of absence as a reasonable accommodation.

Health insurance benefits will continue during the medical disability leave as permitted by the terms, conditions, and limitations of the applicable plan documents. Upon expiration of benefits, the employee will be offered continuation coverage at the employee's expense. When the employee returns from the leave, benefits will again be provided to eligible employees according to the applicable plans. The company's paid sick leave and vacation benefits do not accrue while an employee is on an unpaid leave of any kind.

Requesting Medical Disability Leave

Unless the circumstances render it impractical, the District must approve a medical disability leave in advance. Whenever possible, an employee should submit a written request for medical disability leave to the Ethics & Compliance Officer as soon as the employee is aware of the need for such leave. Any request for medical disability leave must be supported by medical certification from a health care provider, which shall provide the following information:

- The date on which the need for leave began or will begin;
- The probable duration of the period of leave needed for treatment and recovery;
- The name, address, telephone number, and credentials of the employee's health care provider;
- An explanatory statement that, due to the physical or mental condition, the employee is unable to work at all or is unable to perform any one or more of the essential functions of the employee's position without undue risk to the employee or to other persons; and
- A statement that the employee needs leave as a reasonable accommodation, and what accommodations, if any, would assist the employee in performing the essential functions of the employee's position.

Failure to submit a complete medical certification in a timely manner may result in the delay or denial of leave. Providing a health care provider's note confirming the physical or mental condition that does not contain all of the required information instead of submitting the required certification form is insufficient to grant a medical disability leave of absence.

If an employee submits an insufficient Certification of Health Care Provider in response to the District's request, the District will inform the employee why the certification is

insufficient and allow the employee to provide supplemental information from the employee's health care provider. Thereafter, if the certification is still insufficient, the District may deny the leave.

Return to Work

Each employee who has taken a medical disability leave must keep the Ethics & Compliance Officer advised of the status of the leave and must contact the supervisor or Ethics & Compliance Officer at least two (2) weeks prior to the expiration of the employee's scheduled leave to discuss the employee's return to work.

An employee desiring to return to work from medical disability leave shall be returned to the employee's former position or reinstated to an equivalent position for which the employee is qualified in accordance with legal requirements. However, if holding the employee's job during the medical disability leave will result in an undue hardship, the District may fill the employee's job.

All employees must be released by their health care provider in order to return to work from a medical leave of absence. An employee returning to work from a medical leave of absence must provide a written certification/release to return to work form, completed by the employee's health care provider, verifying that the employee may safely return to work without endangering the health or safety of the employee or others. The release form must be submitted to the Ethics & Compliance Officer prior to the employee's return from medical disability leave. If the employee's health care provider has released the employee to return to work with restrictions, the District will begin the interactive process with the employee to determine if the restrictions can be reasonably accommodated without posing an undue hardship on the District. If the certification/release to return to work form completed by the employee's health care provider is insufficient to determine what accommodations may be considered, the District may request more detailed information about the work restrictions.

An employee on medical disability leave who engages in other employment must notify the District prior to the commencement of any other employment. Failure to do so will be considered a voluntary resignation of the employee's employment with the District.

D. PREGNANCY DISABILITY LEAVE

Entitlement to Leave

The District recognizes that employees may be unable to work for temporary but extended periods of time due to pregnancy, childbirth, or related medical conditions ("Pregnancy-Disability"). Accordingly, Pregnancy-Disability leaves of absence without pay will be granted to employees who are disabled by pregnancy. An employee is disabled if, in the opinion of the employee's health care provider, the employee is unable because of pregnancy, childbirth, or a related medical condition to perform any of the essential duties of the employee's job or to perform any of those duties without undue risk to the employee or other persons or to the employee's pregnancy's successful completion.

An employee may be entitled to a reasonable accommodation, such as a modification of job duties or schedule, for pregnancy, childbirth, or related medical conditions if the employee so requests, if the employee provides Panoche Water District with medical certification from the employee's health care provider that supports the need for the accommodation, and if the accommodation is reasonable and does not create an undue hardship. In addition to other forms of reasonable accommodation, a pregnant employee may be entitled to transfer temporarily to a less strenuous or hazardous position or to less hazardous or strenuous duties if the employee so requests, if the transfer request is supported by proper medical certification, and if the transfer can be reasonably accommodated.

Amount of Leave

An employee may be eligible for leave of absence without pay for Pregnancy-Disability leave for the time the employee is actually disabled by pregnancy, up to a maximum of the number of days or hours the employee would normally work within four (4) months (one-third of a year or 17½ weeks). If an employee's schedule varies from month to month, a monthly average of the hours worked over the four months prior to the beginning of the leave will be used for calculating the employee's normal work month. An employee taking Pregnancy-Disability leave ("PDL") may substitute any accrued paid leave time for the employee's leave. Except to the extent that paid leave is substituted for Pregnancy-Disability leave, the leave will be unpaid. The substitution of paid leave for PDL does not extend the total duration of the leave to which an employee is entitled. Leave may be taken intermittently (in no less than ½ hour increments) or on a reduced work schedule, as medically needed.

PDL shall run concurrently with FMLA provided the employee is eligible for FMLA.

Notice

Whenever possible, an employee should submit a written request for Pregnancy-Disability leave, reasonable accommodation, or transfer to the employee's supervisor or the Ethics & Compliance Officer as soon as the employee is aware of the need for such leave, reasonable accommodation, or transfer. If the leave, reasonable accommodation, or transfer is foreseeable, the employee must provide thirty (30) calendar days' advance notice to Panoche Water District of the need for leave, reasonable accommodation, or transfer. If it is not practicable for the employee to give thirty (30) calendar days' advance notice of the need for leave, reasonable accommodation, or transfer, the employee must notify the employee's supervisor or Ethics & Compliance Officer as soon as practicable after the employee learns of the need for the leave, reasonable accommodation, or transfer.

If an employee fails to provide the requisite thirty (30) days' advance notice for a foreseeable need for leave, reasonable accommodation, or transfer without any reasonable excuse for the delay, Panoche Water District reserves the right to delay the leave, reasonable accommodation, or transfer until at least thirty (30) days after the date the employee provides notice of the need for the leave, reasonable accommodation, or transfer.

Certification

Any request for PDL must be supported by medical certification from a health care provider, which shall contain the following information:

- a. The date on which the employee became disabled due to pregnancy;
- b. The estimated duration of the PDL; and
- c. A statement that the employee needs to take PDL because the employee is disabled by pregnancy, childbirth, or a related medical condition.

In the case of a pregnancy disability reasonable accommodation or transfer, the medical certification shall provide the following information:

- a. The date on which the need for reasonable accommodation or transfer became or will become medically advisable;
- b. The estimated duration of the reasonable accommodation or transfer; and
- c. A statement describing the medical advisability of the reasonable accommodation or transfer because of pregnancy; and
- d. A description of the requested reasonable accommodation or transfer.

Upon expiration of the time period for the leave, reasonable accommodation, or transfer estimated by the health care provider, Panoche Water District may require the employee to provide another medical certification if additional time is requested for leave, reasonable accommodation, or transfer.

The employee must submit medical certification within 15 calendar days, if practicable, of when Panoche Water District provides the employee with the medical certification form. In the case of a foreseeable need for PDL, transfer, or reasonable accommodation, Panoche Water District may delay granting the leave, transfer, or reasonable accommodation to an employee who fails to provide timely certification after Panoche Water District has asked the employee to furnish such certification (within 15 days if practicable), until the required certification is provided. When the need for leave, transfer, or reasonable accommodation is not foreseeable, or in the case of recertification, an employee must provide certification (or recertification) within 15 days if practicable or as soon as reasonably possible.

