



**REGIONAL WATER AUTHORITY
MEETING OF THE BOARD OF DIRECTORS**

Thursday, November 9, 2023 at 9:00 a.m.

**Regional County Sanitation District
10060 Goethe Road
Sacramento, CA 95827
(916) 967-7692**

IMPORTANT NOTICE REGARDING VIRTUAL PUBLIC PARTICIPATION:

The Regional Water Authority currently provides in person as well as virtual public participation via the Zoom link below until further notice. The public shall have the opportunity to directly address the Board on any item of interest before or during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker.

Join the meeting from your computer, tablet or smartphone

<https://us06web.zoom.us/j/81448543091?pwd=8Mg3OtUzl6JGXA9PK2l8cqytJCwrYa.1>

Phone: 1-669-900-6833

Meeting ID: 814 4854 3091 Passcode: 999340

Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the Authority's Administrative Office at the address listed above.

In compliance with the Americans with Disabilities Act, if you have a disability and need a disability related modification or accommodation to participate in this meeting, please contact the Executive Director of the Authority at (916) 967-7692. Requests must be made as early as possible, and at least one full business day before the start of the meeting. The Board of Directors may consider any agenda item at any time during the meeting.

AGENDA

1. CALL TO ORDER AND ROLL CALL

- 2. PUBLIC COMMENT:** Members of the public who wish to address the Board may do so at this time. Please keep your comments to less than three minutes.

- 3. CONSENT CALENDAR:** All items listed under the Consent Calendar are considered and acted upon by one motion. Board Members may request an item be removed for separate consideration.

- 3.1** Approve the draft meeting minutes of September 14, 2023, RWA Board Meeting
- 3.2** Approve Revisions to Policy 100.3 (RWA Associate Members) and Policy 100.6 (RWA Affiliates)
- 3.3** Approve Revisions to Policy 200.4 (Conflict of Interest Code)
- 3.4** Approve no changes to Policy 500.2 (Investment Policy) and California Employee Retirement Benefits Trust (CERBT)
- 3.5** Approve Proposed Changes Personnel Rules RWA Policy Series 400.1 (Personnel Rules)
- 3.6** Approve Change Order #11 to Professional Services Agreement with Stantec Consulting Services Inc. to extend the contract term to December 31, 2026
- 3.7** Approve the 2024 Board of Directors and Executive Committee meeting schedule

Action: Approve Consent Calendar items as presented

4. WATER EFFICIENCY PROGRAM SACRAMENTO REGIONAL INDOOR DIRECT INSTALL PROJECT

Presenter: Amy Talbot, Water Efficiency Program Manager

Discussion/Action: Approve and authorize the Executive Director to enter into a Professional Services Agreement for the Water Efficiency Program Sacramento Regional Indoor Direct Install Project – Phase 2.

5. INFORMATION: VOLUNTARY AGREEMENT UPDATE

Presenter: Michelle Banonis, Manager of Strategic Affairs

6. REVISIONS TO POLICY 400.2 (EMPLOYEE COMPENSATION POLICY) AND APPROVE PAST SALARY SCHEDULES

Presenter: Josette Reina-Luken, Financial and Administrative Services Manager

Action: Approve Revisions to Policy 400.2 and Approve Past Salary Schedules

7. 2024 RWA BOARD ELECTIONS OFFICERS AND EXECUTIVE COMMITTEE

Presenter: Tony Firenzi, RWA Chair

Action: Elect 2024 Chair

8. REPRESENTATION ON REGIONAL MATTERS

Presenter: Tony Firenzi, RWA Chair

Action: Take Appropriate Action

9. EXECUTIVE DIRECTOR'S REPORT

10. DIRECTORS' COMMENTS

ADJOURNMENT

Next RWA Board of Director's Meeting:

January 18, 2024, 9:00 a.m. at to be determined. The location is subject to change.

Next RWA Executive Committee Meeting:

December 19, 2023, 1:30 p.m. at the RWA Office, 2295 Gateway Oaks, Suite 100
Sacramento, CA 95833.

Notification will be emailed when the RWA electronic packet is complete and posted on the RWA website at: <https://www.rwah2o.org/meetings/board-meetings/>.

Posted on November 6, 2023



Ashley Flores, CMC, Secretary

RWA Board of Directors

2023 Chair: Tony Firenzi

2023 Vice Chair: Brett Ewart

California American Water

Audie Foster, General Manager

Evan Jacobs, Operations Manager

Carmichael Water District

Ron Greenwood, Board Member

Cathy Lee, General Manager

Citrus Heights Water District

Caryl Sheehan, Director

Raymond Riehle, Director (alternate)

Hilary Straus, General Manager

Rebecca Scott, Director of Operations (alternate)

City of Folsom

YK Chalamcherla, Councilmember

Marcus Yasutake, Environmental/Water Resources Director (alternate)

City of Lincoln

Holly Andreatta, Councilmember

Matthew Medill, Public Works Director

Chris Nelson, Environmental Services Manager (alternate)

City of Roseville

Pauline Roccucci, Councilmember

Scott Alvord, Councilmember (alternate)

Sean Bigley, Assistant Environment Utilities Director

Rich Plecker, Director of Utilities (alternate)

City of Sacramento

Lisa Kaplan, Councilmember

Brett Ewart, Water Policy & Regional Planning Supervising Engineer, Vice Chair

Michelle Carrey, Supervising Engineer (alternate)

Anne Sanger, Policy and Legislative Specialist (alternate)

City of West Sacramento

Martha Guerrero, Councilmember

William Roberts, Director of Public Works and Operations

City of Yuba City

Shon Harris, Councilmember

Diana Langley, City Manager

Del Paso Manor Water District

Gwynne Pratt, Board Member

Victoria Hoppe, Acting General Manager

El Dorado Irrigation District

Pat Dwyer, Director/Board President

Jim Abercrombie, General Manager

Brian Mueller, Engineering Director (alternate)

* Names highlighted in red are Executive Committee members

Elk Grove Water District Tom Nelson, Board Chair Bruce Kamilos , General Manager
Fair Oaks Water District Randy Marx, Board Member Tom Gray, General Manager
Georgetown Divide Public Utility District Michael Saunders , Board Member Nicholas Schneider, General Manager Adam Brown, Operations Manager (alternate)
Golden State Water Company Paul Schubert, General Manager Ernie Gisler, Director of Engineering
Nevada Irrigation District Ricki Heck, Board Member Karen Hull, Board Member (alternate) Greg Jones, Assistant General Manager Jennifer Hanson, General Manager (alternate)
Orange Vale Water Company Robert Hunter, Board Member Joe Duran, General Manager
Placer County Water Agency Robert Dugan, Board Member Tony Firenzi , Director of Strategic Affairs, Chair Andy Fecko, General Manager, (alternate) Mike Lee, Board Member, (alternate)
Rancho Murieta Community Services District Tim Maybee, Director Mimi Morris, General Manager
Sacramento County Water Agency Patrick Kennedy, Supervisor Michael Grinstead, P.E. Principal Civil Engineer
Sacramento Suburban Water District Bob Wichert, Board Member Dan York, General Manager Jay Boatwright, (alternate) Craig Locke, (alternate) Dave Jones, (alternate) Kevin Thomas, Board Member (alternate)
San Juan Water District Dan Rich, Director Greg Zlotnick, Water Resources and Strategic Affairs Ted Costa, Board President (alternate) Paul Helliker, General Manager (alternate)

RWA ASSOCIATES

Organization:	Representatives:
El Dorado Water Agency	Lori Parlin , Chair Rebecca Guo , Interim General Manager (alternate)
Placer County	Ken Grehm , Director Public Works and Facilities Jared Deck , Manager Environmental Engineering
Sacramento Municipal Utility District	Paul Lau , General Manager/CEO Christopher Cole , Strategic Account Advisor Chad Adair , Energy Trading and Contracts Manager
Sacramento Regional County Sanitation District	Mike Huot , Director of Policy and Planning Terrie Mitchell , Manager Legislative and Regulatory Affairs David Ocenosak , Principal Civil Engineer Jose Ramirez , Senior Civil Engineer
Sacramento Area Flood Control Agency	Richard Johnson , Executive Director
Yuba Water Agency	Adam Robin , Government Relations Manager Willie Whittlesey , General Manager

RWA AFFILIATE MEMBERS

Organization:	Representatives:
Black & Veatch	David Carlson , Vice president
Brown & Caldwell	Paul Selsky , Water Supply Planning, Vice president LaSandra Edwards , Civil Engineer May Huang , Engineer David Zuber , Vice President
GEI Consultants	John Woodling , Vice President, Branch Manager Chris Petersen , Principal Hydrogeologist Richard Shatz , Principal Hydrogeologist
HDR, Inc.	Jafar Faghieh , Water Resources Engineer Ed Winkler , Client Development Lead
Sacramento Association of Realtors	David Tanner , Chief Executive Officer Christopher Ly , Chief Operations Officer
Stantec	Kari Shively , Vice President Vanessa Nishikawa , Principal Water Resources Engineer
West Yost Associates	Charles Duncan , President Abigail Madrone , Business Development Director Kelye McKinney , Engineering Manager I Jim Mulligan , Principal Engineer
Woodard & Curran	Ali Taghavi , Principal Jim Graydon , Senior Client Service Manager

Topic: Public Comment
Type: New Business
Item For: Information/Discussion
Purpose: [Policy 200.1, Rule 11](#)

SUBMITTED BY: Ashley Flores, CMC
Secretary

PRESENTER: Jim Peifer
Executive Director

EXECUTIVE SUMMARY

This is an information item to provide an opportunity for the Regional Water Authority Board of Directors to recognize or hear from visitors that may be attending the meeting or to allow members of the public to address the Board of Directors on matters that are not on the agenda.

As noted on the agenda, members of the public who wish to address the committee may do so at this time. Please keep your comments to less than three minutes.

STAFF RECOMMENDED ACTION

None. This item is for information only.

BACKGROUND

Public agencies are required by law to provide an opportunity for the public to address the RWA Board of Directors matters that are not on the agenda.

3.0 CONSENT CALENDAR

Topic: Meeting Minutes
Type: Consent Calendar
Item For: Action; Motion to Approve
Purpose: Policy 200.1, Rule 14

SUBMITTED BY: Ashley Flores, CMC
Secretary

PRESENTER: Jim Peifer
Executive Director

EXECUTIVE SUMMARY

This is an action item for the Regional Water Authority Board of Directors to review and consider approving the draft Minutes of the regular Regional Water Authority Board Meeting of September 14, 2023.

STAFF RECOMMENDED ACTION

A motion to approve the Minutes, as presented or amended.

BACKGROUND

The draft Minutes of the above referenced meetings are included with this Agenda. The Minutes reflect the RWA Policy 200.1 to document specific details on items discussed at the meetings.

The Executive Director may list on the agenda a "consent calendar", which will consist of routine matters on which there is generally no opposition or need for discussion. Examples of consent calendar items might include approval of minutes, financial reports and routine resolutions. Any matter may be removed from the consent calendar and placed on the regular calendar at the request of any member of the Board. The entire consent calendar may be approved by a single motion made, seconded and approved by the Board.

FINDING/CONCLUSION

Staff believes the draft of the presented Minutes correctly reflect the information shared and actions taken by the Board of Directors.

ATTACHMENTS

Attachment 1- Draft Meeting Minutes of the Regional Water Authority Board Meeting of September 14, 2023

1. CALL TO ORDER

Vice Chair Ewart called the meeting of the Board of Directors to order at 9:01 a.m. at City of West Sacramento – City Hall, 1110 W. Capitol Ave., West Sacramento, CA 95691. A quorum was established of 18 participating members present in person. Individuals who participated are listed below:

RWA Board Members

S. Audie Foster, California American Water
Cathy Lee, Carmichael Water District
Raymond Riehle, Citrus Heights Water District
Marcus Yasutake, City of Folsom
YK Chalamcherla, City of Folsom
Chris Nelson, City of Lincoln
Pauline Roccucci, City of Roseville
Brett Ewart, City of Sacramento
William Roberts, City of West Sacramento
Gwynne Pratt, Del Paso Manor Water District
Bruce Kamilos, Elk Grove Water District
Tom Gray, Fair Oaks Water District
Nicholas Schneider, Georgetown Divide Public Utility District
Michael Saunders, Georgetown Divide Public Utility District
Paul Schubert, Golden State Water Company
Andy Fecko, Placer County Water Agency
Robert Dugan, Placer County Water Agency
Mimi Morris, Rancho Muerita Community Service District
Michael Grinstead, Sacramento County Water Agency
Bob Wichert, Sacramento Suburban Water District
Greg Zlotnick, San Juan Water District
Paul Helliker, San Juan Water District

RWA Associate Members

None

RWA Affiliate Members

Vanessa Nishikawa, Principal Water Resources Engineer, Stantec

Staff Members

Jim Peifer, Ryan Ojakian, Michelle Banonis, Josette Reina-Luken, Trevor Joseph, Raiyna Villaseñor, Monica Garcia, Ashley Flores, and Andrew Ramos, legal counsel.

Others in Attendance

Cathy Lee, Carmichael Water District; Jay Boatwright, Sacramento Suburban Water District, Craig Locke, Sacramento Suburban Water District, Sean Bigley, City of Roseville; Randy Marx, Fair Oaks Water District; Hilary Straus, Citrus Heights Water District; Rebecca Scott, Citrus Heights Water District; Andy Fecko, Placer County Water Agency.

Cathy Lee entered the meeting at 9:14 a.m.

2. PUBLIC COMMENT

None.

Director Wichert pulled Consent Items 3.2 and 3.3 for further review.

3. CONSENT CALENDAR

3.1 Approve the draft meeting minutes of June 14, 2023, RWA Special Board Meeting and draft meeting minutes of August 21, 2023 General Managers Quarterly Workshop.

A motion to approve Consent Calendar items as amended.

Motion/Second/Carried Director Helliker moved, with a second by Director Schneider

S. Audie Foster, California American Water; Raymond Riehle, Citrus Heights Water District; Marcus Yasutake, City of Folsom; Chris Nelson, City of Lincoln; Pauline Roccucci, City of Roseville; Brett Ewart, City of Sacramento; William Roberts, City of West Sacramento; Gwynne Pratt, Del Paso Manor Water District; Bruce Kamilos, Elk Grove Water District; Tom Gray, Fair Oaks Water District; Nicholas Schneider, Georgetown Divide Public Utility District; Paul Schubert, Golden State Water Company; Robert Dugan, Placer County Water Agency; Mimi Morris, Rancho Muerita Community Service District; Michael Grinstead, Sacramento County Water Agency; Bob Wichert, Sacramento Suburban Water District; Greg Zlotnick, San Juan Water District; voted yes. Motion passes.

Ayes	17
Noes	0
Abstained	0
Absent	5

- 3.2 Approve and authorize the Executive Director to execute Change Order #4 in the amount of \$310,000 and upon the receipt of outstanding funds from participating agencies, the approved amount will increase by \$211,900, for a total of \$521,900 with Stantec Consulting Services Inc. for additional technical and planning support for continued development of the Sacramento Regional Water Bank.
- 3.3 Approve and authorize the Executive Director to execute Task Order #2 in the amount of \$150,000 with Khadam Consulting Inc for additional technical support for continued development of the Sacramento Regional Water Bank.

A motion was made to approve Consent Item 3.2 and 3.3.

Motion/Second/Carried Director Schubert moved, with a second by Director Fecko

S. Audie Foster, California American Water; Raymond Riehle, Citrus Heights Water District; Marcus Yasutake, City of Folsom; Chris Nelson, City of Lincoln; Pauline Roccucci, City of Roseville; Brett Ewart, City of Sacramento; William Roberts, City of West Sacramento; Gwynne Pratt, Del Paso Manor Water District; Bruce Kamilos, Elk Grove Water District; Tom Gray, Fair Oaks Water District; Nicholas Schneider, Georgetown Divide Public Utility District; Paul Schubert, Golden State Water Company; Robert Dugan, Placer County Water Agency; Mimi Morris, Rancho Muerita Community Service District; Michael Grinstead, Sacramento County Water Agency; Bob Wichert, Sacramento Suburban Water District; Greg Zlotnick, San Juan Water District; voted yes.

Bob Wichert, Sacramento Suburban Water District; voted no. The motion passed.

Ayes	16
Noes	1
Abstained	1 - Morris
Absent	5

4. NEW MEMBERS

Executive Director Peifer presented this action item for the Regional Water Authority to approve the admission of Wood Rodgers, Inc. as an Affiliate member. He introduced Sean Spaeth of Wood Rodgers, Inc. to the Board and briefly explained their contributions to region.

A motion to approve the admission of Wood Rodgers, Inc. as an Affiliate member

Motion/Second/Carried Director Zlotnick moved, with a second by Director Roccucci

S. Audie Foster, California American Water; Cathy Lee, Carmichael Water District; Raymond Riehle, Citrus Heights Water District; Marcus Yasutake, City of Folsom; Chris Nelson, City of Lincoln; Pauline Roccucci, City of Roseville; Brett Ewart, City of Sacramento; William Roberts, City of West Sacramento; Gwynne Pratt, Del Paso

Manor Water District; Bruce Kamilos, Elk Grove Water District; Tom Gray, Fair Oaks Water District; Nicholas Schneider, Georgetown Divide Public Utility District; Paul Schubert, Golden State Water Company; Robert Dugan, Placer County Water Agency; Mimi Morris, Rancho Muerita Community Service District; Michael Grinstead, Sacramento County Water Agency; Bob Wichert, Sacramento Suburban Water District; Greg Zlotnick, San Juan Water District; voted yes. Motion passes with a 2/3 member vote.

Ayes	18
Noes	0
Abstained	0
Absent	4

5. **EMPLOYEE SUPPLEMENTAL BENEFITS**

Josette Reina-Luken, Finance & Administrative Services Manager presented this action item for the Regional Water Authority Board of Directors to approve the Executive Committee's Recommendation to establish a medical Flexible Spending Account, Health Savings Account, and Dependent Care Flexible Spending Account provider for RWA employees.

A motion to approve of Total Administrative Services Corporation (TASC) to be the provider for an optional RWA employee FSA, HSA, and dependent care benefits program beginning January 1, 2024; and Authorize the Executive Director to change Personnel Rules Appendix G to incorporate these changes under legal counsel guidance.

Motion/Second/Carried Director Wichert moved, with a second by Director Pratt

S. Audie Foster, California American Water; Cathy Lee, Carmichael Water District; Raymond Riehle, Citrus Heights Water District; Marcus Yasutake, City of Folsom; Chris Nelson, City of Lincoln; Pauline Roccucci, City of Roseville; Brett Ewart, City of Sacramento; William Roberts, City of West Sacramento; Gwynne Pratt, Del Paso Manor Water District; Bruce Kamilos, Elk Grove Water District; Tom Gray, Fair Oaks Water District; Nicholas Schneider, Georgetown Divide Public Utility District; Paul Schubert, Golden State Water Company; Robert Dugan, Placer County Water Agency; Mimi Morris, Rancho Muerita Community Service District; Michael Grinstead, Sacramento County Water Agency; Bob Wichert, Sacramento Suburban Water District; Greg Zlotnick, San Juan Water District; voted yes. Motion passes.

Ayes	18
Noes	0
Abstained	0
Absent	4

6. PROPOSED REVISIONS TO RWA POLICY 200.1 THE RULES FOR PROCEEDINGS

Executive Director Peifer presented this discussion item to the Board of Directors to review and approve proposes revisions to Policy 200.1 (Rules for Proceedings) based on direction from the Board of Directors.

A motion to approve revisions to Policy 200.1 Rule of Proceedings.

Motion/Second/Carried Director Gray moved, with a second by Director Roccucci

A friendly amendment to the motion was made by Director Zlotnick, asking that the policy include the Executive Committee allow for a virtual link on the agenda for public access.

Amended Motion/Second/Carried Director Zlotnick moved, with a second by Director Wichert

The amended motion was accepted by Director Gray moved, with a second by Director Roccucci.

A second amendment to the motion was made to delete the revised language to Rule 25 by Director Helliker.

Amended Motion/Second/Carried Director Helliker moved, with a second by Director Chalamacherla

A roll call vote was requested by Legal Counsel for this second amendment to the motion.

Cathy Lee, Carmichael Water District; YK Chalamacherla, City of Folsom; Chris Nelson, City of Lincoln; William Roberts, City of West Sacramento; Bruce Kamilos, Elk Grove Water District; Paul Schubert, Golden State Water Company; Mimi Morris, Rancho Muerita Community Service District; Bob Wichert, Sacramento Suburban Water District; Greg Zlotnick, San Juan Water District; voted yes.

S. Audie Foster, California American Water; Raymond Riehle, Citrus Heights Water District; Pauline Roccucci, City of Roseville; Brett Ewart, City of Sacramento; Gwynne Pratt, Del Paso Manor Water District; Tom Gray, Fair Oaks Water District; Nicholas Schneider, Georgetown Divide Public Utility District; Robert Dugan, Placer County Water Agency; Michael Grinstead, Sacramento County Water Agency; voted no. The second amendment on the motion did not pass.

Roll Call Vote:

Ayes	9
Noes	9
Abstained	0
Absent	4

A roll call vote was requested by Legal Counsel for the amended motion on the floor.

A motion to approve revisions to Policy 200.1 Rule of Proceedings, as amended.

S. Audie Foster, California American Water; Cathy Lee, Carmichael Water District; Raymond Riehle, Citrus Heights Water District; Marcus Yasutake, City of Folsom; Chris Nelson, City of Lincoln; Pauline Roccucci, City of Roseville; Brett Ewart, City of Sacramento; William Roberts, City of West Sacramento; Gwynne Pratt, Del Paso Manor Water District; Bruce Kamilos, Elk Grove Water District; Tom Gray, Fair Oaks Water District; Nicholas Schneider, Georgetown Divide Public Utility District; Paul Schubert, Golden State Water Company; Robert Dugan, Placer County Water Agency; Mimi Morris, Rancho Muerita Community Service District; Michael Grinstead, Sacramento County Water Agency; Bob Wichert, Sacramento Suburban Water District; Greg Zlotnick, San Juan Water District; voted yes. Motion passes.

Roll Call Vote:

Ayes	18
Noes	0
Abstained	0
Absent	4

7. REGIONAL WATER BANK UPDATE

Trevor Joseph, Manager of Technical Services presented this information item to the Board of Directors to provide an update on the Regional Water Bank.

8. ARTESIAN AGREEMENT UPDATE

Michelle Banonis, Manager of Strategic Affairs, presented this information item to the Board of Directors to provide an update on the status of the agreement and the funding agreement between the State of California (Natural Resources Agency and Department of Water Resources) and the RWA for the RWA to receive \$55 Million in grant funding for the construction of groundwater infrastructure. The funds are now available for designated RWA member agencies to construct projects.

9. LEGISLATIVE AND REGULATORY UPDATE

Ryan Ojakian, Manager of Legislative and Regulatory Affairs, presented this information item to the Board of Directors to provide an update on the latest Legislative and Regulatory changes relevant to members.

10. INFORMATION/PRESENTATION: 2024 RWA BOARD ELECTIONS OFFICERS AND EXECUTIVE COMMITTEE

Jim Peifer, Executive Director, presented this information item to the Board of Directors to provide an overview of the new Election Policy that was adopted at the beginning of the year.

11. EXECUTIVE DIRECTOR'S REPORT

Executive Director Peifer reported that RWA Policy 400.5 - Compensation Policy needs to be updated per some requirements of CalPERS. This item will be brought to the Board at a later meeting.

The RWA/SGA Holiday Social is scheduled for Wednesday, December 6 at the Blue Goose Event Center, 3350 Taylor Rd. Loomis, CA 95650.

13. DIRECTORS' COMMENTS

None.

ADJOURNMENT

With no further business to come before the Board, Vice Chair Ewart adjourned the meeting at 11:35 a.m.

By:

Brett Ewart, Vice Chair

Attest:

Ashley Flores, Board Secretary

Topic: Revisions to Policy 100.6 (RWA Affiliates) and Review of Policy 100.3 (RWA Associate Members)
Type: New Business
Item For: Consent Calendar
Purpose: [RWA Policy 100.3](#) and [RWA Policy 100.6](#)

SUBMITTED BY:	Josette Reina-Luken Finance & Administrative Services Manager	PRESENTER:	Josette Reina-Luken Finance & Administrative Services Manager
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EXECUTIVE SUMMARY

As an ongoing effort to review and update RWA's Policies and Procedures, this item reviews Policy 100.3 (RWA Associate Members) and Policy 100.6 (RWA Affiliates). A change is being proposed for Policy 100.6 and no changes are being proposed for Policy 100.3.

STAFF RECOMMENDATION:

Approve Revisions to Policy 100.3 (RWA Associate Members) and Policy 100.6 (RWA Affiliates)

BACKGROUND

Beginning in January 2022, staff began a comprehensive review of all operational RWA Policies to ensure that each of the series was reviewed within the last five years for any necessary changes. To date, the staff has completed the 200, 300, and 500 series. This item will complete the 100 series. Please note that formation policies regarding the JPA, Ethics Policy for Board of Directors and MOA standing agreements are not within staff's purview.

The proposed change to Policy 100.6 is to remove the language setting annual dues of \$750 for RWA Affiliates and to establish annual dues as part of the annual budgeting process.

Staff recommends no changes to Policy 100.3. Staff requests the Executive Committee review this policy and affirm the staff proposal to make no changes.

FINDING/CONCLUSION

At the October 30th Executive Committee Meeting, the Executive Committee unanimously approved recommending the proposed change for Policy 100.6 and no changes for Policy 100.3.

ATTACHMENTS

Attachment 1- Policy 100.3 (RWA Associate Members)
Attachment 2- Policy 100.6 (RWA Affiliates) redline version

REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

Policy Type	:	General
Policy Title	:	RWA Associate Members
Policy Number	:	100.3
Date Adopted	:	April 23, 2003
Date Amended	:	May 15, 2014
		May 12, 2016
		September 9, 2016
		November 9, 2023 – Reviewed
		(no changes)

RWA ASSOCIATE MEMBERS

Entities eligible to become Regional Water Authority (RWA) Associate Members include public or private entities with water management responsibilities and authorities who are not municipal water suppliers in this region. Agencies or water utilities that deliver potable retail or wholesale water in this region are not eligible to become RWA Associates, as these agencies are eligible to become RWA Members or Contracting Entities. Associate members may include, but are not limited to agricultural water providers, wastewater agencies, flood control agencies, and water planning organizations. Notwithstanding the remainder of this paragraph, the RWA Board may grant Associate Membership to an entity that otherwise qualifies for Associate Membership and whose delivery of potable water is a minor element of its activities, and not the primary reason for its seeking Associate Membership.

Each entity that applies to become an RWA Associate must be approved by a two-thirds majority vote of the RWA Board of Directors. RWA Associates do not hold a seat on the RWA Board, and therefore are not eligible to vote on RWA Board business or policy matters, including legislative/policy issues under Section 7(a) of the RWA joint powers agreement. RWA Associates pay an annual fee based on one-tenth of one percent (0.1%) of their annual operating budget, subject to a cap set by the RWA Board of Directors. The annual fee for RWA Associates is subject to adjustment by the RWA Board in the development and approval of the annual budget. RWA Associates are eligible to participate in RWA subscription programs and will not be subject to non-member surcharge fees for such programs.

REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

Policy Type : General
Policy Title : RWA Affiliates
Policy Number : 100.6
Date Adopted : May 15, 2014
Date Amended : November 9, 2023

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RWA AFFILIATES

Entities eligible to become Regional Water Authority (RWA) ~~Associate-Affiliate~~ Members include public or private entities with an interest and management role in regional water matters that are not eligible for other classes of membership in RWA. The purpose of the Affiliate relationship is to promote communication between water managers and the community and to support RWA's efforts to educate and inform the public.

Entities that may become Affiliates include, but are not limited to Cities and Counties that are not water providers; special districts that are not water providers, such as park, cemetery or fire districts; trade associations; chambers of commerce; businesses and institutions that are major water users; and entities that provide services to water providers.

Agencies or water utilities that deliver potable retail or wholesale water in this region are not eligible to become RWA Affiliates, as these agencies are eligible to become RWA Members or Contracting Entities. Agencies or entities with other water management authorities are not eligible to become RWA Affiliates, as these agencies are eligible to become RWA Associate Members.

Each entity that applies to become an RWA Affiliate must be approved by a two-thirds majority vote of the RWA Board of Directors. Board approval will be dependent on a demonstration that the Affiliate member will provide support to the mission and goals of RWA. RWA Affiliates do not hold a seat on the RWA Board, and therefore are not eligible to vote on RWA Board business or policy matters, including legislative/policy issues under Section 7(a) of the RWA joint powers agreement. RWA Affiliates pay an annual fee ~~\$750 per year~~, which will be subject to adjustment from time to time by the RWA Board as part of the annual RWA budget process. RWA Affiliates are not eligible to participate directly in RWA subscription programs.

Topic: Administrative Policy Review
Type: New Business
Item For: Consent Calendar; Accept FPPC changes to RWA Policy 200.4
Purpose: [RWA Policy 200.4](#) – Conflict of Interest Code

SUBMITTED BY:	Josette Reina-Luken Finance & Administrative Services Manager	PRESENTER:	Josette Reina-Luken Finance & Administrative Services Manager
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EXECUTIVE SUMMARY

Over the past summer, the Fair Political Practices Commission (FPPC) conducted an in-depth review of RWA's code and has made some changes to the Disclosure Categories. These changes do not require approval by the RWA Board of Directors. This routine item serves as staff's notification and customary acceptance by the RWA Board of Directors.

STAFF RECOMMENDATION:

Accept FPPC changes to RWA Policy 200.4

BACKGROUND

On November 10, 2022, the RWA Board of Directors accepted revisions to RWA Policy 200.4 Conflict of Interest Code to add a new position title. Over the past summer, the Fair Political Practices Commission (FPPC) conducted an in-depth review of RWA's code and has made some changes to the Disclosure Categories. Resulting in reducing RWA's categories from four to three categories by the removal of the grantor category. RWA administers grants on behalf of its members but does not make discretionary judgements on award grantees or recipients. These changes do not require approval by the RWA Board of Directors. However, per FPPC guidelines, this item was posted on RWA's website for public comment and received no responses.

FINDING/CONCLUSION

At the October 30th Executive Committee Meeting, the Executive Committee unanimously approved recommending the proposed changes to Policy 200.4

ATTACHMENTS

Attachment 1- RWA Policy 200.4 Approved on November 10, 2022
Attachment 2- RWA Policy 200.4 Revised by the FPPC

REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES

Policy Type	Board of Directors
Policy Title	Conflict of Interest
Policy	Code 200.4
Number Date	
Adopted Date	November 8, 2012;
Amended	March 13, 2014;
	November 14, 2019;
	November 10, 2022;
	November 9, 2023

ARTICLE 13. REGIONAL WATER AUTHORITY CONFLICT OF INTEREST CODE

The Political Reform Act (Government Code Section 81000. et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the conflict-of- interest code of the **Regional Water Authority (Authority)**.

Individuals holding designated positions shall file their statements of economic interests with the **Authority**, which will make the statements available for public inspection and reproduction. (Gov. Code Sec. 81008.) All statements will be retained by the **Authority**.

**REGIONAL WATER AUTHORITY
CONFLICT OF INTEREST CODE**

**APPENDIX A
DESIGNATED POSITIONS**

<u>Designated Position</u>	<u>Assigned Disclosure Category</u>
Board of Directors and Alternates	1, 2, 3
Associate Members	1, 2, 3
Executive Director	1, 2, 3
Legal Counsel	1, 2, 3
Manager of Technical Services	1, 2
Manager of Strategic Affairs	1, 2
Finance and Administrative Services Manager/Treasurer	1, 2
Legislative and Regulatory Affairs Program Manager	1, 2
Principal Project Manager	1, 2
Senior Project Manager	1
Associate Project Manager	1
Project Research Assistant	1
Consultants/New Positions	*

Note: The Legal Counsel position is filled by an outside consultant but acts in a staff capacity.

Consultants/New Positions*

*Consultants/New Positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation: The Executive Director may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's/new position's duties and based upon that description, a statement of the extent of disclosure requirements. The Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code (Gov. Code Section 81008).

**REGIONAL WATER AUTHORITY
CONFLICT OF INTEREST CODE
APPENDIX B
DISCLOSURE CATEGORIES**

Designated positions must report financial interests in accordance with the assigned disclosure categories.

Category 1: Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources, that provide services, supplies, materials, machinery, or equipment of the type utilized by the Authority.

Category 2: Interests in real property located within the jurisdiction or within two miles of the boundaries of the jurisdiction or within two miles of any land owned or used by the Authority as well as investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources, that provide real estate services (e.g. consulting, appraisal, development, construction) of the type used by the Authority.

Category 3: Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources, that filed a claim, or have a claim pending, against the Authority during the previous two years.

Sources of the type utilized by the district include:

- Engineering and environmental consulting firms
- Transportation equipment and parts
- Water and soil testing products and services
- Services for energy pricing/demand, legal and labor relations

(Non-inclusive list)

This is the last page of the conflict of interest code for the Regional Water Authority .



CERTIFICATION OF FPPC APPROVAL

Pursuant to Government Code Section 87303, the conflict of interest code for the
Regional Water Authority was approved on 9/11/23 .

This code will become effective on 10/11/23 .

Sukhdip Brar

Digitally signed by Sukhdip
Brar
Date: 2023.09.11 10:59:25
-07'00'

Sukhi K. Brar

Assistant Chief Counsel

Fair Political Practices Commission



Topic: Annual Review of Investment Strategy and CERBT Fund Allocations
 Type: New Business
 Item For: Consent Calendar
 Purpose: [RWA Policy 500.2](#)

SUBMITTED BY:	Josette Reina-Luken Finance & Administrative Services Manager	PRESENTER:	Josette Reina-Luken Finance & Administrative Services Manager
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EXECUTIVE SUMMARY

This is a recurring annual action item for the Board of Directors to review RWA Policy 500.2 – Investment Policy including the California Employee Retirement Benefits Trust (CERBT) investment portfolio allocations which funds Other Post Employment Benefits (OPEB) also known as retiree health benefits. This item is necessary to be in compliance with audit requirements.

STAFF RECOMMENDATION:

Approve no changes to Policy 500.2 (Investment Policy) and California Employee Retirement Benefits Trust (CERBT)

BACKGROUND

In accordance with Government Accounting Standards Board Statement 31, RWA's governing board is required annually to review its investment policy and associated investment selections. This review is typically completed as part of the overall annual audit process. RWA Policy 500.2 outlines the various types of suitable and acceptable investments that RWA can invest its cash funds (attached). Since policy inception, RWA has selected to invest its cash in the Local Agency Investment Fund (LAIF) under the expertise of the State Treasurer's Office Investment staff. LAIF is considered one of the soundest investment options available to government agencies and special districts. As almost all of RWA's cash balance is designated for specific projects or purposes, it is important that RWA select a conservative investment fund to ensure that funds are available quickly when needed. LAIF has performed well over the years for RWA, and the interest earnings are reported in the annual audit. Recent LAIF performance has drastically improved in the last year. In calendar year 2023, LAIF has earned over \$65,000 year-to-date as compared to the \$22,800 earned in interest in 2022; \$15,000 in 2021 and \$56,000 in 2020. With a recent deposit made as a result from the collection of RWA fiscal year 2023-2024 annual dues, RWA's LAIF balance exceeds \$3.8 million. LAIF has already earned higher interest this year than the last two years combined and has surpassed the amount earned in 2020.

Additionally, RWA also invests funds into a CalPERS trust, California Employee Retirement Benefits Trust (CERBT), to provide OPEB/retiree health benefits for current and future retirees utilizing

Agenda Item 3.4

Investment Strategy 1, which is the most aggressive strategy. Due to market conditions, RWA's CERBT balance fell from its highest balance ever of slightly over \$1.6 million in 2021 to \$1,252,387 in 2022 and is now at its current balance of \$1,429,517. With any investment portfolio, these annual fluctuations can vary on a year-to-year basis. RWA's CERBT annualized net rate of return since inception, June 8, 2009 through June 30, 2023 - approximately 14 years, is 7.72%.

FINDING/CONCLUSION

LAIF continues to provide low risk, albeit a low rate of return on the RWA assets. Interest rates have been increasing over the last year allowing the RWA to bring in additional revenue.