Return to Work

The employee must discuss with the Ethics & Compliance Officer the employee's return date as far in advance as possible, and no later than ten (10) days in advance of the expected return. If there is a change in the date of return to work, or if no agreement was made about a date of return to work, an employee who has taken a PDL or transfer must notify the employee's supervisor, or Ethics & Compliance Officer at least two (2) days before the employee's return to work or, as applicable, transfer back to the employee's

former position. An employee who timely returns to work at the expiration of the employee's PDL will be reinstated to the employee's former position, or a comparable position, whenever possible and consistent with applicable law.

Each employee who has taken a Pregnancy-Disability leave or transfer must be released by the employee's health care provider to return to work. The release must be in writing and submitted to Ethics & Compliance Officer on or before the employee's return from a PDL or transfer.

An employee's failure to timely return from Pregnancy-Disability leave, or the employee's failure to contact the employee's supervisor or Ethics & Compliance Officer within three (3) days after the scheduled date of return, will be considered a voluntary resignation of the employee's employment with the District.

Benefits

Subject to the terms, conditions, and limitations of the applicable plans, Panoche Water District will maintain health insurance benefits during PDL at the same level and under the same conditions as if the employee had continued working. If an employee fails to return to work from PDL for a reason other than taking CFRA leave, the continuation, recurrence, or onset of the pregnancy-related disability, or another circumstance beyond the employee's control, Panoche Water District may require the employee to reimburse the amount it paid for the employee's health insurance premiums during the leave period.

E. LACTATION ACCOMMODATION

California law requires, and the District provides, a reasonable amount of break time as a lactation accommodation for employees who wish to express breast milk for their infant each time the employee has need to express milk. The break time shall, if possible, run concurrently with any break time already provided to the employee. Lactation break time that does not run concurrently with rest periods and meal periods will be unpaid.

Any employee who requires lactation accommodation should contact the Ethics & Compliance Officer and request accommodation. If the District is unable to provide break time or a reasonable lactation break that complies with the policy below, the District will provide a written response to the employee.

The District will provide an employee with the use of a room or other location for the employee to express milk in private that is in close proximity to the employee's work area, other than a bathroom. The room will be shielded from view, and free from intrusion while the employee is expressing milk. The room or location may include the place where the employee normally works if it otherwise meets the requirements listed below for a reasonable location.

The District will provide a lactation room or location which is:

- Safe, clean, and free of hazardous materials;
- Contains a surface to place a breast pump and personal items;
- Contains a place to sit; and

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

In addition, the District will provide access to a sink with running water and a refrigerator or other cooling device suitable for storing milk in close proximity to the employee's workspace. Where a multipurpose room is used for lactation, among other uses, the use of the room for lactation shall take precedence over the other uses, but only for the time it is in use for lactation purposes.

The District may designate a lactation location that is temporary due to operational, financial, or space limitations. The temporary location will comply with the accommodation requirements of this policy.

Employees should be aware that they may report a violation of this policy to the California Labor Commissioner's field enforcement unit, which will investigate and prosecute complaints of violations of this policy.

No employee will suffer any reprisals or retaliation for exercising or attempting to exercise any right protected under this policy.

F. PERSONAL LEAVE

Employees who have been continuously employed with Panoche Water District for at least one (1) year may request a personal leave of absence without pay for a reasonable period up to 30 calendar days. Requests for personal leave should be limited to unusual circumstances requiring an absence of longer than two (2) weeks. To take a personal leave, you should make a written request to your supervisor, the General Manager or the Ethics & Compliance Officer as far in advance as possible. Requests to take personal leave must be approved in writing by your supervisor, the General Manager, and or the Ethics & Compliance Officer and will be reviewed based on a number of factors, including business needs, equity and staffing requirements. Whether a request to take personal leave is granted is in the District's sole discretion.

Before taking any personal leave, an employee must use all accrued paid vacation and sick leave unless approved by the General Manager.

Panoche Water District does not pay for group health insurance premiums during any unpaid portion of a personal leave of absence. The premiums for employee and dependent insurance shall be the complete responsibility of the employee, unless other arrangements are made in advance with the General Manager.

The period that an employee is on personal leave is not considered time worked for purposes of determining eligibility for benefits. When an employee returns from personal leave, the eligibility and accrual dates for such benefits will be adjusted forward to reflect the period of the personal leave. An employee is not eligible for holiday pay that occurs while the employee is on personal leave, unless other arrangements are made in advance with the General Manager.

Sick leave and vacation benefits shall not accrue during unpaid personal leave, but any accrued sick leave and vacation benefits shall not be lost. Upon return from personal leave, the employee will begin accruing vacation and sick benefits at the same rate as prior to the personal leave, unless other arrangements are made in advance with the General Manager.

Misrepresenting reasons for applying for a personal leave may result in disciplinary action, up to and including termination of employment.

When personal leave is granted, an effort will be made to hold the employee's position open for the period of the personal leave. However, due to the needs of Panoche Water District, there will be times when positions cannot be held open. Accordingly, it is not possible to guarantee reinstatement. If an employee's former position is unavailable when the employee is ready to return from personal leave, the District will make an effort to place the employee in a comparable position for which the employee is qualified. If such position is not available, the employee will be offered the next available position for which the employee is qualified. An employee who does not accept a position offered by Panoche Water District will be considered to have voluntarily terminated employment, effective the day such refusal is made.

G. WITNESS LEAVE

Panoche Water District also provides unpaid time off if an employee is required to appear as a witness in a judicial proceeding. Employees will be requested to provide a copy of the subpoena or other notice compelling the employee's attendance. Employees are required to provide reasonable advance notice of a request for witness leave to the employee's supervisor, the General Manager, or Ethics & Compliance Officer.

H. SCHOOL VISIT LEAVE

Employees are eligible for school visit leave to participate in activities of the school or licensed day care facility of any child if the employee is the parent, guardian, grandparent, stepparent, or foster parent of the child, or person who stands in loco parentis to the child. Employees may take up to forty (40) hours school visit leave each calendar year, not exceeding eight (8) hours in any calendar month. Employees must first use vacation hours during school visit leave. If an employee does not have vacation hours available, the employee may take unpaid leave for school visits, unless otherwise approved by your supervisor, General Manager, or Ethics & Compliance Officer. The employee must give reasonable notice to the employee's supervisor, the General Manager or Ethics & Compliance Officer of the school or licensed day care facility visit prior to taking the time off from work.

I. SCHOOL DISCIPLINE LEAVE

Any employee who is the parent or guardian of a child is eligible for a school-discipline leave. The employee must have received a written notice from the principal of the school requesting the employee's attendance at a conference to discuss the child's suspension from school. School-discipline leave is not available to employees who voluntarily consult with school administrators regarding a child's performance in school.

The employee's supervisor, General Manager, or Ethics & Compliance Officer may require the employee to provide a copy of the notice received from the school, prior to granting school-discipline leave, and may require documentation from the school as proof that the visit took place. The employee's supervisor, the General Manager, or Ethics & Compliance Officer may ask the employee or the principal to briefly reschedule the conference if the employee's attendance at work is essential at the time originally scheduled. Employees must first use vacation hours during school-discipline leave. If an employee does not have any vacation hours available, the employee may take unpaid leave.

J. MILITARY LEAVE

Employees who are absent from work due to service in the U.S. military are entitled to certain benefits and/or job protections. Panoche Water District fully complies with the currently applicable law in this regard. For more information and details about these protections and the Uniformed Services Employment and Re-Employment Rights Act of 1994 ("USERRA"), please contact the General Manager or Ethics & Compliance Officer.

K. DOMESTIC VIOLENCE, SEXUAL ASSAULT, AND STALKING VICTIMS LEAVE

The District recognizes that domestic violence, sexual assault, stalking, and other offenses that cause physical or mental injury or a threat of physical injury can have an adverse impact on employee job performance, and may also impact co-workers. If an employee is a victim of such an offense, time off may be necessary to seek judicial relief to help ensure the health, safety, or welfare of the employee or a child. This may include efforts:

- To obtain or attempt to obtain any relief, including a temporary restraining order, restraining order, or other injunctive relief, to help ensure the health, safety, or welfare of the employee or the employee's child;
- To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking;
- To obtain services from a domestic violence program, shelter, or rape crisis center;
- To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking; or
- To participate in safety planning and other actions taken to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

In addition to requesting leave, an employee who is a victim of domestic violence, sexual assault, or stalking may request a reasonable accommodation for his or her safety at work by submitting a signed written statement certifying the accommodation is for the employee's protection, along with certification demonstrating the employee's status as a victim of domestic violence, sexual assault, or stalking (as required below for leave). Upon

receiving the request, the District will engage in a good faith interactive process with the employee to determine effective reasonable accommodations.