Investments in RWA's CERBT account have performed well, however, the account employs the most aggressive strategy.

Staff does not recommend changes to the investment strategies at this time.

ATTACHMENTS

Attachment 1- RWA Policy 500.2

Attachment 2- RWA August 2023 LAIF Statement

Attachment 3- RWA CERBT Statement as of 09/20/2023

REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

Policy Type : Fiscal Management
Policy Title : Investment Policy
Policy Number : 500.2
Date Adopted : March 9, 2006
Date Amended : November 8, 2012
May 12, 2022 (reviewed by staff)

REGIONAL WATER AUTHORITY INVESTMENT POLICY

1.0 Purpose

The purpose of this Investment Policy (Policy) is to establish cash management and investment guidelines for the Treasurer, who is responsible for investing and safeguarding the Regional Water Authority's (RWA) surplus funds. Each transaction and the entire portfolio must comply with California Government Code (the "Code") Sections 53600 through 53610 (Investment of Surplus), Sections 53630 through 53686 (Deposit of Funds), and this Policy.

2.0 Scope

This Policy applies to all surplus financial funds of RWA that may be invested because they are not needed for immediate payment of expenses. These funds are accounted for in RWA's audited annual financial report and include:

1. Enterprise Funds
2. Trust and Agency Funds
3. Any new fund created by the legislative body, unless specifically exempted.

Except for cash in certain restricted and special funds, RWA will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles. In addition, the costs of managing the investment portfolio, including but not limited to the costs of investment management, custody of assets, managing and accounting for banking, and oversight controls, will be charged to investment earnings based upon actual hours of labor devoted to managing each of the funds.

3.0 General Objectives

In accordance with the Code, the primary objectives, in priority order, of investment activities will be safety, liquidity, and yield:

1. Safety. Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio. Each investment transaction will be entered into with consideration for the quality of the issuer and of the underlying security and collateral.

2. Liquidity. The investment portfolio will remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Liquidity will be accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands whenever feasible. A portion or the entire portfolio also may be placed in money market mutual funds or local government investment pools which offer same-day liquidity for short-term funds.

3. Yield. The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.

4.0 Standards of Care

1. Prudent Investor Standard. In accordance with Section 53600.3, the RWA Board and Treasurer are trustees and fiduciaries subject to the "Prudent Investor Standard." The Prudent Investor Standard requires the Board and Treasurer, when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing the RWA's funds, to act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the RWA, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the RWA. This standard will be applied in all investment decisions, including those related to hedging interest rate risks associated with debt financing. This standard will be applied in all investment decisions.

2. Ethics and Conflicts of Interest. The Treasurer and any other officers and employees involved in the investment process will refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial investment decisions. Such officers and employees will disclose to the Board of Directors any material interests in financial institutions with which they conduct business. They will further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Affected officers and employees will

refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of RWA. All such officers and employees are prohibited from accepting honoraria, gifts and from financial dealers and financial institutions.

3. Delegation of Authority. Under Section 53607 of the Code, authority to manage RWA's investment portfolio is expressly delegated to the Board of Directors, which may delegate its authority to the Treasurer. In accordance with Section 53607, the Board hereby delegates its responsibility for the operation of the investment program to the Treasurer, who will act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this Policy.

5.0 Safekeeping and Custody

1. Authorized Financial Dealers and Institutions. The Treasurer will maintain a list of financial institutions authorized to provide investment services and a list of approved security broker/dealers selected by creditworthiness (e.g., a minimum capital requirement of \$10,000,000 and at least five years of operation). These may include primary dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

RWA will only deposit funds in a depository that is established and operated in accordance with applicable federal and state laws and regulations.

All financial institutions and broker/dealers who desire to become qualified to conduct investment transactions for RWA must supply the following to the Treasurer as requested:

- Audited financial statements
- Proof of National Association of Securities Dealers (NASD) certification
- Trading resolution
- Proof of state registration
- Completed broker/dealer questionnaire
- Certification signed by an authorized officer that he or she has read and understood and that the institution agrees to comply with this Policy.

The Treasurer will conduct an annual review of the financial condition and registration of qualified financial institutions and broker/dealers. A current audited financial statement is required to be on file for each financial institution and broker/dealer in or through which RWA invests. No broker, dealer, or securities firm will be eligible to provide services to RWA within 24 months of making a campaign contribution to any RWA Board member, if the

contribution exceeds the limits contained in Rule G-37 of the Municipal Securities Rulemaking Board.

2. Delivery vs. Payment. Where applicable, all trades will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds. Securities will be held by a third-party custodian as evidenced by safekeeping receipts.

6.0 Suitable and Authorized Investments

The Treasurer is authorized to make investments in accordance with the general categories and limitations established by Sections 53601, 53601.6, 53601.8, 53635, 53635.2, 53638 and 53684 of the Code. Authorized investments also will include investment into the Local Agency Investment Fund ("LAIF") in accordance with Section 16429.1 of the Code. See Appendix A, which summarizes the categories of permitted investments.

1. U.S. Government, Agencies, State and Local Government Sponsored Enterprises

- a. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- b. Registered state warrants or treasury notes or bonds of California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.
- c. Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.
- d. Bonds, notes, warrants, or other evidences of indebtedness of a local agency within California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency or authority of the local agency; provided, however, that any bond or certificate of participation investments in member agencies require prior Board approval.
- e. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- f. These investments have a maximum maturity of five years.

2. Bankers Acceptance Notes

- a. Investments in prime bankers' acceptances may not exceed 40 percent of the portfolio in effect on the date of purchase of any such investment.
- b. No more than 30 percent of this category of investments may be invested in any one commercial bank's acceptances.
- c. The maximum maturity shall be limited to 180 days.

3. Commercial Paper

- a. Only commercial paper of prime quality of the highest ranking or of the highest letter and numerical rating, at the time of purchase, as provided by Moody's Investors Services or Standard & Poor's Corporation may be purchased.
- b. Investments in commercial paper shall not exceed 25 percent of the portfolio in effect on the date of purchase of any such investment.
- c. Each investment shall not exceed 270 days maturity.
- d. No more than 10 percent of the outstanding commercial paper of an issuing corporation may be purchased.
- e. The issuer is either: (1) organized and operating in the United States as a general corporation and has total assets in excess of \$500 million. If the entity has debt other than commercial paper, it is rated "A", "A-2" or higher by a nationally recognized rating agency; or (2) is organized within the United States as a special purpose corporation, trust or limited liability company. Has program-wide credit enhancements including, but not limited to, over-collateralization, letters of credit or surety bond. Has commercial paper that is rated "A-1", "A+" or higher by a nationally recognized rating agency.

4. Negotiable Certificates of Deposit

- a. A negotiable certificate of deposit must be issued by a nationally or state-chartered bank, a state or federal savings and loan association or savings bank, a state or federal credit union, or by a federally-licensed or state-licensed branch of a foreign bank and be rated "A" or better by at least one nationally recognized rating agency.
- b. Investments in negotiable certificates of deposit may not exceed 30 percent of the total portfolio in effect on the date of purchase of any such investment.

- c. The investment will not exceed the total of the net worth of any depository savings and loan association, except that investments up to a total of \$500,000 may be made to a savings and loan association without regard to the net worth of that depository, if such investments are insured or secured as required by law..
- d. The investment shall not exceed the shareholders' equity of any depository bank. For the purpose of this constraint, shareholders' equity shall be deemed to include capital notes and debentures.
- e. The RWA Board and the Treasurer or other official of the RWA having legal custody of the moneys are prohibited from investing RWA funds, or funds in the custody of the RWA, in negotiable certificates of deposit issued by a state or federal credit union if a member of the RWA's Board, or a person with investment decision making authority at the RWA also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.
- f. The maximum maturity is limited to five years.

5. Medium-term notes

- a. Investment in medium-term notes are limited to corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.
- b. Purchases of medium-term notes will be limited to a maximum maturity of five years.
- c. Purchases of medium-term notes may not exceed 30 percent of the portfolio.
- d. Notes eligible for investment shall be rated in a rating category of at least "A" or its equivalent or better by a nationally recognized rating service.

6. Shares of Beneficial Interest (Money Market Funds)

- a. Investment in shares of beneficial interest issued by eligible diversified management companies that invest in securities that comply with Section 53601 and 53635 of the Code or are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940.
- b. These eligible companies must meet the following criteria:
 - i. Attain the highest ranking of the highest letter and numerical rating provided by not less than two nationally recognized rating agencies
 - ii. Retain an investment adviser registered or exempt from registration with the Securities and Exchange Commission

with not less than five years' experience managing money market funds with assets under management in excess of \$500 million.

- c. The purchase price of the shares will not include any commission that the companies may charge and will not exceed 20 percent of the portfolio.
- d. No more than 10 percent of portfolio may be invested in one mutual fund.

7. Collateralized Bank Deposits

- a. Maximum maturity is limited to five years.
- b. Collateralization must be consistent with the requirements of Sections 53651 through 53652 of the Code.

8. Time Deposits

- a. For purposes of this Policy, collateralized time deposits will be considered investments.
- b. The financial institution used must have been in existence for at least five years.
- c. The financial institution must have received an overall rating of not less than "satisfactory" in its most recent evaluation by the appropriate federal financial supervisory agency of its record of meeting the credit needs of California's communities.
- d. Eligibility for deposits will be limited to those financial institutions that have a branch in the State of California and maintain a rating equivalent to Thompson BankWatch Service of "B" or better.
- e. Credit requirements may be waived for a \$100,000 time deposit that is federally insured.
- f. The deposit will not exceed the shareholders' equity of any depository bank. For the purpose of this constraint, shareholders' equity will be deemed to include capital notes and debentures.
- g. The deposit will not exceed the total of the net worth of any depository savings and loan association, except that deposits not exceeding a total of \$500,000 may be made to a savings and loan association without regard to the net worth of that depository, if such deposits are insured or secured as required by law.
- h. Deposits must be insured up to the FDIC's current limit. For uninsured deposits, the financial institution will maintain in the collateral pool securities having a market value of at least 10 percent in excess of the total amount deposited. RWA, at its discretion, may waive the collateralization requirements for any portion that is covered by federal deposit insurance. RWA shall have a signed agreement with any depository accepting RWA

funds. Promissory notes secured by real estate mortgages or deeds of trust are not acceptable as collateral.

- i. When other factors are equal, appropriate consideration will be given to a financial institution that either individually or as a member of a syndicate bids on or makes a substantial investment in the RWA's securities, contributes service to the RWA, and offers significant assistance to the RWA, so as to provide for distribution of total deposits among eligible financial institutions.
- j. Purchased time deposits will be limited to a maximum maturity of five years.

9. Local Agency Investment Fund

- a. Deposits for the purpose of investment in the Local Agency Investment Fund of the State of California may be made up to the maximum amount permitted by State Treasury policy.

7.0 Reporting

1. Required Periodic Reports. The Treasurer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner which will allow the members of the RWA Board of Directors and Executive Director to ascertain whether investment activities during the reporting period have conformed to this Policy. The report shall be provided to the Board of Directors and the Executive Director. If applicable, the investment report will include the following:

- Listing of individual securities held at the end of the reporting period by investment category.
- Average life and final maturity of all investments listed
- Coupon, discount, or earnings rate
- Par value, amortized book value and market value
- Percentage of portfolio represented by the investment category

2. LAIF Reporting. If the surplus funds are solely invested in the Local Agency Investment Fund (LAIF), the monthly LAIF statement shall be sufficient for reporting purposes.

8.0 Policy Considerations

1. Amendments. This Policy will be reviewed by the Treasurer on an annual basis. Any changes to this Policy recommended by the Treasurer must be approved by the Executive Committee and Board of Directors, after review and comment by the individual(s) charged with maintaining internal controls.

2. Administration. The Treasurer may at any time further restrict the securities approved for investment as deemed prudent. From time to time, the established portfolio limitations may be exceeded due to irregular cash flows or in certain economic conditions. In such cases, the Treasurer will inform the Executive Committee and Executive Director and take action consistent with the prudent investor standard to ensure that no category of investments exceeds the statutory limitations provided in the Code.

3. Performance Review. The Treasurer will conduct an annual appraisal of RWA's investment portfolio to evaluate its effectiveness and conformance with this Policy. To the extent necessary or appropriate, the Treasurer will make recommendations to the Executive Committee concerning the improvement and/or restructuring of the portfolio.

4. Existing Investments. Any investment held by RWA at the time this Policy is first adopted or revised to conform to changes in law or this Policy will not be sold because of a failure to conform to this Policy, unless the Treasurer deems sale of the investment to be prudent or required by law.

5. Conflict With Statute. In the event that any provision of this Policy conflicts with the Code or any other applicable state or federal statute, the provisions of any such statute will govern.

APPENDIX A

PERMITTED INVESTMENT INSTRUMENTS PER GOVERNMENT CODE (AS OF JANUARY 1, 2012) ¹

Investment Type	Maximum Maturity	Maximum Specified % of Portfolio	Minimum Quality Requirement
Local Agency Bonds	5 years	100	None
U.S. Treasury Obligations	5 years	100	None
State Obligations—CA And Others	5 years	100	None
CA Local Agency Obligations	5 years	100	None
U.S Agency Obligations	5 years	100	None
Bankers' Acceptances	180 days	40%	None
Commercial Paper—Select Agencies	270 days	25% of the agency's money	"A-1" if the issuer has issued long-term debt it must be rated "A" without regard to modifiers
Commercial Paper—Other Agencies	270 days	40% of the agency's money	"A-1" if the issuer has issued long-term debt it must be rated "A" without regard to modifiers
Negotiable Certificates of Deposit and CD Placement Service	5 years	30%	None
Medium-Term Notes	5 years	30%	"A" Rating
Mutual Funds And Money Market Mutual Funds	N/A	20%	Multiple
Collateralized Bank Deposits	5 years	100	None
Bank/Time Deposits	5 years	100	None
County Pooled Investment Funds	N/A	100	None
Joint Powers Authority Pool	N/A	100	Multiple
Local Agency Investment Fund (LAIF)	N/A	100	None

¹ See Article 6 of the Policy for a more complete description of each permitted investment and related limitations.

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

September 07, 2023

[LAIF Home](#)
[PMIA Average Monthly
Yields](#)

REGIONAL WATER AUTHORITY

TREASURER
5620 BIRDCAGE STREET, SUITE 180
CITRUS HEIGHTS, CA 95610

[Tran Type Definitions](#)



August 2023 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	2,856,551.42
Total Withdrawal:	0.00	Ending Balance:	2,856,551.42

CERBT and CEPPT Plan Portal

» [CERBT and CEPPT]:

My Accounts

As of the financial markets most recent close of business (09/20/2023), the total value of your account(s) is **\$1,429,517.48**.

Get Account Data

Website Contact

Contributions to the CERBT AND CEPPT :

Contributions to the CERBT and CEPPT may be initiated through myCalPERS.

Contributions may be submitted using four different transmittal methods.

- Electronic Funds Transfer by ACH Debit Method*
- Electronic Funds Transfer by ACH Credit Method
- Electronic Funds Transfer by Wire Transfer
- Check

* CalPERS preferred contribution method.

For more information on this process, please see the [Prefunding Programs' myCalPERS Contributions Guide](#). The Prefunding Programs team is happy to walk you through the contribution process. If you have any questions or would like to set up a walk through, please email CERBT4U@CalPERS.ca.gov or CEPPT4U@CalPERS.ca.gov

Please note: Contributions by Wire Transfer in the amount of \$5 million or greater require 72 hour notice prior to sending the contribution.

Disbursements from the CERBT and CEPPT:

All requests for disbursements must be in writing using the CERBT Disbursement Request Form or CEPPT Disbursement Request Form and must include a certification that the monies will be used for the purposes of the Prefunding Plan. The requests must be signed by an individual serving in the position authorized by the employer to request disbursements from the Trust(s).

Please note: Disbursements \$10,000 or greater require two signatures.

Please email: CERBT4U@CalPERS.ca.gov or CEPPT4U@CalPERS.ca.gov to obtain the Disbursement Request Form(s).

Upon completion of the Disbursement Request form, please mail the original to the following address:

CalPERS
CERBT/CEPPT

Topic: Revisions to Policy 400.1 (Personnel Rules)
Type: New Business
Item For: Consent
Purpose: Policy 400.1 (Personnel Rules)

SUBMITTED BY: Jim Peifer
Executive Director

PRESENTER: Jim Peifer
Executive Director

EXECUTIVE SUMMARY

This item is for the Board of Directors to consider and approve changes to Policy 400.1 (Personnel Rules). Proposed changes include the addition of a whistleblower policy and updates to the Rule 2, Section 212 (Professional Appearance).

STAFF RECOMMENDED ACTION

Approve Proposed Changes Personnel Rules RWA Policy Series 400.1 (Personnel Rules)

BACKGROUND

Policy 400.1 (Personnel Rules) establish the rules and conditions regarding employment with the RWA. Staff recommending two revisions for the Board of Director's consideration and approval.

Whistleblower Policy: RWA's and SGA's Auditor recently inquired if the RWA and SGA have a whistleblower policy that provides staff protections and procedures for reporting potential fraud or abuse if being committed by RWA staff. The RWA does not currently have policy addressing this and staff is proposing a new appendix in the Personnel Rules to remedy this.

Professional Appearance: The proposed personnel rules clarify standards of professional appearance.

FINDING/CONCLUSION

The proposed changes will allow for better financial controls of the organization and bring clarity to standards of professional appearance.

ATTACHMENTS:

Attachment 1- Draft Personnel Rules

Attachment 2- Draft RWA Policy 400.1 Appendix J – Whistleblower Policy

Regional Water Authority

PERSONNEL RULES

RWA Policy 400.1

Adopted on January 10, 2019
Amended September 10, 2020
Amended November 9, 2023

Successor policy document combining and replacing:
Policy 400.1.Employee Handbook dated November 13, 2008 and all prior revisions.

Formatted: Centered

REGIONAL WATER AUTHORITY
PERSONNEL RULES – POLICY 400.1

REGIONAL WATER AUTHORITY
PERSONNEL RULES – POLICY 400.1

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REGIONAL WATER AUTHORITY
PERSONNEL RULES – POLICY 400.1

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- 810. Short and Long Term Disability Insurance Benefits
- 811. Leave of Absence Without Pay
- 812. Family Care Leave
- 813. Pregnancy Disability Leave
- 814. Military Leave
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Appendix A: Policy 200.4. Conflict of Interest Code incorporated by reference

Appendix B: Policy 300.5. Electronic Mail Management and Retention
incorporated by reference

Appendix C: Harassment and Retaliation Prevention

Appendix D: Drug Free Work Place

Appendix E: Workplace Violence

Appendix F: Policy 400.2. Employee Compensation incorporated by reference

Appendix G: Health Reimbursement

Appendix H: Family Care Leave

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RULE 1. GENERAL PROVISIONS

101. AUTHORITY

The Regional Water Authority, hereafter “Authority”, establishes these Personnel Rules, hereafter “Rules”, to implement the following principles:

- (a) The Authority will institute equitable and uniform procedures for managing personnel matters.
- (b) The Authority will recruit, select and retain the most competent workforce available.
- (c) The Authority will provide equal opportunity for all persons at all levels of Authority employment in accordance with provisions of these Rules, policies and procedures, and pursuant to state and federal law.
- (d) The Authority will appoint, evaluate, transfer, promote, compensate, discipline, and dismiss employees on the basis of job-related qualifications, performance, merit, and equal employment opportunity.

The Executive Director is responsible for implementing, administering, and ensuring compliance with the provisions of the Rules, subject to the direction of the Board of Directors. In the event any provision of these Rules needs clarification, the Executive Director may issue administrative instructions clarifying the intent of said provision. The Executive Director may develop and issue procedures, consistent with these Rules in order to facilitate implementation. The Executive Director may delegate any personnel powers or duties to another employee of the Authority.

These Rules do not create any contract of employment, expressed or implied, or any rights in the nature of a contract.

Unless otherwise expressly specified herein, the Rules, policies and procedures contained herein supersede any and all previously issued Authority policies, procedures, or rules related to matters discussed herein.

Circumstances will require that Rules, policies, procedures, and benefits described herein change from time to time. Consequently, the Authority reserves the right to amend, supplement, or rescind any provisions of these Rules.

102. APPLICATION OF PERSONNEL RULES

The provisions of these Rules will apply to all regular employees. Except as described below, these Rules do not apply to the following employees or officials:

- 1. Elected or appointed members of the Board of Directors, hereinafter referred to as “officials.”
- 2. Persons engaged under a professional services agreement to supply expert professional, technical or other services, hereinafter referred to as “contractors.”

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These Rules apply to all Authority employees, including those with an employment contract. If there is an irreconcilable conflict between a provision of these Rules and an employment contract, the contract will prevail.

Failure to adhere to these Rules may result in disciplinary action, up to and including termination.

103. PERSONNEL RULES, AND LAWS

If a provision of these Rules conflicts with any provision of an applicable state or federal law, the Authority will comply with the state or federal law.

104. SEVERABILITY

If any provision of these Rules, or the application of such provision to any person or circumstance, will be held invalid, the remainder of the Rules, or the application of such provision to persons or circumstances other than those as to which it is held invalid, will not be affected thereby.

105. ACKNOWLEDGEMENT

Employees must sign an acknowledgement that they have received these Rules and are responsible for reading and familiarizing themselves with the Rules.

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Acknowledgement of Receipt Form

I have received my copy of the Regional Water Authority Personnel Rules, Policy 400.1 and appendices. I understand and agree that it is my responsibility to read, familiarize myself with, and comply with the policies and procedures contained in the Policy. I acknowledge that all employment with the Authority is “at will,” meaning that both the employee and the Authority have the right to terminate employment at any time with or without advance notice, and with or without cause. I also understand that the Authority reserves full discretion to add to, modify, or delete provisions of this Handbook and other employment policies, procedures, work rules or benefits, at any time and without advance notice. I understand that no individual other than the Authority Board of Directors has the authority to modify or amend this Handbook or to enter into any employment contract. Any such modification or amendment to my employee contract must be in writing and, for employment contracts, signed by me (employee) and the Authority Board Chair.

Dated: _____

Employee Signature

Print Name

RULE 2. POLICIES GOVERNING EMPLOYMENT AND WORKING CONDITIONS

201. OUTSIDE EMPLOYMENT

- A. An employee will not engage in any paid or self-employment, activity, or enterprise which is inconsistent, incompatible, or in conflict with the employee's duties, functions, responsibilities, or that of the department in which the employee is employed at the Authority. In order to avoid perceived or actual conflicts of interest that may arise from outside employment, all employees must obtain written approval from the Executive Director prior to undertaking any outside employment as described in this Policy. (Gov. Code § 1126(a).)
- B. Prohibited Outside Activities
An employee's outside employment, activity, or enterprise may be prohibited if it:
 - 1. Involves the use for private gain or advantage of Authority time, facilities, equipment, and supplies, or prestige, or influence of the Authority or employment at the Authority;
 - 2. Involves receipt or acceptance by the employee of any money or other consideration from anyone other than the Authority for the performance of an act, which the employee would be required or expected to render in the regular course or hours of the employee's employment or as part of the employee's duties;
 - 3. Involves the performance of an act in other than the employee's capacity as an Authority employee which act may later be subject directly or indirectly to the control, inspection, review, audit, or enforcement by such employee or the department by which the employee is employed; or
 - 4. Involves time demands that would render the employee's performance of the employee's regular Authority employment less efficient, or otherwise conflicts with the employee's work schedule, duties and responsibilities.
- C. Self-employment is considered outside employment and must meet the same conditions as other outside employment, with the addition of the restriction that the employment does not involve ownership of a private business that is incompatible with the employee's position with the Authority.
- D. Any changes in outside employment, business activity or enterprise must be reported to the Executive Director or designee within ten (10) calendar days of the change.
- F. If the Executive Director determines that such employment, business activity or enterprise is inconsistent, incompatible, in conflict with or inimical to the proper discharge of the employee's official duties, the employee will be ordered to refrain from that employment, activity or enterprise.

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202. CONFLICTS OF INTEREST

- A. Pursuant to the provisions of Gov. Code Section 87300, et seq. the Authority adopted a Conflict of Interest Code. No official or employee will accept a fee, compensation, gift, payment of expenses or any other thing of monetary value in any circumstances in which acceptance may result in or create the appearance of any one or more of the following:
1. Use of public office and/or employment for personal or private gain.
 2. Preferential treatment of any person.
 3. Loss of complete independence or impartiality.
 4. Making an Authority decision outside of official channels.
 5. Reduction of public confidence in the integrity of the Authority and/or its employees.
 6. Impeding government efficiency or economy.
- B. It is the employee's responsibility to disclose and report all potential conflict of interest situations to his/her supervisor or the Executive Director. Appendix A contains by reference the Authority's Conflict of Interest Code, Policy 200.4.
- C. An employee will not have a financial interest in a contract with the Authority, or be a purchaser at a sale by the Authority or a vendor at a purchase made by the Authority, unless the Director's participation is authorized under Government Code section 1090 et seq. or other provisions of law.

203. CONFIDENTIAL INFORMATION

No Authority official or employee will disclose to any third party or other employees information that is regarded as confidential (except as authorized or required by law), or otherwise use such information for personal gain or benefit. All personnel records will be confidential except when disclosure is required by law.

204. USE OF AUTHORITY PROPERTY

Authority property is to be used only for conducting Authority business unless otherwise authorized. Authority property includes, but is not limited to: telephones, mobile phones, desks, computers and tablets (including hardware and software), file cabinets, lockers, communications stored or transmitted on Authority property (such as emails and voicemails), vehicles, equipment, and any other Authority property used by Authority employees in their work. Employees are prohibited from using Authority-owned equipment, materials, or property for personal benefit or profit or for political purposes.

The Authority, at the sole discretion of the Executive Director, may issue to an employee a mobile phone, laptop computer, iPad, or other electronic equipment.

Personal use of Authority property should be kept to a de minimus level. Under the law, de minimus is defined as "trivial" and "not worthy of judicial scrutiny." For example, an employee asked to work longer on their regular work shift, might contact a family

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member briefly to let them know they will be late but should not discuss other plans over a longer period of time.

Authority property may be monitored through electronic and/or video means and searched at any time and for any reason. Messages sent or received on Authority equipment, including mobile phones, may be saved and reviewed by others. Location services may be turned on in Authority equipment. Authority workplace facilities may be monitored at any time. Vehicle maintenance, location, and operational data may be collected at any time. Therefore, except as provided for by law, employees must have no expectation of privacy when on Authority property, at an Authority worksite, or when using Authority property or equipment.

All Authority property must be returned upon an employee leaving employment.

205. ELECTRONIC COMMUNICATIONS

The Authority's email system is an official communication tool for Authority business. An official email address is established and assigned by the Authority to each employee. All Authority communications sent via email will be sent to this address. Employees must use the official Authority email, instead of their private email address, when conducting or communicating Authority business via email.

Electronic communications resources must be used in compliance with applicable statutes, regulations, and Authority policies including those that require a work environment free from discrimination and harassment. Electronic communications should conform to the same standards of propriety and respect as any other verbal or written communication at the Authority.

Employees are expected to use common sense and judgment to avoid any communication that is disrespectful, offensive or illegal.

The Authority, as the provider of access to its electronic communications resources, reserves the right to specify how those resources will be used and administered to comply with this Rule. It is important to realize that the message content sent from the Authority's account reflects upon the Authority (positively or negatively) to those who receive the message. Employees may be subject to disciplinary action for using the electronic communications resources in a manner other than for their intended purposes, or in a manner that violates applicable laws, rules and policies.

The Authority owns the rights to all data and files in any computer, network, or other information system used in the Authority and to all data and files sent or received using any Authority system or using the Authority's access to any computer network, to the extent that such rights are not superseded by applicable laws relating to intellectual property. The Authority also reserves the right to monitor electronic mail messages and their content, as well as any and all use by employees of the Internet and of computer equipment used to create, view, or access e-mail and Internet content. Employees must be aware that the electronic mail messages sent and received using Authority equipment or Internet access, including web-based messaging systems used with such systems or access, are not private, are in many instances public records, and are

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subject to viewing, downloading, inspection, release, and archiving by Authority officials at all times. The Authority has the right to inspect any and all files stored in private areas of the network or on individual computers or storage media in order to assure compliance with Authority policies and State and Federal laws.

No employee may access another employee's computer, computer files, or electronic mail messages without prior authorization from either the employee or the Executive Director.

In addition to the above provision, employees shall comply with Authority Policy 300.5, RWA Electronic Mail Management and Retention Policy, included by reference in Appendix B.

206. POLITICAL ACTIVITY

- A. Authority employees and officials are prohibited from engaging in political activity during working hours or on Authority property, with the exception of permitted political activities that may take place at Board of Directors meetings. (Gov. Code § 3207.)
- B. No Authority employee or official will participate in political activities of any kind while wearing clothing that identifies the employee as an Authority employee. (Gov. Code § 3206.)
- C. No Authority employee or official may use Authority funds or resources to advocate a partisan position or otherwise use Authority funds or resources to support his or her personal political activities. (Gov. Code §§ 8314, 54964.)

207. EQUAL EMPLOYMENT OPPORTUNITY

The Authority affords equal employment opportunity to all qualified employees, officers, officials, contractors, applicants, and unpaid interns and volunteers as to all terms and conditions of employment, including compensation, hiring, training, promotion, transfer, discipline, and termination. The Authority prohibits discrimination against employees, officers, officials, contractors, applicants for employment, unpaid interns, or volunteers on the basis of race, religious creed, color, sex (including gender, gender identity, gender expression, transgender, pregnancy, and breastfeeding), national origin, ancestry, disability (mental or physical), medical condition, genetic characteristics or information, marital status, age (40 or over), sexual orientation (including homosexuality, bisexuality, or heterosexuality), military and veteran status, or any other basis protected by law.

208. POLICY AND COMPLAINT PROCEDURE AGAINST HARASSMENT, AND RETALIATION

The Authority has adopted a policy and complaint procedure against harassment and retaliation. The purpose of this Policy is to establish a strong commitment to prohibit and prevent discrimination, harassment, and retaliation in employment; to define those terms; and to set forth a procedure for investigating and resolving internal complaints.

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Employees, applicants, unpaid interns, volunteers, officers, officials or contractors who believe they have experienced any form of employment discrimination are encouraged to report this immediately, using the complaint procedure provided in Appendix C, Harassment and Retaliation Prevention, to the Executive Director, Board President or other member of the Board of Directors, or by contacting the U.S. Equal Employment Opportunity Commission, or the California Department of Fair Employment and Housing.

209. REASONABLE ACCOMMODATION

Any applicant or employee who requires an accommodation in order to test for a position or perform the essential functions of the job should notify the Executive Director orally or in writing. The Authority will engage in a timely, good faith interactive process with the applicant or employee to respond to requests for reasonable accommodations under applicable laws.

210. EMPLOYMENT OF RELATIVES

A. Policy

The Authority will not employ relatives, spouses, or domestic partners of current employees.

B. Definitions

1. "Relative" means child, step-child, parent, grandparent, grandchild, brother, sister, half-brother, half-sister, aunt, uncle, niece, nephew, or in-laws of those enumerated by marriage or domestic partnership.
2. "Spouse" means one of two persons to a marriage, or two people who are registered domestic partners, as defined by California law. (Fam. Code § 297 & 300.)

C. Marriage or Domestic Partnership After Employment

If two Authority employees who work in the same department later become spouses or domestic partners, the Executive Director, or designee, retains sole discretion to separate one employee from employment. Absent the resignation of one employee, the less senior employee will be separated. Any such separation is not considered to be disciplinary and is not subject to any grievance or appeal, or pre- or post-disciplinary appeal due process.

211. DRUG FREE WORKPLACE

Employees will not be at work under the influence of alcohol or drugs, will not use or possess alcohol or drugs while on duty or while on paid standby time and will not sell, manufacture, distribute or provide drugs to any person while on duty. The Authority has no intention of interfering with the private lives of its employees unless involvement with alcohol and other drugs on or off the job affects job performance or public safety. The Authority encourages employees to voluntarily seek help with drug and alcohol problems. Appendix D contains the Authority's Drug Free Workplace Policy.

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212. WORKPLACE VIOLENCE

The goal of the Authority is to provide every employee a safe work environment. To this end it is the Authority's policy that violence, or the threat of violence, in the workplace will not be tolerated in any form. It is inappropriate to use violence or threats of violence for any reason or to in any way interfere with providing a safe workplace. Employees are expected to conduct themselves in accordance with the policies and regulations of the Authority. Appendix E contains the Authority's Workplace Violence policy.

213. PROFESSIONAL APPEARANCE

~~Employees are required to dress appropriately for the jobs they are performing. Dress code standards are designed to promote the Authority's legitimate and non-discriminatory goals to promote workplace safety and a professional image that is consistent with the employee job duties and level of public contact.~~

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~~Employees are required to dress appropriately for the jobs they are performing, the work environment, and the level of employee's interaction with members and partners outside of the Authority. Dress code standards for professional and front office staff are designed to promote the Authority's legitimate and nondiscriminatory goals to promote workplace safety and a professional image that is consistent with the employee job duties and level of public contact. An employee who reports to work inappropriately dressed may be asked to leave and return in acceptable attire. Some general guidelines for dress code standards are discussed below.~~

Business Formal

~~When representing the Authority at hearings, outside legislative meetings, or panel discussions and presentations at conferences, business formal attire is required unless specified by the Executive Director. Some examples of business formal attire include, but not limited to, two or three-piece pant suits, dresses or skirts.~~

Business Casual

~~When working in the RWA office or meeting with RWA Board members and outside staff, business casual attire is required unless specified by the Executive Director. Business casual attire is less formal than business attire and some examples of business casual attire include, but not limited to, sport coat and slacks, button-downs, polo shirts, sweaters, and denim (no distressed jeans) pants. Business casual is appropriate for conferences where business casual is the norm.~~

Casual Attire

~~Authority staff may wear "everyday" clothes unless they are publicly representing the Authority and are therefore required to wear business formal or business casual attire depending on the circumstance. Examples of casual attire include, but not limited to all types of jeans, t-shirts or other appropriate attire of a casual nature.~~

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Field Work

When Authority staff perform field work activities, appropriate personal protective equipment and attire is required. Field work attire should be neat and clean while allowing staff to perform their job safely and effectively. Fieldwork attire is dependent on the work, duration and weather conditions of the area where fieldwork is being conducted. Some examples of field work attire include, but not limited to, field pants (e.g., jeans, canvas pants, etc.), tank tops, t-shirts, long-sleeved shirts, sweatshirts, hats, hiking boots and rain gear.

An employee who reports to work inappropriately dressed may be asked to leave and return in acceptable attire.

214. USE OF PERSONAL AUTOMOBILE

Employees working in a position with a job description requiring the use of a personal automobile may be required to use their personal automobile on Authority business. Such employees periodically will be required to show proof of a valid California Driver's License and current insurance. They also will be required to have a good driving record, which may be checked on an annual basis. If the driving record shows the employee to be an "at-risk" driver, it may result in reclassification into a different position or termination of employment. Employees using their personal automobiles on Authority business shall be compensated for such use in accordance with Authority employee expense reimbursement policies.

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RULE 3. JOB CLASSIFICATION

301. GENERAL

The Authority maintains the job classifications for all positions in the Authority's classification plan. The Executive Director or designee is responsible for classifying each position in the Authority service and developing classification specifications. Employees should familiarize themselves with the classification description for their job as certain personnel policies may or may not apply to a particular job.

302. CLASSIFICATION PLAN

The Executive Director will prepare and maintain a classification plan based on the needs of the Authority. The plan will assign all positions to a classification and develop specifications for each, which may include, but are not limited to, a list of examples of essential functions, knowledge, skills and abilities and a statement of qualifications required for appointment.

303. AT-WILL EMPLOYMENT

Unless otherwise provided by a written employment contract approved by the Board and signed by the Board Chairperson, all employment with the Authority is "at will," meaning that both the employee and the Authority, through action of the Executive Director, have the right to terminate employment at any time with or without advance notice, and with or without cause and have no rights to any of the pre- or post-disciplinary processes or procedures

No one other than the Board has the authority to alter this arrangement, to enter into an employment contract, or to make any contract contrary to this policy, and any such contract must be in writing and must be signed by the Board Chairperson.