The District will not discharge or in any manner discriminate or retaliate against an employee based upon the employee's status as a victim of such an offense based upon the employee's request for leave or reasonable accommodation due to domestic violence, sexual assault, or stalking.

Domestic violence, sexual assault, and stalking leave is unpaid, unless approved by the General Manager. An employee may use accrued paid sick leave under the Healthy Workplaces, Healthy Families provision in this handbook when time off is needed for the above purposes. If employee needs time off from work for this purpose, reasonable advance notice must be provided to the employee's supervisor, the General Manager, or the Ethics & Compliance Officer in writing. If an unscheduled absence or emergency court appearance is required for the health, safety, or welfare of the employee or a child, the employee must provide evidence that reasonably verifies that the crime or abuse occurred and that the absence is for a purpose authorized under this policy. For example, reasonable verification could include the following:

- A police report indicating that the employee was a victim of domestic violence, sexual assault, or stalking;
- A court order protecting or separating the employee from the perpetrator of an act of domestic violence, sexual assault, or stalking;
- A court order or other evidence from the court or prosecuting attorney that the employee appeared in court; or
- Documentation from a medical professional, domestic violence advocate, health care provider, or counselor that the employee was undergoing treatment for injuries or abuse resulting in victimization from an act of domestic violence, sexual assault, or stalking.

Panoche Water District will make reasonable efforts to maintain the confidentiality of an employee who requests leave under this section.

L. CRIME VICTIMS LEAVE

If you, or an immediate family member, are the victim of domestic violence, sexual assault, or stalking, or a crime that caused physical injury or that caused mental injury and a threat of physical injury, or you are a person whose "immediate family member" is deceased as a direct result of a crime, you may take unpaid leave to obtain or attempt to obtain any relief, including, but not limited to, a restraining order, temporary restraining order, or other injunctive relief to help ensure your health, safety, or welfare, or that of your children. An "immediate family member" is a:

- Spouse;
- registered domestic partner;

- a biological, adopted, or foster child, stepchild, or legal ward, a child of a domestic partner, a child to whom the employee stands in loco parentis, or a person to whom the employee stood in loco parentis when the person was a minor, regardless of the age of the child;
- a biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or an employee's spouse or domestic partner, or a person who stood in loco parentis when the employee or the employee's spouse or domestic partner was a minor child;
- a biological, foster, or adopted sibling, stepsibling, or half-sibling; and
- any other individual whose close association with the employee is the equivalent of a family relationship described above.

If an employee or an employee's spouse, registered domestic partner, child, stepchild, brother, stepbrother, sister, stepsister, mother, stepmother, father, or stepfather is a victim of a violent or serious felony, or a felony relating to theft or embezzlement, the employee may take unpaid leave in order to attend the judicial proceedings related to that particular crime.

The time taken off is unpaid unless vacation or sick leave time is available.

In addition, an employee may take time off, upon the victim's request, to appear in court to be heard at any proceeding, including any delinquency proceeding, involving a post-arrest release decision, plea, sentencing, postconviction release decision, or any proceeding in which a right of the victim is at issue, related to any of the following offenses against the employee or the employee's spouse, registered domestic partner, parent, child, sibling, or guardian:

- Vehicular manslaughter while intoxicated;
- Felony child abuse likely to produce great bodily harm or death;
- Assault resulting in the death of a child under eight years of age;
- Felony domestic violence; felony physical abuse of an elder or dependent adult;
- Felony stalking;
- Solicitation for murder;
- A serious felony, such as kidnapping, rape, or assault with a deadly weapon;
- Hit and run causing death or injury;
- Felony driving under the influence causing injury; or
- Sexual assault.

If you need time off for one of these purposes, you must provide reasonable advance notice to your supervisor and the Ethics & Compliance Officer, and you must provide to your supervisor or the Ethics & Compliance Officer certification supporting the absence. If advance notice is not possible you must provide your supervisor or Ethics & Compliance Officer with certification of the absence within a reasonable time after the absence.

Certification shall be any of the following:

- A police report indicating that the employee was a victim of an offense listed above;
- A court order protecting or separating the employee from the perpetrator of an

- offense listed above;
- Other evidence from the court or a prosecuting attorney that the employee appeared in court;
- Documentation from a medical professional, domestic violence counselor, sexual assault counselor, victim advocate, licensed health care provider, or counselor that the employee was undergoing treatment or receiving services for physical or mental injuries or abuse resulting in victimization from an offense listed above;
- Any other form of documentation that reasonably verifies that the crime or abuse occurred, including but not limited to, a written statement signed by the employee, or an individual acting on the employee's behalf, certifying the reason for the absence.

When an employee is a victim of a crime **at their workplace**, the District will give the employee written notice that the employee may be eligible for workers' compensation benefits for resulting injuries, including psychiatric injuries. The employee will be provided with the written notice either personally or by First Class mail within one (1) day of the crime, or within one (1) day of the date that the District could have reasonably known of the crime.

No employee may be discharged, or in any manner discriminated against in compensation or other terms, conditions or privileges of employment, including, but not limited to the loss of seniority or precedence, because of an absence protected by this law.

The District will take reasonable steps to keep any records regarding the use of Crime Victims Leave confidential.

IX. **HEALTH AND SAFETY**

A. SAFETY

Your safety and welfare are important to us. Panoche Water District is committed to preventing work-related accidents and maintaining a safe work environment. In keeping with our commitment, we have developed an Injury and Illness Prevention Program, which is available for review in the Ethics & Compliance Officer's office. Every employee must participate and comply fully with the Injury and Illness Prevention Program and the provisions in this Handbook.

The District endeavors to prevent accidents by providing proper equipment and safeguards, providing personal safety equipment on jobs requiring it, providing adequate safety instruction through proper job training, and through the careful review of all safety matters. You are required to make every effort and assume personal responsibility by using safety equipment and by following instructions and rules issued to prevent accidents. Please report any conditions you feel are unsafe such as slipping and tripping hazards, inadequate lighting, frayed electrical cords, etc. Be sure to acquaint yourself with the procedure for reporting a fire and with fire exits, fire alarm stations, and fire extinguisher equipment nearest your work area.

Panoche Water District will maintain safety and health practices consistent with the needs of our industry. If you are ever in doubt about how to safely perform a job, it is your responsibility to ask your supervisor, the Ethics & Compliance Officer, for assistance. Compliance with these safety rules is considered a condition of employment. Therefore, it is a requirement that each employee make the safety of employees an integral part of the employee's job. It is the responsibility of each employee to accept and follow established safety regulations and procedures.

In the event of a disaster or emergency such as a fire, earthquake, or power outage, employees should use the stairs to exit the building, and should do so in an orderly fashion.

New employees must read and understand the District's Injury and Illness Prevention Program. If you do not understand something that you have read, please refer your questions to your supervisor or the Ethics & Compliance Officer.

All accidents, injuries, potential safety hazards, safety suggestions and health and safety related issues must be reported immediately to your supervisor, the General Manager and or the Ethics & Compliance Officer. If you or another employee is injured, you should contact outside emergency response agencies, if needed.

B. ERGONOMICS

Panoche Water District is subject to Cal/OSHA ergonomics standards for minimizing workplace repetitive motion injuries. The District encourages safe and proper work procedures, and requires all employees to follow safety instructions and guidelines.

Panoche Water District believes that the reduction of ergonomic risk is instrumental in maintaining an environment of personal safety and wellbeing, and that it is essential to our business. The District is committed to providing appropriate resources for its employees in order to provide as risk-free an environment as possible. To that end, the District will make any necessary adjustments to reduce exposure to ergonomic hazards through modifications to equipment and processes, and through employee training.

C. HEAT ILLNESS

Employees who work outside may be exposed to extreme temperatures and/or adverse working conditions, especially during the summer. For this reason, all employees including supervisors are trained in the recognition and treatment of heat illness. Please refer to the District's Injury, Illness and Prevention Program or talk to your supervisor or Ethics & Compliance Officer for details about how to ensure that you are protected from heat illness. In addition, employees who work outside in areas where the temperature is hot are also entitled to take paid rest breaks as needed to prevent heat related illness upon request.

D. WORKPLACE INJURIES

If you are injured on the job, even slightly, immediately report to your supervisor, the General Manager, or Ethics & Compliance Officer for first aid. If the injury requires medical attention, you will be transported to a health care provider for professional care.

Failure to report accidents or injuries can result in a violation of legal requirements. If you are injured on the job, you may be entitled to benefits under the State Worker's Compensation law.

E. SECURITY

Panoche Water District has developed this policy to help maintain a secure workplace. Be aware of persons loitering for no apparent reason in parking areas, walkways, entrances and exits, and service areas. Employees must report any suspicious persons or activities to their supervisor, the General Manager, or the Ethics & Compliance Officer. Secure your desk or office at the end of the day. When called away from your work area for an extended length of time, do not leave valuable and/or personal articles that may be accessible in or around your workstation. The security of facilities as well as the welfare of our employees depends upon the alertness and sensitivity of every individual to potential security risks. You should immediately notify your supervisor, the Ethics & Compliance Officer, or the General Manager if unknown persons are acting in a suspicious manner in or around the facilities, or if keys or identification badges are missing.

For employee security and safety, desks, lunchboxes, purses, briefcases, backpacks, containers, boxes, packages or other objects on Panoche Water District property can be inspected by any agent or authorized representative of Panoche Water District at any time, either with or without prior notice. Failure to cooperate with a requested inspection may result in immediate termination of employment.

F. WORKPLACE VIOLENCE

Panoche Water District has adopted the following workplace violence policy to help ensure a safe working environment for all of our employees. The District has zero tolerance for acts and/or threats of violence. All such acts and/or threats, even those made in apparent jest, will be taken seriously and will lead to disciplinary action up to, and including, termination of employment. A threat includes, but is not limited to, any indication of intent to harm a person or to damage District property. Threats may be direct or indirect, and they may be communicated verbally or nonverbally.

Possession of weapons on District premises and/or at District-sponsored events shall constitute a threat of violence. Possession of firearms while on duty is allowed **only** by employees specifically designated by the General Manager who are fully trained and are required to use firearms to protect themselves from reptiles or large animals, or to engage in rodent control, and only when other means of such protection or control are not effective or feasible. The use or possession of all other dangerous weapons is prohibited. A dangerous weapon is any object or weapon inherently deadly or capable of being used in a manner that is capable of causing or likely to cause great bodily injury or death.

It is every employee's responsibility to assist in establishing and maintaining a violence-free workplace. Therefore, each employee is required to report any incident which may be threatening to you and/or your co-workers, or any event or conduct that you reasonably believe is threatening or violent in nature or that violates this policy. You may report any such incidents to your supervisor, the Ethics & Compliance Officer, or the General Manager.

G. ONGOING COVID-19 HEALTH EMERGENCY

The District has adopted the CPP (COVID-19 Prevention Program and policy to address and control potential exposures to the SARS-CoV-2 virus that may occur in the workplace.

All of the District's prior COVID-19 policies are rescinded and replaced by this CPP. This COVID-19 Prevention Program is intended to meet the requirements of the California Emergency Regulation 3205 et. seq. and also is based on CDC (Center for Disease Control), California DPH (Department of Public Health), Cal/OSHA industry guidance documents and other guidance issued from the state of California or the US Federal Government.

Due to the rapidly developing nature of COVID-19, revisions to recommendations from local, state, and federal health authorities, and the District's responses to these rapid developments, please check with the Ethics & Compliance Officer for the most up-to-date information and any questions.

X.
RECEIPT AND ACKNOWLEDGEMENT OF HANDBOOK

PLEASE READ THE EMPLOYEE HANDBOOK, SIGN THIS ACKNOWLEDGEMENT, AND RETURN THIS ACKNOWLEDGEMENT TO YOUR SUPERVISOR WITHIN ONE WEEK.

Employee Name: _____

I acknowledge that I have received a copy of Panoche Water District's Employee Handbook ("Handbook") dated _____. I understand that the Handbook describes my employee benefits and obligations, and that the Handbook, and District policies, set forth the terms and conditions of my employment. I understand that I am responsible for reading the Handbook and for knowing and complying with the policies set forth in the Handbook during my employment with Panoche Water District. I have been given the opportunity to ask any questions I might have about policies that I do not understand. I understand that the contents of the Handbook apply to all employees of Panoche Water District, including employees covered by a written employment contract or collective bargaining agreement. Union employees covered under a collective bargaining agreement are subject to the terms and conditions of the existing union contract in circumstances where there is a conflict between the union contract and this Handbook.

I further understand that, with the exception of the "at-will" provision, Panoche Water District has the right to amend, interpret, modify, or withdraw any of the provisions of the Handbook at any time in its sole discretion, with or without notice. Furthermore, I understand that, because Panoche Water District cannot anticipate every issue that may arise during my employment, if I have any questions regarding any of Panoche Water District's policies or procedures, I should consult my supervisor, the General Manager, or the Ethics & Compliance Officer.

I understand and agree that my relationship with Panoche Water District is "at-will," which means that my employment is for no definite period and may be terminated by me or by Panoche Water District at any time and for any reason with or without cause or advance notice.

I understand and agree that the terms of this Acknowledgment may not be modified or superseded except by a written agreement signed by me or my representative and the General Manager or President of the Board of Directors of Panoche Water District, that no other employee, supervisor, or representative of Panoche Water District has the authority to enter into any such agreement on behalf of Panoche Water District, and that any agreement to employ me for any specified period of time, or any agreement that is otherwise inconsistent with the terms of this Acknowledgment will be unenforceable unless it is in writing and signed by me or my representative and the General Manager or President of the Board of Directors of Panoche Water District. No manager, supervisor, or representative of the District has authority to enter into any agreement, express or implied, for employment for any specific period of time, or to make any agreement for employment other than at-will. I further understand and agree that if the terms of this Acknowledgement

are inconsistent with any policy or practice of Panoche Water District now or in the future, the terms of this Acknowledgment shall control.

I understand and agree that nothing in the employee Handbook creates or is intended to create a promise or representation of continued employment and that employment at the District is at-will, employment may be terminated at the will of either the District or me. My signature certifies that I understand that the foregoing agreement on at-will status is the sole and entire agreement between the District and me concerning the duration of my employment and the circumstances under which my employment may be terminated. It supersedes all prior agreements, understandings, and representations concerning my employment with the District.

I understand and agree that nothing in this Handbook is intended to interfere with my right to participate in concerted activity such as communicating with my co-workers regarding my wages, hours, or terms and conditions of employment, or with my right to self-organize or join labor organizations or any other rights protected under the National Labor Relations Act.

Employee's Printed Name

Position

Employee's Signature

Date

**EMPLOYEE ACKNOWLEDGMENT OF RECEIPT OF
HARASSMENT, DISCRIMINATION AND RETALIATION
PREVENTION POLICY**

This will acknowledge that I have received a copy of the Harassment, Discrimination, and Retaliation Prevention Policy which is contained in the Panoche Water District Employee Handbook, and that I understand and will comply with the requirements of that policy at all times.