RULE 4. RECRUITMENT AND SELECTION PROCESS

401. VACANCIES

When a vacancy occurs, the Executive Director may:

- A. Fill the vacant position with an existing Authority employee who is both qualified for the position and willing to accept the employment change;
- B. Leave the position vacant, or
- C. Fill the vacancy with a person who is not currently an Authority employee.

402. RECRUITMENT ANNOUNCEMENT

When recruiting to fill a vacancy or a new position, the Executive Director or designee will announce the position by posting a job announcement deemed appropriate for recruiting qualified applicants. The Executive Director or designee will determine and specify the minimum qualifications of education, experience and other criteria for the open position.

Announcements posted on the Authority website will include:

- A. The class title, or class title and working title;
- B. A basic description of the job duties;
- C. Minimum standards of education and experience required, and any additional desirable qualifications;
- D. Compensation range; and
- E. The method of filing applications and final filing date.

403. APPLICATIONS

Applicants must submit a complete application in the form and manner as specified by the Executive Director or designee, together with such other information as may be required by the Executive Director or designee.

It is the responsibility of the applicants to show that they meet the minimum requirements for the position. Failure to do so will be grounds for rejection of the application. All applicants will certify the truth and correctness of all information contained in the application.

The Executive Director or designee will not in any event waive the minimum qualifications (or equivalency) established for a classification in order to accept an application.

The Authority will not receive applications later than the final filing date, if any, shown on the job announcement.

404. DISQUALIFICATIONS OF APPLICANTS

The Executive Director may disqualify an applicant for any of the following reasons:

- A. Failure to demonstrate that the requirements or qualifications established for the authorized position have been met;

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- B. False statement of fact or actual or attempted misrepresentation, deception, fraud, or misconduct on an application, or during an interview or examination;
- C. Interference with or attempt to interfere with the fair, equitable and orderly conduct of an interview or examination process;
- D. Being tardy or failing to appear for an interview or examination; or
- E. Any other reasonable grounds for disqualification as determined by the Executive Director or Board.

Whenever an application is rejected, written notice will be given to the applicant by electronic or U.S.P.S. mail. The Authority generally will not give any reasons for the rejection. Incomplete or deficient applications may be returned to the applicant for amendment.

405. EXAMINATION OF APPLICANTS

The Executive Director may provide for interviews and/or examinations of qualified applicants. Interviews and examinations, if any, will be scheduled by the Executive Director or designee as the need requires, and may be postponed, canceled or extended by the Executive Director. If the Authority conducts a background check of an applicant, the investigation will comply with applicable provisions of the Investigative Consumer Reporting Agencies Act (Civil Code Sections 1786-1786.53).

406. SELECTION PROCEDURES

The selection procedures may include one or any combination of the following: application evaluation, written tests, oral tests, performance tests, assessment centers, training and experience evaluations, or any other selection procedures. Selection procedures will be job related and constructed to sample the knowledge, skills, abilities and/or attributes deemed essential for successful job performance.

407. DISPOSITION OF RECRUITMENT AND SELECTION RECORDS

All recruitment records and backup documentation to those records are the property of the Authority, are confidential, and may be inspected or copied only under conditions specified by the Executive Director or competent judicial authority. All such records are official Authority records that will be maintained and disposed of in accordance with the Authority's record retention schedule and/or legal requirement.

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RULE 5. APPOINTMENTS

501. GENERAL

An appointment is the offer and acceptance of a job made in accordance with these Rules and the laws governing these Rules. The offer must be made by the Executive Director and only to a person eligible under these Rules for the type of appointment offered.

The position of Executive Director will be filled by Board appointment.

502. TYPES OF APPOINTMENTS

502.1 Regular Appointment

Individuals accepting an offer of employment from the Authority will become regular at-will employees. Regular employees may be either full time or part time.

502.2 Temporary appointment

The Authority may hire temporary employees from time to time as needed. In cases of emergency, the Executive Director may hire a temporary employee or employees and without complying with the ordinary hiring process. The Executive Director will determine the terms and conditions of each temporary employee's employment. A temporary employee may serve on an on-call, as-needed basis, or may be hired for a specific project or period of time.

Temporary employees will:

- A. Have no right to, or expectation of, re-employment after the term of such temporary employment;
- B. Serve at will and may be terminated at any time;
- C. Cease their term of employment when the Executive Director determines there is no longer a need for such temporary employees;
- D. Receive no employee benefits other than wages and those proscribed by law; and

503. CONDITIONS OF APPOINTMENT

Candidates who have been offered regular full or part time appointments must meet the conditions of employment specified by the Executive Director for a particular position. Failure of such pre-employment tests or examinations may be cause for the Authority to withdraw an offer of employment. Conditions of employment may include:

503.1. Criminal Background Check

After the Authority has extended a conditional offer of employment, a candidate may be required to undergo a criminal background check.

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502.2. Pre-employment Medical Screening

After the Authority has extended a conditional offer of employment, a candidate will undergo medical screening with a drug test and a physical examination by an Authority selected medical provider. The Executive Director may waive the pre-employment medical screening for short-term temporary employees.

503.3 Other Job-Related Examinations

For job-related reasons determined by the Executive Director, candidates may be required to submit to other examinations or tests prescribed by the Authority or required by applicable law.

503.4 Proof of Right to Work

Under federal law, all new hires must produce original documentation establishing their identity and right to work in the United States. Within three business days after commencing work with the Authority, all new hires must satisfactorily complete Immigration and Naturalization Service form I-9 with appropriate documentation showing that the applicant has the right to work in the United States.

RULE 6. RESIGNATION, NON-DISCIPLINARY SEPARATION, AND LAYOFF

601. GENERAL

The separation of any employee should comply with these Rules and should be reported to the Authority in the manner prescribed.

602. RESIGNATION

An employee's voluntary termination of service is a resignation. An employee who wishes to leave Authority employment in good standing should file a written notice of resignation indicating the effective date of resignation with the Authority, giving at least two weeks' notice of intention to leave the service when practicable. Written resignations will be given to the Executive Director immediately on receipt for inclusion in the employee's personnel file. The Authority will promptly accept all written resignations in writing. Oral resignations will be immediately confirmed by the Authority in writing to the employee indicating the effective date of resignation. The resignation will be placed in the employee's personnel file. This applies to all employees.

Upon request of the Executive Director, an employee who has resigned in good standing, and with a good record, may be permitted to be reinstated to his or her former position, if vacant, or another position for which the former employee is qualified.

603. JOB ABANDONMENT

A constructive resignation occurs and is effective when an employee has been absent from duty for three (3) or more consecutive working days without authorized leave. The Authority may consider that a constructive resignation has occurred due to the absence, or that the absence provides a reasonable basis for believing that the employee has abandoned the job.

At minimum, one phone call in an attempt to speak with the employee will occur. A voice message may be left for the employee.

After being absent for three consecutive working days, a written notice will be sent via U.S.P.S. Priority Mail to the employee. If known, a notice may also be sent to the employee's personal e-mail address. The employee will be given written notice, at employee's address of record, of the circumstances of the job abandonment, and an opportunity to provide an explanation for employee's unauthorized absence. The employee will be provided five (5) calendar days to respond, in writing, why employee's employment with the Authority should not be terminated due to job abandonment or can arrange for an appointment with the Executive Director before final action is taken to explain the unauthorized absence and failure of timely notification. The decision of the Executive Director is final.

604. LAYOFF

The Authority may lay off employees in accordance with the provisions of this Rule for any of the following reasons:

- A. Necessity based on lack of funds or work;

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- B. Advisable in the interest of economy to reduce the Authority staff; or
- C. Return of another employee with greater seniority from a leave of absence.

605. PROCEDURES FOR LAYOFFS

605.1. Order of Layoff

No regular employee will be laid off until all regular employees whose last recorded performance ratings are unacceptable, and all temporary employees have been laid off. Other regular employees will then be laid off in the inverse order of their seniority with the Authority. The order of layoff may be applied by classification depending on the needs of the Authority as determined by the Executive Director.

605.2 Types of Layoff

There will be two types of layoff: limited/short term or permanent.

- A. A limited/short term layoff is a situation where there is a lack of work because of weather, or breakdown of equipment, etc., which could last from one or two days, up to 30 calendar days. If the Authority requests an employee to take such limited/short term layoff, he or she will be able to use accrued vacation time and compensatory time off (CTO) for this purpose. The Authority will be reasonable and fair when imposing the limited/short term layoffs with reference to classifications of employees and seniority within classifications.
- B. A permanent layoff is a situation where the layoff is expected to last at least more than 30 days.

605.3. Notice of Layoff

At least 30 calendar days before the effective date of a permanent layoff, the Executive Director will file notice of the intended action with the reasons for the action. A copy of such notice will be provided to the affected employees.

605.4. Order of Re-employment

Regular employees laid off will be placed on a re-employment list for the classifications in which they were last employed.

605.5. No Appeal

Employees will not have the right to appeal or grieve the application of these layoff procedures. No employee will have the right to appeal or grieve the Authority's decision to layoff.

RULE 7. COMPENSATION ADMINISTRATION

701. COMPENSATION PLAN

A standard compensation range schedule consisting of ranges of hourly and monthly compensation rates for employment in paid positions will be established and amended by Board action. The schedule of monthly compensation rates established by the Board is for the purpose of convenience in quotation of monthly compensation. Computations for purposes of paying employees will be on the basis of hourly rates.

For details, refer to Authority Policy 400.2. Employee Compensation, which is included as Appendix F by reference.

702. PAYROLL RECORDS

The Authority will maintain payroll records as required by law, and by the Authority's document retention policy. Each employee is responsible for reviewing each payroll record for accuracy, and promptly notifying the payroll administrator of any errors. The employee will reimburse the Authority for any overpayment.

The Executive Director will appoint a payroll administrator to administer the payroll and maintain payroll and related records. The Authority will make proper payroll deductions and withholdings as required by law, for employee benefits or as requested by the employee and approved by the Authority. Any change of residence address or other payroll information should be reported immediately to the payroll administrator. Any questions on the Authority payroll should be directed to the payroll administrator.

703. PAY DATE

The date of payment will be per the Authority's published yearly pay date schedule. Under no circumstances may wages be paid in advance of earning.

Employees terminating employment with the Authority will receive their final paycheck at the next regularly scheduled payday, unless the resignation, layoff or termination occurs after the last cutoff date for the current payroll, in which case they will receive their final paycheck at the next regularly scheduled payday.

704. CalPERS RETIREMENT

The Authority participates in the CalPERS retirement system and will adhere to all rules, regulations and law related to CalPERS. Temporary employees may be enrolled in CalPERS where required by law. (Gov. Code, § 20305.)

RULE 8. TERMS OF EMPLOYMENT

801. EMPLOYEE STANDARD OF CONDUCT

The Authority reserves the right to terminate an employee at any time. All Authority employees are at-will employees who serve at the pleasure of the Authority.

Authority employees are expected to maintain a professional standard of conduct in the performance of their duties. The following list is not exhaustive.

- A. In the performance of your duties, be sensitive to circumstances that could be misconstrued as a special favor, something to be gained personally, acceptance of a favor or as an influence in the outcome of your duties.
- B. Be cognizant that private promises of any kind may conflict with one's public duty and responsibilities.
- C. Always perform your duties conscientiously.
- D. Always act responsibly with confidential information received in the performance of your duties.
- E. Outside activities should be compatible with the objective performance of your duties or delivery of Authority service.
- F. Treat all individuals encountered in the performance of your duties in a respectful, courteous and professional manner.
- G. Promote only decisions that benefit the public interest.
- H. Conduct and perform job duties diligently and promptly.
- I. Faithfully comply with all laws and regulations applicable to the Authority and impartially apply them to everyone.
- J. Promote the public interest through a responsive application of public duties.
- K. Demonstrate the highest standards of personal integrity, truthfulness and honesty in all public activities.
- L. Uphold these principles being ever conscious that public office is a public trust.

802. PERFORMANCE EVALUATION

An employee's supervisor may prepare an annual written performance evaluation for each regular employee. Performance evaluations may also be prepared at any other time the Executive Director or the employee's supervisor deems it appropriate. All performance evaluations become a permanent part of the employees' records. Upon completion of the performance evaluation, a meeting will be held between the employee and his or her supervisor to discuss the employee's performance and to assist in developing the employee's maximum potential within Authority service. The employee will have the right to attach his or her comments to the performance evaluation and will place it in his or her personnel file. The employee's written comments must be submitted within ten (10) calendar days after the employee receives the evaluation.

803. WORK PERIOD

The work period for all employees will be as defined by the Authority in accordance with state and federal laws. The Authority may establish work schedules that vary employees' workday and hours according to the best interests of the Authority.

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The standard work week is defined as any consecutive seven-day period beginning at 12:01 a.m. on Sunday and end at 12:00 midnight on Saturday night each week.

804. ATTENDANCE

Attendance is an essential function of each position. Employees of the Authority are expected to report to their work site and perform their assigned duties on a sustained, regular and punctual basis. The only exceptions to this requirement will be those leaves authorized by these Rules and approved by the Authority.

805. HOLIDAYS

The Authority will designate specific days as Authority paid holidays. All regular Authority employees shall be entitled to the following paid holidays, which shall be credited or charged at the rate of eight (8) hours per holiday.

- January 1, New Year's Day
- Third Monday in January
- President's Day (3rd Monday in February)
- Last Monday in May, Memorial Day
- July 4, Independence Day
- First Monday in September, Labor Day
- November 11, Veterans' Day
- November, Thursday designated as Thanksgiving Day
- November, Day after Thanksgiving Day
- December 24, commonly called Christmas Eve
- December 25, commonly called Christmas

The following provisions for administration of paid holidays will apply to all regular employees:

- A. Holidays are considered eight (8) hours and four (4) hours as noted in this Section.
- B. A new employee whose first working day is the day after a paid holiday will not be paid for that holiday.
- C. An employee who is terminating his/her employment and whose last day as a paid employee is the day before a holiday will not be paid for that holiday.
- D. Holidays with pay will be provided for the first 30 consecutive calendar days of any leave with pay. An employee who is on leave of absence without pay, or after the first 30 consecutive days of any leave with pay, will not be paid for that holiday.
- E. In the event a holiday falls upon a Sunday, the following Monday will be deemed to be the legal holiday. In the event the legal holiday falls on a Saturday, the preceding Friday will be deemed to be the legal holiday.
- F. If a legal holiday occurs during a vacation period, the day will not be charged to vacation leave, but will be charged as a holiday.

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- G. The Authority may, at its discretion, require an employee to work on a scheduled holiday and provide pay in lieu of time off. Any regular non-exempt employee who is required to work on an Authority holiday will be compensated at the rate of one and one-half times the employee's regular rate of pay. Exempt employees required to work on an Authority holiday will not receive additional compensation.
- H. When a regular day off of any regular employee whose work schedule is other than Monday through Friday falls on a holiday, then, at the Executive Director's discretion, the employee will be provided with (1) a day off with pay on the day preceding or succeeding the holiday, or (2) eight hours of compensatory time off.

806. FLOATING HOLIDAY HOURS

Regular employees will receive 16 hours of floating holiday time per calendar year. This time will be credited to regular employees the first full pay period in January. Floating holidays must be used as 8-hour blocks of leave.

Newly hired employees will receive pro-rated floating holidays based on their start date:

- A. If the start date falls after the first full pay period in January but before July 31, the new employee will receive 16 hours of floating holiday time.
- B. If the start date falls after July 31 but before December 31, the new employee will receive 8 hours of floating holiday time. This time will be credited the first full pay period after employment.

Floating holidays may be taken at a time mutually agreeable to the employee and the Executive Director, whose approval will not be unreasonably withheld.

Floating holidays may not be accumulated or carried over into the next calendar year. Floating holiday time must be used by the last day of the calendar year pay period and is not subject to the payoff provision.

807. VACATION LEAVE

Vacation hours begin to accrue the first day of employment for regular full and part-time employees. Part-time regular employees are eligible to accrue leave on a pro rata basis. No temporary, extra help, or seasonal employee is entitled or eligible for vacation leave.

An employee may earn or accrue vacation leave only when in paid status. Regular employees will be entitled to use vacation leave after six (6) months of employment. In some circumstances, in order to permit greater flexibility in scheduling, the Executive Director may approve a vacation prior to six (6) months of continuous service; however, any approved vacation leave in which the employee does not have accrued leave, will be unpaid time.

Vacation leave usage must be noted on employee's time card for the pay period the vacation leave is used.

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807.1 Vacation Accrual

- A. Beginning of 1st year through end of 5th year of continuance service
Vacation leave will accrue at the rate of 0.0461 hours of vacation per hour worked with accrual equal to 96 hours (12 days) per year.
- B. Beginning of 6th year through end of 10th year of continuance service
Vacation leave will accrue at the rate of 0.0654 hours of vacation per hour worked with accrual equal to 136 hours (17 days) per year.
- C. Beginning the 11th year through the end of the 15th year of continuous service
Vacation leave will accrue at the rate of 0.0846 hours of vacation per hour worked with accrual equal to 176 hours (22 days) per year.
- D. Beginning the 16th year through subsequent years
Vacation leave will accrue at the rate of 0.0962 hours of vacation per hour worked with accrual equal to 200 hours (25 days) per year.

The Executive Director may allocate a new employee to a higher vacation accrual rate if it is in the interest of the Authority in recruitment.

807.2 Maximum Vacation Accruals

Vacation leave accruals may not exceed 360 hours for regular full-time employees at the end of each calendar year, or a pro-rated maximum accrual for part-time employees. An employee who exceeds the maximum vacation accrual level will have their vacation leave balance reduced to 360 hours (or the pro-rated equivalent) on January 1 of the following year.

807.3 Vacation Approval

All vacation leaves must be approved by the Executive Director in advance. Scheduling of vacations is to be done in a manner consistent with the Authority's operational requirements. No employee will be allowed to take vacation leave in excess of that actually accrued at the time the vacation is taken.

If the Executive Director determines that the best interest of the Authority will be served by delaying all or part of the vacation leave and the employee exceeds the maximum vacation accrual level, the employee will be allowed to carry over the excess vacation leave for use during the first quarter of the following calendar year.