Employee's Name (Please Print)

Employee's Signature

EMPLOYEE RIGHTS UNDER THE FAMILY AND MEDICAL LEAVE ACT

THE UNITED STATES DEPARTMENT OF LABOR WAGE AND HOUR DIVISION

LEAVE ENTITLEMENTS



Eligible employees who work for a covered employer can take up to 12 weeks of unpaid, job-protected leave in a 12-month period for the following reasons:

- The birth of a child or placement of a child for adoption or foster care;
- To bond with a child (leave must be taken within one year of the child's birth or placement);
- To care for the employee's spouse, child, or parent who has a qualifying serious health condition;
- For the employee's own qualifying serious health condition that makes the employee unable to perform the employee's job;
- For qualifying exigencies related to the foreign deployment of a military member who is the employee's spouse, child, or parent.

An eligible employee who is a covered servicemember's spouse, child, parent, or next of kin may also take up to 26 weeks of FMLA leave in a single 12-month period to care for the servicemember with a serious injury or illness.

An employee does not need to use leave in one block. When it is medically necessary or otherwise permitted, employees may take leave intermittently or on a reduced schedule.

Employees may choose, or an employer may require, use of accrued paid leave while taking FMLA leave. If an employee substitutes accrued paid leave for FMLA leave, the employee must comply with the employer's normal paid leave policies.

While employees are on FMLA leave, employers must continue health insurance coverage as if the employees were not on leave.

Upon return from FMLA leave, most employees must be restored to the same job or one nearly identical to it with equivalent pay, benefits, and other employment terms and conditions.

An employer may not interfere with an individual's FMLA rights or retaliate against someone for using or trying to use FMLA leave, opposing any practice made unlawful by the FMLA, or being involved in any proceeding under or related to the FMLA.

ELIGIBILITY REQUIREMENTS

An employee who works for a covered employer must meet three criteria in order to be eligible for FMLA leave. The employee must:

- Have worked for the employer for at least 12 months;
- Have at least 1,250 hours of service in the 12 months before taking leave;* and
- Work at a location where the employer has at least 50 employees within 75 miles of the employee's worksite.

*Special "hours of service" requirements apply to airline flight crew employees.

REQUESTING LEAVE

Generally, employees must give 30-days' advance notice of the need for FMLA leave. If it is not possible to give 30-days' notice, an employee must notify the employer as soon as possible and, generally, follow the employer's usual procedures.

Employees do not have to share a medical diagnosis, but must provide enough information to the employer so it can determine if the leave qualifies for FMLA protection. Sufficient information could include informing an employer that the employee is or will be unable to perform his or her job functions, that a family member cannot perform daily activities, or that hospitalization or continuing medical treatment is necessary. Employees must inform the employer if the need for leave is for a reason for which FMLA leave was previously taken or certified.

Employers can require a certification or periodic recertification supporting the need for leave. If the employer determines that the certification is incomplete, it must provide a written notice indicating what additional information is required.

EMPLOYER RESPONSIBILITIES

Once an employer becomes aware that an employee's need for leave is for a reason that may qualify under the FMLA, the employer must notify the employee if he or she is eligible for FMLA leave and, if eligible, must also provide a notice of rights and responsibilities under the FMLA. If the employee is not eligible, the employer must provide a reason for ineligibility.

Employers must notify its employees if leave will be designated as FMLA leave, and if so, how much leave will be designated as FMLA leave.

ENFORCEMENT

Employees may file a complaint with the U.S. Department of Labor, Wage and Hour Division, or may bring a private lawsuit against an employer.

The FMLA does not affect any federal or state law prohibiting discrimination or supersede any state or local law or collective bargaining agreement that provides greater family or medical leave rights.



For additional information or to file a complaint:

1-866-4-USWAGE

(1-866-487-9243) TTY: 1-877-889-5627

www.dol.gov/whd

U.S. Department of Labor | Wage and Hour Division



WH1420 REV 04/16

PANOCHÉ WATER DISTRICT CODE OF CONDUCT COMPLIANCE CONTACTS

NOTICE TO: ALL OFFICIALS & EMPLOYEES OF PANOCHÉ WATER DISTRICT

RE: COMPLIANCE PROGRAM CONTACT INFORMATION

DATE: December 1, 2021.

THIS NOTICE IS TO PROVIDE YOU WITH CONTACT INFORMATION FOR THE PANOCHÉ WATER DISTRICT CODE OF CONDUCT COMPLIANCE PROGRAM

HOTLINE:

- English speaking USA and Canada: (833) 480-0010
- Spanish speaking USA and Canada: (800) 216-1288
- Other Languages available upon request

WEBSITE: reports@lighthouse-service.com

ETHICS & COMPLIANCE OFFICER:

Telephone (Mobile):	Lorena Chagoya
Telephone (Office):	(209) 752-4734
lchagoya@panochewd.org	Email:

COMPLIANCE COMMITTEE:

Director:	Steven Fausone
Telephone:	(209) 392-2580
Email:	stevef@redferntraches.com
Director:	Beau Correia
Telephone:	(209) 385-3789
Email:	beaucorreia@gmail.com

In the event any information changes, the District will provide you with a revised Notice bearing a new date and the updated contact information. You should keep the Notice and any revised Notice with your copy of the Panoche Water District Code of Conduct.