807.4. Payment for Unused Vacation Leave

Employees who separate from Authority service for any reason will be paid for unused accrued vacation hours.

808. SICK LEAVE

Paid sick leave provides time off without loss of pay for reasons, and under the conditions, specified in this policy or applicable law. Every employee should use sick

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leave with respect for the intent of the policy and the impact on the work of the Authority and fellow employees. All employees are responsible for the proper administration of the sick leave provision.

Sick leave credits shall accrue only while an employee is in paid status with the Authority including during paid sick leave.

808.1 Sick Leave Accrual

Accrual of paid sick leave is set forth below.

- A. Sick leave begins accruing on the first day of the pay period following the date of hire. All regular full-time employees will accrue sick leave with pay at the rate of eight hours per calendar month. All part-time employees will accrue sick leave with pay on a pro-rated basis based on hours worked.
- B. Sick leave accrues on the first day of the pay period following the pay period in which the sick leave is earned. There are no partial accruals if employment is terminated before the last day of the pay period. Sick leave accruals will not exceed 480 hours for regular full-time employees or the pro-rated equivalent for part time employees.
- C. Sick leave will accrue during days actually worked and for the first 30 consecutive calendar days of any leave with pay. Sick leave will not accrue during any unpaid leave of absence or after the first 30 consecutive calendar days of any leave with pay. An employee is not permitted to borrow on future accrual of sick leave benefits.

808.2 Sick Leave Usage – Regular Full-Time Employees

Sick leave with pay may be taken as earned. Employees may utilize sick leave in increments of one-half (1/2) hour minimum. If absence from duty by reason of illness extends beyond a period of three working days, a doctor's certificate or a written statement from the employee that he or she was, in fact, ill or injured, may be required by the Executive Director. Sick leave pay may be withheld if a satisfactory verification is not received.

Sick leave may be used for the following reasons:

- A. For the diagnosis, care or treatment of an existing health condition, or preventive health care for the employee or a member of the employee's immediate family.
- B. Enforced quarantine of the employee in accordance with community health regulations.

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- C. To allow a victim of domestic violence and/or a victim of sexual assault to obtain relief or attempt to obtain relief to help ensure his/her health, safety, or welfare, or that of his or her child(ren).
- D. To allow a victim of domestic violence and/or a victim of sexual assault to seek medical attention, to obtain services from a domestic violence program or psychological counseling, or to participate in safety planning.
- E. Complication or disability resulting from or contributed to any pregnancy, termination of pregnancy, or recovery therefrom.

808.3. Exceptions to Use of Sick Leave

An employee shall not be entitled to sick leave when absent from duty for any of the following reasons:

- A. Disability arising from any sickness or injury purposely self-inflicted or caused by the employee's willful misconduct.
- B. Sickness or disability, while on leave of absence with or without pay, other than the employee's regular vacation or regular paid holidays.

808.4. Integration with Other Benefits

Workers' Compensation – An employee who is entitled to receive temporary disability indemnity under the California Labor Code (Workers' Compensation) may elect to take only that portion of the employee's accrued sick leave balances as when added to the employee's disability indemnity will total the employee's regular base rate of pay.

808.5. Administration of Sick Leave

Employees are required to notify their supervisor as soon as possible for their absence due to illness or injury.

- A. The Authority may request information in order to aid in the determination of whether the sick leave use is legitimate. The Authority may require a medical provider statement from an employee who applies for sick leave or make whatever reasonable investigation into the circumstance that appears warranted before taking action on a sick leave request.
- B. The Authority may require a prescribed affidavit or medical report form. When an employee is absent for longer than ten (10) consecutive working days, the employee will be required to submit a statement from the employee's medical provider releasing the employee for normal duty.

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C. Sick leave abuse is defined as follows:

1. If an employee who has taken sick leave is suspected of sick leave abuse, the Authority may institute an investigation. Based on the results of that investigation, appropriate action will be taken.
2. The Authority may request that the employee provide a medical provider's statement, as authorized by law or acceptable substitute during an absence if the employee receives notice prior to returning and the absence is longer than three days. However, if an employee has a record of excessive sick leave use, or if the employee's leave is suspect, the Authority may require a medical provider's letter before authorizing future leave usage. Privacy laws restrict employers from requesting certain medical or health information. Therefore, if asking for a medical provider's certification or other verification of absence due to illness or injury, the Authority may ask when the employee is anticipated to return to work, with or without restrictions, but cannot ask for a diagnosis or prognosis.

Examples of excessive sick leave usage might include, but are not limited to:

- i. A pattern of sick leave use involving days adjacent to scheduled days off and holidays.
- ii. Refusal or inability to provide medical substantiation when requested.
- iii. Frequent absences with vague or questionable substantiation.
- iv. Frequent or recurring exhaustion of sick leave soon after it is earned (unless for substantiated medical reasons).
- v. Other evidence of employee activity that is inconsistent with the legitimate use of sick leave, such as usage higher than the Authority average for the previous calendar year (deduct serious illness or injury) and two or more indicators above.

808.6. Accrued Sick Leave at Separation

Sick leave is a non-vested benefit, which carries no cash value at separation. The exception is retirement. Under the Authority's CalPERS contract, any unused sick leave accumulated at the time of retirement will be converted to credited service at a rate of 0.004 years of service for each day of sick leave.

808.7 RETURN TO WORK AFTER ILLNESS, INJURY OR DISABILITY

The Executive Director may require any employee who is absent due to illness, injury or disability to be examined by a physician selected by the Authority. The Executive Director will also have the discretion to require the employee to submit a certificate

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from a licensed physician upon his or her return to duty stating that the employee has fully recuperated from the illness, injury and/or disability and that the employee may perform the essential duties of his or her required job responsibilities. Until such a certificate is presented, the Executive Director will have the right to disallow the employee's return to work.

809. MEDICAL, DENTAL, AND VISION INSURANCE BENEFITS

The Authority offers medical, dental, vision and life insurance benefits to eligible employees. The Authority reserves the right to eliminate or modify any of its benefits at any time.

The Authority's contribution to medical, dental and vision insurance benefits will be as set forth in Appendix G, Health Reimbursement. The Authority's contribution to medical, dental and vision insurance benefits will be communicated to the employee at the time of hire and may be subject to change.

For eligible employees, open enrollment to select health plans will be held once a year. Individuals with a qualifying event, as defined by federal law, may make a change within the individuals' medical plan by contacting the Authority's administrative office to obtain the required form.

Continuance of medical, dental, and vision benefits upon separation from the Authority will be provided under COBRA.

The Authority provides health benefits for qualifying retirees depending on the data of hiring, length of service, date of retirement and other factors as defined in Appendix G.

810. SHORT AND LONG TERM DISABILITY INSURANCE BENEFITS

The Authority provides short and long-term disability benefits. The details of the Authority disability plans are set forth in the Group Insurance Plan Coverage Guide.

811. LEAVE OF ABSENCE WITHOUT PAY

Unless authorized by law or a Authority policy, an employee is not entitled to a leave of absence without pay. An authorized leave of absence without pay is not a break in service for purposes of calculating seniority. Prior to taking a leave of absence under this section, the employee will have first exhausted all of his or her accrued vacation and compensatory time off. If the leave is requested because of medical reasons, then the employee also will have first exhausted all of his or her accrued sick leave.

Unless required by law, vacation and sick leave accruals, increases in salary, all other paid leaves, holidays and fringe benefits and other similar benefits do not accrue to an employee on unpaid leave. Unless required by law or Authority policy, the Authority will not maintain contributions toward group health insurance or retirement coverage for the employee on such leave. During a period of authorized unpaid leave, all service and leave credits will be retained at the levels existing as of the effective date of the leave.

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The Executive Director may authorize a leave of absence without pay for 30 days for any purpose deemed by the Executive Director not to be detrimental to the Authority.

Failure of the employee to return to service at the end of the leave, except in extraordinary circumstances, will constitute a constructive resignation and automatic termination.

In cases where an employee is requesting additional unpaid leave as a reasonable accommodation, and the Authority determines that such leave is reasonable and that it would not pose an undue hardship upon the Authority or that it would not pose a threat to the health or safety of the employee or others, the Executive Director has discretion to grant the leave without seeking additional approval from the Board.

812. FAMILY CARE LEAVE

Although the Authority has fewer than 50 employees and is not required to provide family and medical leave under either the Family and Medical Leave Act (FMLA) or the California Family Rights Act (CFRA), it will grant eligible employees family care leave consistent with the benefit provisions of the FMLA and CFRA, and this Rule. If, at any time, the Authority employs 50 or more employees, this Rule will also govern leave procedures under the FMLA and CFRA. The Family Care Leave policy may be found at Appendix H.

813. PREGNANCY DISABILITY LEAVE

813.1 Temporary Disability

A pregnant employee will be allowed to be absent for the period during which, in the opinion of her attending physician and, where necessary, an Authority-designated physician, she is temporarily disabled because of pregnancy, childbirth or a related medical condition.

When an employee is disabled due to pregnancy, the employee will furnish the Authority a certification from her health care provider. The certification must include a statement that the employee is disabled due to pregnancy, the date on which the employee became disabled due to pregnancy, the probable duration of the period or periods of disability, and an explanatory statement that, due to disability, the employee is unable to work at all or is unable to perform any one or more of the essential functions of her position without undue risk to herself, the successful completion of her pregnancy, or to other persons.

813.2 Time of Request Leave

When an employee's leave is foreseeable and at least 30 days' notice has been provided, and if a medical certification is requested, the employee must provide it before the leave begins.

When this is not possible, the employee must provide the requested certification to the Authority within the time frame requested by the Authority (at least 15 calendar

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days), unless it is not practicable under the particular circumstances to do so despite the employee's diligent, good faith efforts.

An employee is eligible for Pregnancy Disability Leave upon commencement of employment. There is no length-of-service requirement for Pregnancy Disability Leave.

813.3 Compensation During Leave

Pregnancy Disability Leave is without pay. However, the employee may use accrued paid leave or any other accrued paid time. Pregnancy Disability Leave will be treated as any other disability leave and may entitle the employee to short-term / long-term disability benefits or additional unpaid leave requested by the employee and granted by the Executive Director.

813.4. Benefits During Leave

In accordance with the State of California's Pregnancy Disability Leave law, an employee on Pregnancy Disability Leave is entitled to up to four months (17 1/3 weeks) of job-protected leave for the time that the employee is disabled due to pregnancy and/or childbirth. Pregnancy Disability Leave does not need to be taken in one continuous period of time.

If the employee is disabled by pregnancy, coverage will continue for up to four months for each pregnancy (as opposed to each leave year).

While on Pregnancy Disability Leave, the employee is entitled to continued coverage in the Authority's group health insurance and supplemental policies to the same extent as when the employee was working. As such, in order to maintain such coverage, employees are required to pay timely the full employee contribution to maintain their group health plan coverage, either through payroll deduction or by paying the Authority directly. The Authority may recover premiums it paid to maintain health coverage, if an employee does not return to work following Pregnancy Disability Leave.

Vacation and sick leave do not accrue while an employee is on unpaid Pregnancy Disability Leave.

Whenever an employee is also receiving Family Care leave under Authority policy, Pregnancy Disability Leave and Family Care leave will run concurrently. When an employee is eligible for Family Care Leave under the Authority's policy, terms and conditions of the Family Care Leave policy also apply to the taking of Pregnancy Disability Leave.

Part-time employees are eligible for leave on a pro rata basis.

813.5. Reinstatement

Upon the expiration of Pregnancy Disability Leave and the Authority's receipt of a

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written statement from the health care provider that the employee is fit to return to duty, the employee will be reinstated to her original or an equivalent position, so long as it was not eliminated for a legitimate business reason during the leave.

If the employee's original position is no longer available, the employee will be assigned to an open position that is substantially similar as the employee's original position in terms of job content, status, pay, promotional opportunities, and geographic location.

If upon return from leave an employee is unable to perform the essential functions of her job because of a physical or mental disability, the Authority will initiate an interactive process with the employee in order to identify a potential reasonable accommodation.

An employee who fails to return to work after the termination of her leave loses her reinstatement rights.

813.6. Lactation

In accordance with California Labor Code section 1030, the Authority will provide a reasonable amount of break time to accommodate an employee desiring to express breast milk for the employee's infant child. The break time, if possible, will run concurrently with the employee's regular break time.

In accordance with California Labor Code section 1031, the Authority will make all reasonable efforts to provide the employee with the use of a room or other location, other than the restroom, in close proximity to the employee's work area, for the employee to express milk in private.

814. MILITARY LEAVE

Military leave will be granted in accordance with state and federal law. An employee requesting leave for this purpose will promptly provide the supervisor with a copy of the military orders specifying the dates, site and purpose of the activity or mission. Within the limits of such orders, the supervisor may determine when the leave is to be taken and may modify the employee's work schedule to accommodate the request for leave.

Employees who have one year of service are entitled to 30 days' pay when on military leave. A military leave is defined as time off when the employee is ordered to active military duty as a member of the reserve component of the armed forces of the United States, the National Guard or Naval Militia, or when an employee is inducted, enlists, enters, or is otherwise ordered or called into active duty as a member of the Armed Forces of the United States.

815. UNAUTHORIZED ABSENCE

An unauthorized absence from the work site or failure to report for duty after a leave request has been disapproved, revoked, or canceled by the Executive Director or

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designee, or at the expiration of a leave, will be without pay. Such absence may also be grounds for disciplinary action. Job abandonment is addressed in Section 603.

816. JURY DUTY

All employees will be encouraged to serve on jury duty when summoned. Employees on jury duty will receive full regular base rate of pay, for up to two weeks, but any jury fees received will be paid to the Authority. The time spent on jury duty is not considered work time for purposes of calculating overtime. Employees who have the option to call in for juror status should exercise that option. The employee will provide to his/her supervisor evidence of jury service, such as notice for jury duty and any time cards or similar appearance documents issued by the court.

817. COURT APPEARANCES

817.1 On Duty Time

Any regular employee or regular at-will employee called as a witness arising out of and in the course of Authority employment will be deemed to be on duty and there will be no loss of salary, but any witness fees, not including mileage, received by the employee will be paid to the Authority. Employees released from witness duty during their normal duty hours will report back to their department unless employees contact their direct supervisors and receive authority not to return to work. Non-exempt employees may use vacation leave or compensatory time off (CTO) for the remaining hours. Exempt employees who serve less than four (4) hours of witness duty may use vacation leave for the remaining hours.

817.2. Private Litigation

Any employee called as a witness in a private or civil matter outside the course and scope of their Authority employment will not be compensated by the Authority. Earned vacation leave or compensatory time off (CTO) may be utilized. It is the employee's responsibility to make arrangements for payment of witness fees from the involved parties in accordance with the California Code of Civil Procedure.

818. TIME OFF TO VOTE

In accordance with state law, employees are eligible for paid time off for the purpose of voting only if they do not have sufficient time outside of working hours to vote. The intent of the law is to provide an opportunity to vote to workers who would not be able to do so because of their jobs.

Subject to the conditions above, an employee may take up to two (2) hours off of work to vote in a statewide election, without any loss of pay, if the employee is scheduled to work during voting hours (typically 7 am to 8 pm). In general, a "statewide election" is defined as one in which all voters in the state have an opportunity to vote on at least

one common race or issue. An employee is entitled to take as much time as actually needed to vote, but only up to two (2) hours of that time will be paid.

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Time off for voting may be taken only at the beginning or end of the employee's regular work shift unless other arrangements are approved in advance by the Executive Director. If the employee needs time off to vote, the employee must notify his/her supervisor at least two working days prior to the election. The employee must note on the employee's time card the time approved for voting purposes.

819. SCHOOL-RELATED LEAVE

Pursuant to the Family School Partnership Act (Labor Code section 230.8), any Authority employee who is a parent, guardian or grandparent having custody of one or more children in kindergarten or grades 1 through 12 or attending a licensed day care facility will be allowed up to forty (40) hours each calendar year, not to exceed eight (8) hours in any calendar month, without pay, to participate in activities of the school of their child. The employee must provide reasonable advance notice of the planned absence. The employee may be required to use vacation leave and/or compensatory time off to cover the absence. The Authority may require the employee to provide documentation from the school as verification that the employee participated in school activities on a specific date

820. TIME OFF FOR VICTIMS OF VIOLENT CRIMES OR DOMESTIC ABUSE

- A. In accordance with state law, any Authority employee who is a victim of domestic violence or sexual assault is entitled to take time off from work to seek relief (such as a temporary restraining order) or other assistance to help safeguard the health, safety, or welfare of the employee and/or his/her child. The employee must provide reasonable advance notice of the intent to take leave for this reason unless advance notice is not feasible.
- B. Leave for this purpose is unpaid, though an employee may choose to use any available accrued paid leave.

821. BEREAVEMENT LEAVE

The Authority will allow regular employees time off for Bereavement leave. Employees may request approval from the Executive Director for up to five (5) days of paid time off for each death in their immediate family for the purpose of bereavement and for the arranging or attendance at, the funeral or service. Immediate family means: spouse, parent, grandparent, step-parent, parent-in-law, child, step-child, grandchild, registered domestic partner, brother or sister.

Bereavement leave is not compensable when the employee is on a pre-approved (paid or unpaid) leave of absence, bona fide layoff, or for days falling outside the employee's regular work period.

822. WORKERS' COMPENSATION

All employees and volunteers will be covered by the workers' compensation laws of the state. Employees who are absent from work by reason of an injury or illness covered by workers' compensation, will continue in pay status under the following provisions.

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The Authority will integrate sick leave, vacation, and then compensatory time, with temporary disability payments for an employee who is eligible for workers' compensation. The employee will continue in pay status and receive his or her pay until his/her accumulated paid leave and authorized compensatory time hours have been depleted to the nearest hour. Any employee who is eligible for temporary disability payments under the workers' compensation law will, for the duration of such payments, receive only that portion of the employee's regular salary that, together with said payments, will equal the employee's regular salary. Workers' compensation leave will run concurrently with Family Care Leave.

823. MODIFIED DUTY

Any employee may request modified duty as an accommodation when a temporary disability limits the employee's ability to perform the essential duties of his or her job. The Authority will consider the request consistent with federal and state laws including, but not limited to the Americans with Disabilities Act.

824. FITNESS FOR DUTY EXAM

The Authority may require an employee to undergo a fitness for duty examination to determine whether the employee can perform the essential functions of the job with or without reasonable accommodation. The Authority may also require that an Authority-approved physician conduct the examination.

825. OVERTIME AND COMPENSATORY TIME OFF

The Authority will compensate any non-exempt employees for overtime worked subject to provisions, requirements and limitations of applicable law. Paid vacation, holidays, floating holidays, bereavement leave, and sick leave will not be credited for hours worked in a work week. Employees may request compensatory time off in lieu of paid overtime. Paid overtime or compensatory time off will be at the sole discretion of the Executive Director. The following will apply to all non-exempt Authority employees:

825.1. Reporting

All work of a non-exempt employee required by the Authority beyond the regularly scheduled 40-hour work period will be designated as overtime and will be reported in increments of not less than one-tenth of an hour. All overtime must be expressly approved by the supervisor in advance. No non-exempt employee will engage in overtime work without authorization. Working overtime without advance approval is grounds for discipline.

825.2. Time Card

Total hours of overtime authorized and earned as well as all compensatory time off used will be reported on the prescribed form. Any overtime hours for which payment is to be made will be specified on the time card.

825.3. Compensatory Time

Compensatory Time Off (CTO) accruals will not exceed 120 hours for regular full-time employees or the pro-rata equivalent for regular part-time employees. All CTO

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must be approved in advance by the Executive Director. Scheduling of CTO must be done in a manner consistent with the Authority's operational requirements. The Executive Director may require that an employee take CTO at a specific time without prior notice.

The use of CTO must be approved in advance.

825.4. Benefit Accumulations

Overtime will not be considered or be a basis for increasing leave accruals or completion of probationary periods or compensation step increases.

825.5. Exemption

Exempt employees are not entitled to overtime, and are therefore not subject to this section.

826. MEAL AND REST PERIODS

Full-time non-exempt regular employees will be allowed an uncompensated meal period of not less than thirty (30) minutes, scheduled approximately at the midpoint of a full work shift. Employees required to be at their work stations for eight (8) or more consecutive hours will have their meal period during the work period, consistent with the requirements of the Fair Labor Standards Act (FLSA). Employees who are directed by their supervisors to work during the meal period or who are not allowed to leave the Authority and must be available to immediately return to work, will be compensated consistent with the FLSA. Combining meal periods, "banking" meal periods from day to day, or saving meal periods to shorten work days is not permitted.

Employees are allowed to take a rest period up to 15-minutes for every four hours worked. The rest periods will be paid time and counted as hours worked.

827. EDUCATIONAL ASSISTANCE

With the prior authorization of the Executive Director, the Authority may partially or fully reimburse an employee for the costs of job-related training and education, including tuition, books, travel and fees. After approval, a grade of "C" (or the equivalent) or better must be maintained in order to remain eligible for reimbursement.

828. BUSINESS EXPENSES

Reasonable and legitimate business expenses incurred by an employee and approved by the Executive Director will be reimbursed by the Authority in accordance with its business expense reimbursement policy. For timely reimbursement, business expenses should be reported immediately after they are incurred to the Authority payroll administrator. Any incurred expenses not approved by the Executive Director will be the personal responsibility of the employee.

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829. DEFERRED COMPENSATION

The Authority provides a deferred compensation plan pursuant to Internal Revenue Code section 457(b). The details of the Authority deferred compensation plan are set forth in the summary plan description provided to new employees and in the plan itself. No employer contribution is provided.

RULE 9 EMPLOYEE RECORDS AND RIGHT TO PRIVACY

901. GENERAL

The Authority maintains a personnel file on each employee. A personnel file will contain only material that the Authority deems necessary and relevant or that is required by law. Personnel files are the property of the Authority, and access to the information they contain is restricted to protect employee privacy interests.

902. NOTIFICATION OF CHANGE IN PERSONAL INFORMATION

Each employee is responsible to notify the Executive Director or designee of any changes in his or her contact and benefits information, including: residence and mailing address; telephone number; persons to contact in emergency; and number and names of dependents, no later than ten (10) calendar days following any such change.

903. MEDICAL INFORMATION

All medical information about an employee or applicant is kept in separate medical files and is treated as confidential. Access to employee or applicant medical information will be strictly limited to only those with a legitimate need to have such information for the Authority's business reasons, or if access is required by law, subpoena or court order. In the case of an employee with a disability, supervisors may be informed regarding necessary restrictions on the work or duties of the employee and necessary accommodations.

904. EMPLOYEE ACCESS TO PERSONNEL FILE

- A. Inspection of File: A current employee may inspect his or her own personnel file, at reasonable times and at reasonable intervals, within 30 days of a written request. A former employee is entitled to inspect his or her personnel records one time per year. (Labor Code § 1198.5(d).) A current or former employee and/or his or her representative, who wishes to review his or her personnel file should make a written request to the Executive Director. (Labor Code § 1198.5(b)(2)(A).)

The inspection must occur in the presence of the Executive Director or designee and: a) at a location where the employee works and at a time other than the employee's work time (Labor Code § 1198.5(b)(1)); or b) at another agreed upon location without loss of compensation to the employee. (Labor Code § 1198.5(c)(2).)

- B. Copies: A current or former employee is entitled to receive a copy of his or her personnel records within 30 days after the employer receives a written request. (Labor Code § 1198.5(b)(1).) A current or former employee who wishes to receive such a copy should contact the Executive Director or designee in writing. The Authority may charge a fee for the actual cost of copying. (Labor Code § 1198.5(b)(1); 1198.5 (b)(2)(A).)

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- C. Representative's Inspection: If the current or former employee wishes to have another person/representative inspect his or her personnel file, he or she must provide the person/representative with written authorization. (Labor Code § 1198.5(e).) The Executive Director or designee will notify the employee and/or representative of the date, time and place of the inspection in writing.
- D. No Removal of File Documents: No person inspecting a personnel file is permitted to add or remove any document or other item to/from the personnel file.

905. LIMITATIONS ON ACCESS OR COPYING OF PERSONNEL FILE

Prior to making a copy of personnel records or allowing inspection, the Authority may redact the names of nonsupervisory employees. (Labor Code § 1198.5(g).) Under no circumstances will the Authority provide access or copying of the following categories of personnel file documents: records relating to the investigation of a possible criminal offense; letters of reference; ratings, reports, or records that were obtained prior to employment, prepared by identifiable examination committee members, or obtained in connection with a promotional examination. (Labor Code § 1198.5(h).)

906. EMPLOYMENT REFERENCES

All requests from outside the Authority for reference checks or verification of employment concerning any current or former employee must be referred to the Executive Director or designee. Information will be released only if the employee signs an authorization for release of employment information in the form prescribed by the Authority, except that without such authorization the following limited information will be provided: dates of employment, classifications held, and salary upon hire and departure.

RULE 10 GRIEVANCE

1001. PURPOSE OF GRIEVANCE PROCEDURES

A grievance is an alleged violation of a specific provision of these Rules or other Authority policies that adversely affects the employee. The grievance procedures set forth are designed to resolve grievances informally and to provide an orderly procedure for such resolution. An employee must use this grievance procedure in order to present any grievance or complaint to the Board of Directors. An employee will not take any grievance or complaint directly to the Board of Directors without first having processed the grievance through this procedure.

Parties involved in a grievance will act quickly so that the grievance may be resolved promptly. Parties will make every effort possible to complete action within the time limits contained within these grievance procedures; however, by mutual written agreement (e-mail may serve as written agreement), the parties may extend the time limits.

1002. EXCLUDED FROM SCOPE OF GRIEVANCE

Specifically excluded from the scope of grievances are:

- A. Harassment and retaliation complaints that allege violations of equal employment opportunity laws or employment discrimination, which will be processed under the Authority's anti-harassment and retaliation complaint procedure.
- B. The Board's decision to proceed with a reduction in force.
- C. Disciplinary actions, whether or not appealable.
- D. Performance evaluation or a performance improvement plan.

1003. REPRESENTATION

An employee may be represented by a representative of the employee's own choice at any step in the presentation of the employee's grievance.

1004. PRESENTATION OF GRIEVANCE

An employee or employees may present a grievance by submitting a written grievance to the Executive Director within seven (7) calendar days after the event or events that resulted in the grievance. The written grievance will state the date and nature of the grievance, the specific facts and/or omissions upon which the grievance is based and the other bases for the employee's complaint. The grievance will be personally discussed between the grievant and the Executive Director. Within seven (7) calendar days after meeting to discuss the grievance, the Executive Director will provide a written decision to the grievant.

1005. APPEAL

If the grievant is not satisfied with the decision rendered by the Executive Director, the grievant may appeal the decision in writing within seven (7) calendar days to the Executive Committee. The Executive Director shall serve as the agent of service to

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receive the employee(s)' appeal. If the grievant does not appeal the decision to the Executive Committee in writing within seven (7) calendar days from the date of the Executive Director's decision, the issue will be considered settled.

The appeal will state the date and nature of the grievance and will state all specific facts or omissions upon which the appeal is based. At its next available regular meeting following the filing of the appeal, the Executive Committee will have a meeting with the grievant and/or his or her representative. After considering the matter, the Executive Committee will issue a decision concerning the employee's appeal. The grievant will be notified in writing of the Committee's decision. The decision of the Executive Committee will be final.

Under state law, certain actions taken or considered by the Executive Committee, including materials pertinent to the decision may constitute public information.

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RULE 11 DEFINITION OF TERMS

1101. ACTUAL SERVICE

For the purpose of determining the amount of paid leave earned by a regular employee, means the number of regular hours worked within a biweekly pay period and absence from work with pay due to sick leave, vacation, injury or illness incurred in Authority service, absence on protected leave, and compensatory time taken. Actual service does not include compensatory time earned or overtime.

1102. AT-WILL EMPLOYEE

An at-will employee (a) serves at the pleasure of the Authority, and (b) can be terminated at any time without cause and without the opportunity to appeal.

1103. BIWEEKLY PAY PERIOD

Unless otherwise indicated, the eighty (80) hour biweekly period utilized for payment of employees. The Authority pay day will be the Friday at the beginning of each pay period.

1104. BUSINESS DAY

A business day will mean day(s) in which the Authority main administration office is open for business and between the hours of 8:00 AM to 5:00 PM.

1105. CALPERS

California Public Employees Retirement System.

1106. CONTINUOUS SERVICE

That period of actual service commencing with the employee's hire date and continuing until broken by resignation or dismissal for the purpose of determining eligibility for paid leave and eligibility for performance step advancement.

1107. DEMOTION

The voluntary or involuntary change in status of a regular employee from a position in to another position having a lower maximum rate of pay.

1108. EMERGENCY APPOINTMENT

An at-will appointment for emergency purposes.

1109. EXEMPT EMPLOYEE

An employee who meets one or more of the duties test exemptions from overtime, who is paid on a salary basis, and who meets the salary level test under the Fair Labor Standards Act (FLSA). An exempt employee is not entitled to overtime compensation.

1110. FULL-TIME EMPLOYEE

A regular employee hired into a position that requires full-time work as specified by the Authority.

1111. FULL-TIME WORK

Eighty (80) hours per bi-weekly pay period.

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1112. HIRE DATE

The beginning date of the employee's current period of continuous service.

1113. LAYOFF LIST

A list of persons who have occupied positions allocated to a class and who have been involuntarily separated by layoff.

1114. NON-EXEMPT EMPLOYEE

An employee who is eligible for FLSA overtime pay. A non-exempt employee assigned to an exempt position on an acting or temporary basis remains eligible for FLSA overtime pay.

1115. PART-TIME EMPLOYEE

An employee hired into a position that requires less than full-time work.

1116. PAY PERIOD

14 calendar days as designated by the Authority.

1117. PAID STATUS

Whenever an employee is at work, absent on a paid holiday, absent on leave with pay, or absent on authorized compensatory time off. This does not include leave while receiving worker's compensation benefits or other wage replacement benefits.

1118. RESIGNATION

The voluntary termination of employment with the Authority.

1119. TEMPORARY EMPLOYMENT

The Authority may hire temporary employees for a short term project lasting less than six (6) months.

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Personnel Rules – Policy 400.1, Appendix J

Policy Type: Employment
Policy Title: Whistleblower Policy
Policy Number: 400.1 Appendix J
Date Adopted: November 9, 2023

PURPOSE

It is critical that the Authority foster and maintain a workplace with a high ethical standard of conduct in all activities and conduct its business in a fair, effective, efficient, and transparent manner. Further, the Authority must protect its assets and resources from fraudulent, illegal, and dishonest activities by protecting its assets and resources, by maintaining effective internal controls and by identifying and investigating any possibility of fraud or other improper activities. To this end, this Whistleblower Policy (“Policy”) establishes procedures for Authority employees to report alleged illegal, fraudulent, and/or improper activity by Authority employees and to assure that such reports do not result in retaliation by the Authority.

POLICY

Authority employees are encouraged to report good faith suspicions of misconduct by Authority employees and any misuse of Authority property or resources. Any Authority employee who makes such a good faith report is protected against adverse employment actions by the Authority for raising such allegations and shall not suffer any reprisals or retaliation by the Authority for making the report, whether or not the allegations are sustained. The whistleblower must exercise sound judgment to avoid baseless allegations. The intentional filing of a false report is itself considered an improper governmental activity which the Authority has the right to act upon.

PROHIBITED ACTIVITIES

Any person should report information related to one of the following prohibited activities which includes, but is not limited to:

- A. Violation of any law, regulation, ordinance.
- B. Conflict of interest.
- C. Fraud, waste, or misuse of Authority property, resources, or time.
- D. Abuse of authority.
- E. Creation of a specific and substantial danger to public health or safety by failing to perform duties required by the Authority position held.
- F. Theft, misuse of, or misappropriation of Authority resources, property, information, assets or funds, or an attempt to do any of the same.
- G. Intentional falsification of records (including failure to disclose material facts or making of false or misleading entries or statements with the intent to deceive on any Authority document or other official document, report, or form, including but not limited to, Authority financial records and environmental regulatory reporting),

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or the willful and unauthorized destruction and/or mutilation of any Authority document or other official document, report, or form, including Authority financial records.

- H. Intentionally submitting false claims for payment or reimbursement.
- I. Knowingly submitting and/or signing a timesheet that contains false information.
- J. Forgery or intentional unauthorized alteration of an Authority document or other official document, application, report, or form, including but not limited to, Authority financial documents.
- K. Improprieties in the handling or reporting of financial transactions for the Authority.
- L. Authorizing or receiving payment by the Authority for goods not received or services not performed.
- M. Computer-related activity involving unauthorized alteration, destruction of data, forgery, or manipulation of data or misappropriation of Authority-owned software.

PROCEDURES

A. When to report

A complaint filed under this Policy should be filed within 45 days of the date of the act or event which is subject of the complaint.

B. Whom to report to

If an Authority employee is making the report, all reports should first be made to the Executive Director who will follow up on the matter. If the complaint involves the alleged misconduct of the Executive Director, then the report should be made to the Chair or Vice Chair of the Authority. Although every effort will be made to protect the anonymity of the whistleblower, there may be situations where anonymity cannot be guaranteed.

Agenda Item 3.6



Topic:	Approve Change Order #11 to Professional Services Agreement with Stantec Consulting Services Inc.	
Type:	Consent Calendar	
Item For:	Action; Approval by the RWA Board	
Purpose:	RWA Policy 300.2	

SUBMITTED BY:	Trevor Joseph, Manager of Technical Services	PRESENTER:	Trevor Joseph, Manager of Technical Services
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EXECUTIVE SUMMARY

This is an action item for the Regional Water Authority's (RWA) Board of Directors to consider extending Stantec Consulting Services Inc.'s existing Professional Services Agreement. If approved by the RWA Board of Directors, this action enables the Executive Director to execute the Change Order #11 which extends the period of performance until December 31, 2026, with Stantec Consulting Services Inc. for additional technical and planning support for continued development of the Sacramento Regional Water Bank (Water Bank).

STAFF RECOMMENDED ACTION

Approve and authorize the Executive Director to execute Change Order #11 to Professional Services Agreement with Stantec Consulting Services Inc. to extend the contract term to December 31, 2026.

BACKGROUND

Stantec Consulting Services Inc (formerly MWH) was selected through a competitive procurement process to provide technical and planning support to RWA on a variety of conjunctive use and other water management related projects and initiatives. A master consulting services agreement was established initially in February 2005 and has been modified through change orders multiple times to complete specific scopes of work and extend the period of performance. Stantec Consulting Services Inc. has institutional knowledge of regional planning and the Water Bank project and was instrumental in completion the *draft Plan of Study for Sacramento Regional Water Bank Development*. The *draft Plan of Study for Sacramento Regional Water Bank Development* is the guiding source that RWA is using to implement and obtain federal and state funding support on behalf of the Water Bank Program Committee to complete the Water Bank project. The Water Bank Program Committee is made up of approximately 20 RWA member agencies who are leading the development of the Water Bank. RWA received support from the Program Committee on October 5, 2023, to seek approval from the RWA EC and RWA Board to extend Stantec Consulting Services Inc. to ensure that efficient progress on the Water bank project continues. On October 30, 2023, the RWA Executive Committee (EC) recommended Change Order #11 be brought to the RWA Board of Directors to extend Stantec Consulting Services Inc.

FINDING/CONCLUSION

Staff requesting that RWA Board of Directors approval of Change Order #11 to Professional Services Agreement with Stantec Consulting Services Inc. If approved by the RWA Board of Directors, this action enables the Executive Director to execute Change Order #11 which extends the period of performance until December 31, 2026, with Stantec Consulting Services Inc. for additional technical and planning support for continued development of the Sacramento Regional Water Bank (Water Bank).

ATTACHMENTS

Attachment 1 – Master Consulting Services Agreement with MWH (Stantec Consulting Services Inc.)
Attachment 2 - Change Order #11 with Stantec Consulting Services Inc.



MWH®

MWH CONTRACT No. _____

MASTER CONSULTING SERVICES AGREEMENT

This agreement ("Agreement"), with an effective date of February 23, 2005, is by and between the Regional Water Authority ("CLIENT") and MWH Americas, Inc. ("CONSULTANT").

In consideration of the mutual covenants and promises contained herein, the parties agree as follows:

1 SCOPE OF SERVICES

1.1 The services to be performed by CONSULTANT under this Agreement ("Services") shall be set forth in individual task orders using the general format set forth in Attachment A ("Task Order"), attached hereto and incorporated herein by reference.

2 TASK ORDER PROCESS

2.1 Upon the request of CLIENT, CONSULTANT shall prepare a Task Order containing an identification of the project ("Project"), description of the Services, compensation to be paid to CONSULTANT for the performance of the Services ("Compensation"), and a proposed schedule for the performance ("Project Schedule") for the Services.

2.2 Upon mutual agreement of the parties, the Task Order shall be finalized and executed by the parties. The effective date of the task order will be as set forth in the individual Task Order.

2.3 Changes to the Task Order shall be made in writing and signed by both parties.

3 INVOICING AND PAYMENT

3.1 CONSULTANT shall submit its standard monthly invoice describing the Services performed and expenses incurred during the preceding month. CLIENT shall make payment of all undisputed portions of such invoice and provide written justification for the withholding of any disputed portions to CONSULTANT within 30 calendar days after receipt of CONSULTANT's monthly invoice.

3.2 CLIENT agrees that timely payment is a material term of this Agreement, and failure to make timely payment as agreed constitutes a material breach hereof. Payment of all Compensation due CONSULTANT pursuant to this Agreement shall be a condition precedent to CLIENT's use or reliance upon any of CONSULTANT's professional services or work products furnished under this Agreement.

3.3 In the event payment for the Services has not been made within 60 calendar days from the date of the invoice, CONSULTANT may, after giving 7 calendar days written notice and without penalty or liability of any nature, and without waiving any claim against CLIENT, suspend all or any part of the Services. In order to defray carrying charges resulting from delayed payments, simple interest at the rate of 1.5% per month (18% per annum), not to exceed the maximum rate allowed by law, shall be added to the unpaid balance of each invoice. The interest period shall commence 30 calendar days after the date of the invoice. Payments shall first be credited to interest and then to principal.

4 PERIOD OF PERFORMANCE

4.1 This Agreement shall have an effective date as set forth above and shall remain in effect until December 31, 2006 unless terminated earlier pursuant to this Agreement.

4.2 The period of performance for the Services under each Task Order shall be as set forth in the applicable Task Order.

4.3 In the event of the expiration or partial termination of this Agreement, CONSULTANT shall, unless otherwise directed by CLIENT, complete its performance of any outstanding Task Orders then pending in accordance with the terms and conditions of such Task Order(s) as may be further amended and this Agreement. In such case, the specifications, terms and conditions of the Task Order(s) and this Agreement shall be deemed to have survived the expiration of this Agreement with respect to such Task Order(s) until such time as the Task Order(s) are completed.

5 CLIENT'S RESPONSIBILITIES

5.1 CLIENT shall designate in writing a person to act as CLIENT's representative with respect to this Agreement. Such person will have complete authority to transmit instructions, receive information and interpret and define CLIENT's policies and decisions.

5.2 CLIENT shall furnish to CONSULTANT all applicable information and technical data in CLIENT's possession or control which CLIENT may lawfully release, including but not limited to, maps, surveys, drawings, soils or geotechnical reports, and any other information relating to the Services and requested by CONSULTANT. CLIENT shall also disclose to CONSULTANT hazards at the project site ("Site") which pose a significant threat to human health or the environment. CONSULTANT shall be entitled to reasonably rely upon the information provided by CLIENT, CLIENT's representatives, or from generally accepted sources without independent verification except to the extent such verification is expressly included in the scope of Services.

5.3 CLIENT shall examine all studies, reports, sketches, drawings, specifications, and other documents presented by CONSULTANT, seek legal advice, the advice of an insurance counselor, or other consultant(s), as CLIENT deems appropriate for such examination. If any document requires CLIENT to approve, comment, or to provide any decision or direction, such approval, comment, decision or direction shall be provided within a reasonable time within the context of the schedule for the Services ("Project Schedule").

5.4 CLIENT shall arrange for access to and make all provisions for CONSULTANT to enter upon public and private property as required for CONSULTANT to properly perform the Services.

5.5 CLIENT shall obtain, where applicable, the following:

5.5.1 All published advertisements for bids;

5.5.2 All permits and licenses that may be required of CLIENT by local, State, or Federal authorities;

5.5.3 All necessary land, easements, and rights-of-way;

5.5.4 All items and services not specifically covered by the terms and conditions of this Agreement.

5.6 CLIENT shall pay for any costs associated with the above items.

6 CONSULTANT'S RESPONSIBILITIES

6.1 CONSULTANT shall designate a project manager for the performance of the Services.

6.2 CONSULTANT shall perform the Services as an independent contractor and not as CLIENT's agent or employee. CONSULTANT shall be solely responsible for the compensation, benefits, contributions and taxes, if any, of its employees and agents.

6.3 The standard of care applicable to CONSULTANT's Services will be the degree of skill and diligence normally employed by professional consultants performing the same or similar services at the time and location said Services are performed. CONSULTANT will re-perform any Services not meeting this standard without additional compensation.

6.4 CONSULTANT may, during the course of its Services, prepare opinions of the cost of construction. CLIENT acknowledges, however, that CONSULTANT has no control over costs of labor, materials, competitive bidding environments and procedures, unknown field conditions, financial and/or market conditions or other factors affecting the cost of the construction and the operation of the facilities, the design of which is contemplated by this Agreement, all of which are and will unavoidably remain in a state of change. CLIENT therefore acknowledges that CONSULTANT cannot and does not make any warranty, promise, or representation, either express or implied, that proposals, bids, project construction costs, or cost of operation or maintenance will not vary substantially from its cost estimates.

6.5 When CONSULTANT provides on-site monitoring personnel during construction as part of its Services, the on-site monitoring personnel will notify CLIENT of any observed defects in the Work; will otherwise make reasonable efforts to guard CLIENT against defects and deficiencies in the work of the contractor(s) and will help to determine if the provisions of the contract documents are being fulfilled. The providing of on-site monitoring personnel will not, however, cause CONSULTANT to be responsible for those duties and responsibilities which belong to the construction contractor, and which include, but are not limited to, full responsibility for the means, methods, techniques, sequences and progress of construction, and the health and safety precautions incidental thereto, and for performing the construction in accordance with the contract documents.

6.6 In addition to or in lieu of on-site personnel, CONSULTANT's off-site staff may periodically visit the Project site as part of its Services. Such periodic visits and any observations made by CONSULTANT during such periodic visits shall not make CONSULTANT responsible for, nor relieve the construction contractor of the sole responsibility for all construction means, methods, techniques, sequences, and procedures necessary for coordinating and completing all portions of the work under the construction contract(s), and for all safety precautions incidental thereto.

7 FORCE MAJEURE

7.1 Neither party shall be responsible for a delay in its performance under this Agreement, other than a delay in payment for Services already performed, if such delay is caused by extraordinary weather conditions or other natural catastrophes war, riots, strikes, lockouts or other industrial disturbances, acts of any governmental agencies or other events beyond the reasonable control of the claiming party. CONSULTANT shall be entitled to an equitable adjustment to the Compensation and the Project Schedule as a result of any such delay.

8 CONFIDENTIALITY

8.1 CONSULTANT shall treat as confidential and proprietary all information and data delivered to it by

CLIENT ("Confidential Information"). Confidential Information shall not be disclosed to any third party, other than CONSULTANT's subcontractors or subconsultants, during or subsequent to the term of this Agreement. Nothing contained herein shall preclude CONSULTANT from disclosing information or data: (i) in the public domain without breach of this Agreement; (ii) developed independently by CONSULTANT; (iii) received by CONSULTANT on a non-confidential basis from others who had a right to disclose such Confidential Information; or (iv) where disclosure or submission to any governmental authority is required by applicable statutes, ordinances, codes, regulations, consent decrees, orders, judgements, rules, and all other requirements of any and all governmental or judicial entities that have jurisdiction over the Services ("Law"), but only after actual prior written notice has been received by CLIENT and CLIENT has had a reasonable opportunity to protect disclosure of such Confidential Information.

9 RIGHTS IN DATA

9.1 All work products provided by CONSULTANT to CLIENT shall be deemed to be work-for-hire and shall belong to CLIENT ("Work Product"). Methodologies and other instruments of service used to prepare the Work Product shall remain the property of CONSULTANT. Any modification or reuse of the Work Product without written verification or adaptation by CONSULTANT for the specific purpose intended will be at CLIENT's sole risk and without liability or legal exposure to CONSULTANT or to CONSULTANT's subcontractors and subconsultants.

10 INSURANCE

10.1 CONSULTANT will furnish to CLIENT copies of insurance certificates evidencing that it maintains the following coverage's while performing Services, subject to the terms and conditions of the policies:

<u>TYPE</u>	<u>AMOUNT</u>
Workers Compensation	Statutory
Employers' Liability	\$1,000,000 policy limit
Commercial General Liability	\$1,000,000
Automobile Liability	\$1,000,000
Professional Liability	\$1,000,000

10.2 CONSULTANT will furnish CLIENT with certificates of insurance verifying the above referenced coverages and stating that the insurance carrier will provide CLIENT with thirty days prior written notice of insurance cancellation or reduction below the above listed requirements. CONSULTANT shall list CLIENT as an additional insured for the Commercial General Liability and the Automobile Liability insurance.

11 INDEMNITY

11.1 CONSULTANT agrees to indemnify CLIENT, its officers, directors and employees, from loss or damage for bodily injury or property damage, ("Claims"), to the extent caused by the negligence or willful misconduct of CONSULTANT in the performance of the Services. This obligation to indemnify CLIENT shall not impose any obligation on CONSULTANT that exceeds the Limitation of Liability provisions set forth below.

11.2 IN NO EVENT SHALL CONSULTANT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES WHATSOEVER (INCLUDING BUT NOT LIMITED TO LOST PROFITS OR INTERRUPTION OF BUSINESS) ARISING OUT OF OR RELATED TO THE SERVICES PROVIDED UNDER THIS AGREEMENT, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

12 LIMITATION OF LIABILITY

12.1 IN RECOGNITION OF THE RELATIVE RISKS AND BENEFITS OF THE PROJECT TO BOTH CLIENT AND CONSULTANT, THE PARTIES AGREE, TO THE FULLEST EXTENT PERMITTED BY LAW, TO LIMIT THE AGGREGATE LIABILITY OF CONSULTANT, ITS PARENT, AFFILIATES AND SUBCONTRACTORS, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS, TO \$50,000 OR THE COMPENSATION FOR THE SERVICES, WHICHEVER IS GREATER. THIS LIMITATION OF LIABILITY SHALL APPLY TO ALL SUITS, CLAIMS, ACTIONS, LOSSES, COSTS AND DAMAGES OF ANY NATURE, INCLUDING BUT NOT LIMITED TO LEGAL FEES AND EXPENSES, ARISING FROM OR RELATED TO THIS AGREEMENT AND WITHOUT REGARD TO THE LEGAL THEORY UNDER WHICH SUCH LIABILITY IS IMPOSED.

12.2 CONSULTANT MAY AGREE, AT CLIENT'S REQUEST, TO INCREASE THIS LIMITATION OF LIABILITY TO A GREATER SUM IN EXCHANGE FOR A NEGOTIATED INCREASE IN CONSULTANT'S FEE. ANY INCREASE IN THIS LIMITATION OF LIABILITY MUST BE IN WRITING AS A FORMAL AMENDMENT TO THIS AGREEMENT AND MUST BE SIGNED AND DATED BY AUTHORIZED REPRESENTATIVES OF EACH PARTY. ANY ADDITIONAL CHARGE FOR HIGHER LIABILITY IS CONSIDERATION FOR THE GREATER RISK ASSUMED BY CONSULTANT AND IS NOT A CHARGE FOR ADDITIONAL INSURANCE.

12.3 BY ENTERING INTO THIS AGREEMENT, THE PARTIES ACKNOWLEDGE THAT THIS LIMITATION OF LIABILITY CLAUSE HAS BEEN REVIEWED, UNDERSTOOD, IS A MATERIAL PART OF THIS AGREEMENT, AND EACH PARTY HAS HAD THE OPPORTUNITY TO SEEK LEGAL ADVICE REGARDING THIS PROVISION.

13 PREEXISTING CONDITIONS

13.1 CLIENT hereby understands and agrees that CONSULTANT has not created nor contributed to the creation or existence of any hazardous or toxic substances, wastes or materials ("Hazardous Substances") at or related to the Project site or in connection with or related to this Agreement. The compensation to be paid CONSULTANT for the Services is in no way commensurate with, and has not been calculated with reference to, the potential risk of injury or loss which may be caused by the exposure of persons or property to such Hazardous Substances. Therefore, to the fullest extent permitted by law, CLIENT agrees to defend, indemnify, and hold CONSULTANT, its officers, directors, employees, and consultants, harmless from and against any and all claims, damages, and expenses, whether direct, indirect, or consequential, including but not limited to attorney's fees and court costs, arising out of, or resulting from the threatened or actual release of Hazardous Substances ("Release"), except to the extent that such Release is caused by the negligence or willful misconduct of CONSULTANT. Nothing contained within this Agreement shall be construed or interpreted as requiring CONSULTANT to assume the status of a generator, arranger, transporter or as a storage, treatment or disposal facility as those terms appear within applicable Law.

14 SOFTWARE

14.1 CONSULTANT, as part of the Services, may furnish, recommend, or identify to CLIENT certain third party software. As CONSULTANT is not the author, manufacture, or developer of such software,

CONSULTANT does not give any warranty, express or implied of third party software, and shall not be liable for any defects in such software but will pass the manufacturer's warranty to the CLIENT.

14.2 CONSULTANT warrants that as to Software developed under this Agreement that: (i) the Software will perform substantially in accordance with written materials provided with the software for a period of 90 days from the date that it is received by CLIENT and (ii) the media on which the Software is distributed shall be free from defects in materials and workmanship for a period of ninety 90 days from the date that it is received by CLIENT. CONSULTANT's entire liability and CLIENT'S exclusive remedy under this limited warranty will be, at CONSULTANT's option, either (i) the return of the price paid for the Software or (ii) repair or replacement of the Software or the media that is returned to CONSULTANT. This limited warranty is void if the failure of the Software or media is due to accident, abuse, misapplication or unauthorized modification. Any replacement Software or media will be warranted for the remainder of the original warranty period or 30 days, whichever is longer.

14.3 TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, CONSULTANT DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE SOFTWARE AND THE ACCOMPANYING WRITTEN MATERIALS. CONSULTANT DOES NOT WARRANT THAT THE SOFTWARE WILL MEET CLIENT'S REQUIREMENTS, THAT THE OPERATION OF THE SOFTWARE WILL BE UNINTERRUPTED OR ERROR-FREE, THAT THE SOFTWARE WILL OPERATE IN COMBINATION WITH ANY OTHER SOFTWARE THAT CLIENT SELECTS FOR ITS USE, OR THAT DEFECTS OR ERRORS IN THE SOFTWARE WILL BE CORRECTED. CONSULTANT FURTHER DOES NOT WARRANT OR MAKE ANY REPRESENTATIONS REGARDING THE USE OR THE RESULTS OF USE OF THE SOFTWARE OR ACCOMPANYING WRITTEN MATERIALS WITH RESPECT TO THEIR CORRECTNESS, ACCURACY, RELIABILITY, OR OTHERWISE. NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY CONSULTANT SHALL CREATE A WARRANTY OR IN ANY WAY INCREASE THE SCOPE OF THIS LIMITED WARRANTY. SOME STATES/ JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF IMPLIED WARRANTIES, SO THE ABOVE EXCLUSION MAY NOT APPLY TO THE CLIENT UNDER SUCH CIRCUMSTANCES.

15 SUSPENSION

15.1 CLIENT may, at any time and without cause, suspend the Services of CONSULTANT, or any portion thereof for a period of not more than 90 days by notice in writing to CONSULTANT. CONSULTANT shall resume the Services on receipt from CLIENT of a written notice of resumption of the Services. If such suspension causes an increase in CONSULTANT's cost or a delay in the performance of the Services, then an equitable adjustment shall be made to the Compensation and Project Schedule, as appropriate. In the event that the period of suspension exceeds 90 days, the contract time and compensation are subject to renegotiation.

16 TERMINATION

16.1 CLIENT may terminate all or part of this Agreement for CLIENT's convenience by providing 10 days written notice to CONSULTANT. In such event, CONSULTANT will be entitled to Compensation for the Services performed up to the effective date of termination plus compensation for reasonable termination expenses. CONSULTANT will not be entitled to compensation for profit on Services not performed.

17 DISPUTES RESOLUTION – ARBITRATION

17.1 Any dispute arising between the parties concerning this Agreement or the rights and duties of either party in relation thereto shall first be submitted to a panel consisting of at least one representative of each party who shall have the authority to enter into an agreement to resolve the dispute. The disputes panel shall be conducted in good faith, either physically or electronically, within two weeks of a request by either party. No written, verbal or electronic representation made by either party during the course of any panel proceeding or other settlement negotiations shall be deemed to be a party admission.

17.2 If the panel fails to convene within two weeks, or if the panel is unable to reach resolution of the dispute, then either party may submit the dispute for binding arbitration to be held in accordance with the Construction Industry Rules of the American Arbitration Association ("Association") in effect at the time that the demand for arbitration is filed with the Association. Either party may file in the manner provided by the Rules of the Association, a Demand for Arbitration at any time. The arbitrator or arbitrators appointed by the Association shall have the power to award to either party to the dispute such sums, costs, expenses, and attorney's fees as the arbitrator or arbitrators may deem proper.

18 NOTICE

18.1 Any notice or communication required or permitted by this Agreement shall be deemed sufficiently given if in writing and when delivered personally or 48 hours after deposit with a receipted commercial courier service or the U.S. Postal Service as registered or certified mail, postage prepaid, and addressed as follows:

CLIENT

Regional Water Authority
5620 Birdcage Street, Suite 180
Citrus Heights, CA 95610

Attn: Edward Winkler

CONSULTANT

MWH Americas
3321 Power Inn Rd., Suite 300
Sacramento, CA 95826

Attn: Marshall Davert

or to such other address as the party to whom notice is to be given has furnished to the other party(ies) in the manner provided above.

19 SURVIVAL OF CONTRACT TERMINATION

19.1 The Articles relating to Indemnification and Limitation of Liability shall survive termination the completion of the