BACK

PANOCHE WATER DISTRICT				
ACCOUNTS PAYABLE LIST				
PAYMENTS RUN FROM 1/12/2021 TO 2/8/2022				
		MECHANICS O & M CHECKING # 8566		
DATE	CHECK NUMBER	NAME	CHECK AMOUNT	MEMO
1/13/2022	40054	ACWA/JPIA	\$ 39,318.63	FEBRUARY 2022 INSURANCE HEALTH \$ 36,309.16, DENTAL \$ 2,483.74, VISION \$ 408.32 & LIFE \$ 117.41
1/13/2022	40055	AMAZON/SYNCH	\$ 817.64	DISTRICT SUPPLIES
1/13/2022	40056	BAKER MANOCK & JENSEN	\$ 214.82	DECEMBER 2021 LEGAL SERVICES
1/13/2022	40057	DIEPENBROCK ELKIN DAUER STEPHENS MCCANDLESS LLP	\$ 300.00	NOVEMBER 2021 LEGAL SERVICES
1/13/2022	40058	LIGHTHOUSE DOCUMENT TECHNOLOGIES, INC.	\$ 345.00	DECEMBER 2021 LEGAL CONSULTANT
1/13/2022	40059	GILTON SOLID WASTE INC.	\$ 405.22	DECEMBER 2021 WASTE REMOVAL
1/13/2022	40060	KCOE, LLP	\$ 4,345.00	SEPTEMBER THRU NOVEMBER 2021 LEGAL SERVICES
1/13/2022	40061	LAW OFFICES OF WILLIAM C. HAHESEY	\$ 1,470.00	DECEMBER 2021 LEGAL SERVICES
1/13/2022	40062	PACIFIC GAS & ELECTRIC	\$ 4,318.33	ELECTRICAL POWER
1/13/2022	40063	VERIZON WIRELESS	\$ 1,671.84	CELL PHONES & GPS SERVICE
1/13/2022	40064	WELLS FARGO VENDOR FIN SERV	\$ 348.76	COPIER LEASE
1/13/2022	40065	LIEBERT CASSIDY WHITMORE	\$ 585.00	NOVEMBER 2021 LEGAL SERVICES
1/25/2022	40066	ACWA/JPIA	\$ 28,913.62	4TH QTR 2021 WORKER'S COMPENSATION
1/25/2022	40067	AMAZON/SYNCH	\$ 573.00	DISTRICT SUPPLIES
1/25/2022	40068	APPL, INC.	\$ 323.00	WATER SAMPLES - DMC WELLS & GBP
1/25/2022	40069	BOB'S TIRE	\$ 119.09	MAINTENANCE FOR # 30
1/25/2022	40070	BRENNTAG PACIFIC, INC.	\$ 798.31	CHLORINE FOR DOMESTIC PLANT
1/25/2022	40071	DEPARTMENT OF MOTOR VEHICLES	\$ 364.00	PURCHASE TAX & TITLE TRANSFER FOR # 14B
1/25/2022	40072	FEDERAL EXPRESS	\$ 594.19	SHIPPING - WATER SAMPLES - GBP
1/25/2022	40073	CORELOGIC INFORMATION SOLUTION	\$ 200.00	APN RESEARCH DECEMBER 2021
1/25/2022	40074	GARTUNG CONSULTING	\$ 3,500.00	RETAINER FOR PRELIMINARY DESIGN DOMESTIC PLANT
1/25/2022	40075	GRASSLAND BASIN AUTHORITY	\$ 1,914.29	4TH QTR 2021 RED DIESEL
1/25/2022	40076	HARTFORD FIRE INSURANCE	\$ 308.00	FIDELITY INSURANCE 2/1/2022 TO 2/1/2025
1/25/2022	40077	HICKS PENSION SERVICES	\$ 850.00	POST PPA RESTATEMENT
1/25/2022	40078	HOFFMAN SECURITY	\$ 341.40	OFFICE & SHOP SECURITY
1/25/2022	40079	HOLT OF CALIFORNIA	\$ 650.84	PARTS FOR # 75D & # 47
1/25/2022	40080	FERRELLGAS	\$ 818.78	PROPANE FOR HOUSE # 4 & TANK RENTAL FOR HOUSE # 1
1/25/2022	40081	MCGUIRE BOTTLED WATER	\$ 146.70	DRINKING WATER
1/25/2022	40082	MOORE TWINING	\$ 210.00	WATER SAMPLES - DOMESTIC PLANT
1/25/2022	40083	NAPA AUTO PARTS	\$ 51.36	PARTS FOR # 75A
1/25/2022	40084	SAVEMART SUPERMARKET	\$ 691.26	OFFICE SNACKS
1/25/2022	40085	TEE-DEE-US AUTO	\$ 3,325.61	SERVICE # 11A & REPAIR # 07B
1/25/2022	40086	WESTSIDE WATER	\$ 7,165.72	WEEKLY SERVICE FOR NOVEMBER & DECEMBER 2021 & TESTED BACKFLOW DEVICES
1/25/2022	40087	ZOOM IMAGING SOLUTIONS	\$ 313.89	COPIER LEASE
1/25/2022	40088	XIO, INC.	\$ 94.00	CLOUD BASED MONITORING SERVICE - DOMESTIC PLANT
2/8/2022	40089	APPL, INC.	\$ 175.00	WATER SAMPLES - DMC WELLS
2/8/2022	40090	CPU TREND	\$ 2,797.06	SEPTEMBER, OCTOBER & DECEMBER 2021 IT SERVICES
2/8/2022	40091	FEDERAL EXPRESS	\$ 357.57	SHIPPING - WATER SAMPLES - GBP
2/8/2022	40092	FENTON & KELLER	\$ 30,101.48	OCTOBER & NOVEMBER 2021 LEGAL SERVICES
2/8/2022	40093	FED EX FREIGHT	\$ 153.86	SHIPPING - WATER SAMPLES - GBP
2/8/2022	40094	FRONTIER COMMUNICATIONS	\$ 582.52	FEBRUARY 2022 TELEPHONE

	CHECK		CHECK	
DATE	NUMBER	NAME	AMOUNT	MEMO
2/8/2022	40095	HICKS PENSION SERVICES	\$ 4,585.00	401(K) PLAN 2/28/2022 YEAR END RETAINER
2/8/2022	40096	HOME DEPOT CREDIT SERVICES	\$ 788.20	CONCRETE FOR STATION # 13E, SWAMP COOLER COVER FOR SHOP, METER SHOP SUPPLIES & FLOW METER SUPPLIES
2/8/2022	40097	MC REGIONAL WASTE MANAGEMENT AUTHORITY	\$ 473.95	TRASH DISPOSAL - GBP
2/8/2022	40098	OFFICE CITY	\$ 246.15	COPIER PAPER
2/8/2022	40099	PACIFIC GAS & ELECTRIC	\$ 857.06	ELECTRICAL POWER
2/8/2022	40100	SORENSEN'S TRUE VALUE	\$ 83.70	CHEMICAL SUPPLIES
2/8/2022	40101	TEE-DEE-US AUTO	\$ 1,126.13	REPAIR # 07B & SERVICE # 10B
2/8/2022	40102	UNWIRED BROADBAND	\$ 549.99	INTERNET SERVICE
2/8/2022	40103	WATER RECLAMATION	\$ 1,666.86	CHECK ELECTRIC AT SABATIA DRAIN & WELL # 15 DMC, REPAIR GATES AT LATERAL # 3 , AIR VENT FOR PDD WELL # 8, ALUMINUM POLE FOR MOSS REMOVAL & REPAIR PIPE AT DOMESTIC PLANT
1/14/2022	W00744	SLDM WATER AUTHORITY	\$ 55,638.00	DECEMBER 2021 SLC SLDMWA CONVEYANCE COSTS
1/11/2022	W00748	PAI SERVICES, LLC	\$ 122.93	DECEMBER 2021 SAGE TIME SUPPORT
1/14/2022	W00747	U.S. BUREAU OF RECLAMATION	\$ 18,222.74	DECEMBER 2021 SLC USBR WATER COSTS \$ 17,632.48, DECEMBER 2021 RESTORATION WATER COSTS FOR SLC \$ 545.04 & DECEMBER 2021 RESTORATION WATER COSTS FOR DMC \$ 45.22
1/19/2022	JE-286	TRANSFER FUNDS FOR PAYROLL	\$ 80,000.00	PAYROLL DATED 1/20/2022
1/28/2022	W00749	SLDM WATER AUTHORITY	\$ 98,366.96	RECOLORING YUBA WATER AS CVP RESCHEDULED WATER
			\$ 403,302.46	

		MECHANICS PAYROLL CHECKING # 7895		
				MEMO
	CHECK		CHECK	
DATE	NUMBER	NAME	AMOUNT	
1/19/2022	PR-1430	NET PAYROLL	\$ 41,477.07	PAYROLL DATED 1/20/2022
1/20/2022	JE-296	EMPLOYMENT DEVELOPMENT	\$ 4,019.78	STATE PAYROLL TAX DEPOSIT
1/20/2022	JE-297	INTERNAL REVENUE SERVICE	\$ 15,323.14	FEDERAL PAYROLL TAX DEPOSIT
1/20/2022	JE-298	JOHN HANCOCK	\$ 7,958.88	401(K) RETIREMENT
		TOTAL	\$ 68,778.87	

BACK

PANOCHE WATER DISTRICT (PWD)						
BUDGET to ACTUAL - Revenue and Expenses Report for the 11 months period ended January 31, 2022						
	FY 2022		Budget Vs Actual 2022		FYE 2021	FYE 2020
Operating Revenues	ACTUAL	BUDGET	%ages		ACTUAL	ACTUAL
Water Revenue	\$ 12,898,498	\$ 19,957,880	65%		\$ 15,243,903	\$ 11,015,394
O & M Revenue	4,350,515	6,630,000	66%		5,134,747	7,545,928
SLDMWA-SGMA Revenue	54,686	54,151	101%		69,384	25,996
Other Revenue	576,894	250,000	231%		378,853	772,783
Reimbursements From Other Districts	642,866	475,000	135%		1,723,342	3,741,628
Total Revenue	\$ 18,523,458	\$ 27,367,031	68%		\$ 22,550,228	\$ 23,101,728
Operating Expenses						
Water Purchases Costs	\$ 14,283,557	\$ 20,202,031	71%		\$ 14,284,863	\$ 11,845,298
Operation & Maintenance Costs	\$ 5,787,100	\$ 7,088,625	82%		\$ 9,532,555	\$ 9,350,330
Total Expenses	\$ 20,070,658	\$ 27,290,656	74%		\$ 23,817,418	\$ 21,195,629
Net Revenue/(Deficit)	\$ (1,547,200)	\$ 76,375			\$ (1,267,190)	\$ 1,906,100

PANOCHE WATER DISTRICT (PWD)						
BUDGET to ACTUAL - Revenue and Expenses Report for the 11 months period ended January 31, 2022						
		FY 2022		Budget Vs Actual 2022	FYE 2021	FYE 2020
Operating Revenues		ACTUAL	BUDGET (12months)	%ages	ACTUAL	ACTUAL
	CVP AG Water Contract	3,518,575	5,203,406	68%	5,552,297	7,419,044
	Supplemental Water	9,379,924	14,754,474	64%	9,691,606	3,596,350
	O & M Revenue	4,350,515	6,630,000	66%	5,134,747	7,545,928
	SLDMWA-SGMA Revenue	54,686	54,151	101%	69,384	25,996
	Other Revenue	576,894	250,000	231%	309,469	772,783
	Labor Reimbursements	253,115	275,000	92%	1,332,749	2,632,602
	Other Reimbursements	389,751	200,000	195%	390,593	1,109,026
Total Revenue		\$ 18,523,458	\$ 27,367,031	68%	\$ 22,480,845	\$ 23,101,728

PANOCHE WATER DISTRICT (PWD)									
BUDGET to ACTUAL - Revenue and Expenses Report for the 11 months period ended January 31, 2022									
		FY 2022			Budget Vs Actual 2022		FYE 2021		FYE 2020
Water Costs		ACTUAL	BUDGET		%ages		ACTUAL		ACTUAL
	CVP AG Water Contract	3,702,632	5,203,406		71%		3,931,650		6,886,495
	Supplemental Water	10,413,002	14,754,474		71%		10,040,717		4,743,070
	SLDMWA -SGMA	54,151	54,151		100%		69,381		-
	Other Water costs	113,773	190,000		60%		243,115		102,427
	Total Water Purchases Costs	\$ 14,283,557	\$ 20,202,031		71%		\$ 14,284,863		\$ 11,731,992

PANOCHE WATER DISTRICT (PWD)							
BUDGET to ACTUAL - Revenue and Expenses Report for the 11 months period ended January 31, 2022							
		FY 2022		Budget Vs Actual 2022		FYE 2021	FYE 2020
Operation & Maintenance Costs		ACTUAL	BUDGET	%ages		ACTUAL	ACTUAL
	Salaries and Wages	1,491,952	\$ 1,753,010	85%		\$ 2,864,442	\$ 2,846,115
	Payroll Taxes	121,351	138,453	88%		226,730	385,252
	Employee Benefits	775,404	760,766	102%		1,386,172	1,579,358
	Interest Expenses - DHCCP	133,244	135,000	99%		112,452	113,306
	Water rights	-	110,000	0%		105,217	-
	Legal Costs	474,746	600,000	79%		945,288	828,367
	Annual Audits	64,250	75,000	86%		104,285	94,258
	Professional Services	49,387	85,000	58%		168,785	58,810
	Utilities	25,583	35,000	73%		35,121	69,613
	Communication Costs	43,393	80,000	54%		80,649	85,882
	Conferences and Training Costs	46,350	65,000	71%		40,962	189,292
	Insurance Costs	112,768	125,000	90%		120,237	53,386
	Other Supplies & Services	94,129	120,000	78%		150,555	136,787
	SLDMWA-Membership & assessments	164,507	166,382	99%		169,269	79,582
	Energy Costs	1,163,367	1,468,069	79%		1,446,122	1,694,734
	Chemical Application	149,983	170,000	88%		228,078	205,773
	Domestic water plant maintenance	96,182	120,000	80%		148,827	93,102
	Laboratory - Water Testing	16,910	12,134	139%		13,153	21,115
	Other Districts overhead costs	122,753	154,811	79%		243,439	408,752
	Equipment Repairs & Maintenance Costs	640,843	915,000	70%		942,772	520,154
	Total Operation & Maintenance Costs	\$ 5,787,100	\$ 7,088,625	82%		\$ 9,532,555	\$ 9,463,636

PANOCHE WATER DISTRICT (PWD)							
BUDGET to ACTUAL - Revenue and Expenses Report for the 11 months period ended January 31, 2022							
		FY 2022		Budget Vs Actual 2022		FYE 2021	FYE 2020
Equipment Repairs & Maintenance Costs							
		<u>Actual</u>	<u>Budget</u>	<u>%ages</u>		<u>Actual</u>	<u>Actual</u>
	Equipment repairs	101,823	120,000	85%		51,441	28,972
	Pumps & Structures Repairs	411,948	510,000	81%		453,555	236,015
	Fuel & Oil Costs	72,199	110,000	66%		59,632	123,688
	Vehicle repairs & Maintenance	37,145	65,000	0%		193,093	47,157
	Office, Houses, Shops Repairs & Maintenance	17,729	35,000	51%		35,050	84,323
	Capital Cost - Depreciation	-	75,000	0%		150,000	-
Total Equipment Repairs & Maintenance Costs		\$ 640,843	\$ 915,000	70%		\$ 942,772	\$ 520,154

BACK

Water Supply																	
District Water March, 2021 - Feb, 2022	Annual AF	2021 March	2021 Apr	2021 May	2021 June	2021 July	2021 Aug	2021 Sept	2021 Oct	2021 Nov	2021 Dec	2022 Jan	2022 Feb	YTD Usage	Transfers Out	Not Pumped	Remaining Balance
Transfer 1 - DC	2,343		230	543	1,128	442								2,343			0
Transfer 3 - DC	210					210								210			0
Panoche DD Wells	0													0			0
SJRIIP Lease Agreement	374	10	103	122	102	36								374			0
Grower Transfer Ins	3,341			215	755	1,277	925	39	40	90				3,341			0
Transfer 6	4								4					4			0
CCID Grower Wells f/Crdt	0													0			0
PWD Grower Wells f/Crdt	5,598	189	370	370	1,092	1,318	1,084	909	260	7				5,598			0
Gains or Losses	3,749	(102)	(123)	811	976	249	541	862	121	119	34	261		3,749			0
District Water Total	15,619	97	580	2,061	4,053	3,532	2,550	1,810	425	216	34	261	0	15,619	0		0
Bureau Water March, 2021 - Feb, 2022	Annual AF	2021 March	2021 Apr	2021 May	2021 June	2021 July	2021 Aug	2021 Sept	2021 Oct	2021 Nov	2021 Dec	2022 Jan	2022 Feb	YTD Usage	Transfers Out	Loss	Remaining Balance
2020-2021 Rescheduled	9,231	1,513	996	33	36	2,346	510	38	500	211	42	30		6,255	1,897	(340)	739
2021-2022 0% USBR	0													0			0
Grower Transfer Ins	4,392		1,092	2,022	843	42	279	42	21	42	9			4,392			0
CCID Grower Wells f/Crdt	729		105	338	286									729			0
Transfer 1	657				657									657			0
Transfer 2	1,046			619	413	14								1,046			0
Transfer 3	419				419									419			0
Transfer 4	73				73									73			0
Transfer 5	2,000					317	614	874	195					2,000			0
Transfer 6	100			9	91									100			0
Transfer 7	9,217													0		(2,304)	6,913
CVP 3F Wtr - Rescheduled	4,980													0	18	(475)	4,487
CVP 3F Wtr - 2021-22	3,676													0		(919)	2,757
Burea Water Total	36,520	1,513	2,193	3,021	2,818	2,719	1,403	954	716	253	51	30	0	15,671	1,915	(4,038)	14,896
Total Water Supply	52,139	1,610	2,773	5,082	6,871	6,251	3,953	2,764	1,141	469	85	291	0	31,290	1,915	(4,038)	14,896
Usage																	
Growers		1,610	2,773	5,082	6,871	6,251	3,953	2,764	1,141	469	85	291		31,290			
Transfers Out/Sales		0	307	300	230	576	245	257	0	0	0	0		1,915			
Total Usage/Transfers		1,610	3,080	5,382	7,101	6,827	4,198	3,021	1,141	469	85	291	0	33,205			
Diff/Losses: % of Supply	%	-6%	-5%	16%	15%	4%	14%	32%	11%	26%	40%	90%		12%			
Budget to Actual - AF	34,000	1,501	2,714	4,338	5,926	4,974	2,975	2,145	1,011	469	85	291		26,429			7,571
(Changed from 40,000 to 34,000 AF)																	

* Water Supply Numbers are estimates of known Transfers at this time - Deliveries are Actual *



Westlands Water District

MEMORANDUM

TO: SLDMWA BOARD OF DIRECTORS
FROM: TOM BOARDMAN, WATER RESOURCES ENGINEER
SUBJECT: FEBRUARY OPERATIONS UPDATE
DATE: FEBRUARY 4, 2022

Project Operations

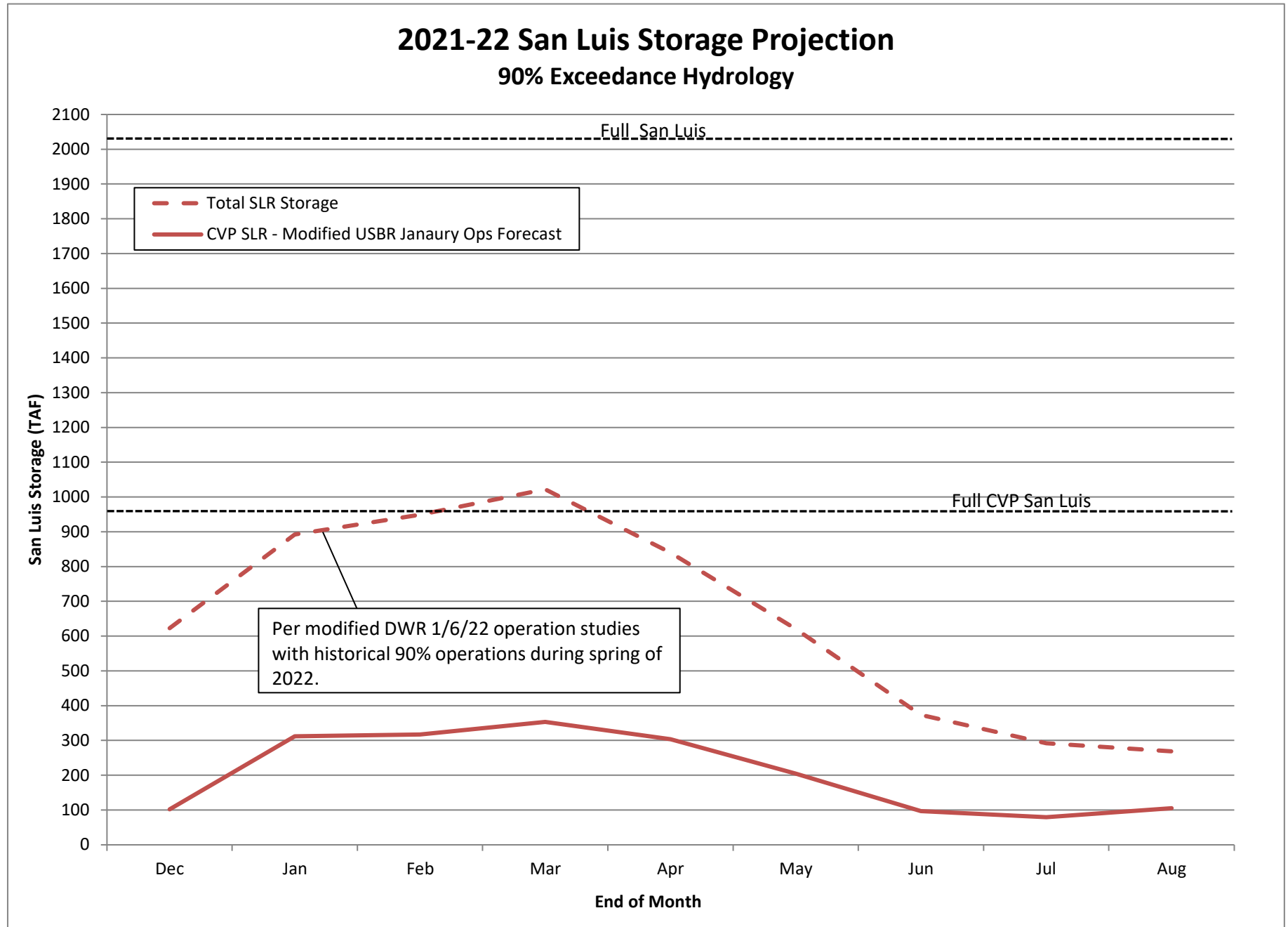
- Declining Delta inflow forced Jones Pumping to reduce from capacity pumping last week to the current 2-unit operation or 1,800 cfs. Banks pumping is also operating at minimum capacity to meet an increased Delta outflow requirement that went into effect on February 1 per D-1641. Total exports will remain low until the next significant storm system arrives which does not show in the 7-day forecast.
- The current Delta outflow requirement for February is 11,400 cfs; an increase of 6,900 cfs from the January requirement. Due to persistent dry conditions, the Delta outflow requirement can only be met with the release of stored water from upstream reservoirs. Absent additional runoff this month to help meet the outflow requirement, an additional 384 TAF of stored water may need to be released to meet the February requirement.
- Reclamation's latest estimate of the accounting balance under the Coordinated Operations Agreement (COA) is about 300 TAF in favor of the CVP. Oroville recently increased its releases to help the CVP meet its share of the Delta outflow requirement and pay down the COA debt to the CVP.
- Accumulated precipitation in the Sacramento Valley finished January at 15% of average. Persistent dry conditions have caused the annual precipitation to slip from 160% of average in early January to 115% today.
- Shasta storage is about 1.62 MAF – an increase of about 280 TAF from a month ago. The current storage is trending 35 TAF below Reclamation's latest 50% exceedance which shows the reservoir refilling to 3.8 MAF by the end of May. Reclamation anticipates that January conditions were dry enough to trigger a Shasta Critical Year in the DWR 90% exceedance runoff forecast that will be posted next week.
- Folsom storage is 533 TAF which is near its maximum allowable flood control limit. Releases are holding at 2,000 cubic feet per second (cfs) to meet the increased Delta outflow requirement. Dry conditions during January eroded the snowpack from 155% of average early in the month to the current 90% of average.
- CVP demands for January were 19 TAF which was 25% of the 15-year average.

2021-22 San Luis Reservoir Operations

The CVP's share of the San Luis Reservoir (SLR) is about 317 TAF – an increase of 212 TAF during January.

The attached SLR projection chart under 90% exceedance conditions shows CVP SLR refilling to 300-400 TAF by late March before drawing down. Currently, an estimated 230 TAF of non-project water is stored in CVP SLR. As such, only 87 TAF of Project water is currently available to meet 2022 allocations. Reclamation's 90% exceedance forecast assumes there is enough water in the forecast to meet minimum allocations to senior water rights contractors. Due to many significant operational uncertainties, Reclamation's initial allocation this month is expected to be 75% for Exchange Contractors and refuges, 50% to urban contractors, and 0% for Ag Service contractors.

The attached SLR projection chart under 50% exceedance conditions shows CVP SLR refilling to more than 500 TAF by the end of March. Although conditions look dry for the next 7-10 days, if conditions don't deteriorate too far from Reclamation's 50% exceedance forecast, the allocation for Exchange Contractors and refuges would increase to 100% while urban and Ag Service contractors could receive 55% and 5%, respectively. However, the possible allocation increases may not occur until later this spring when regulatory and hydrologic uncertainties diminish.



2021-22 San Luis Storage Projection 50% Exceedance Hydrology

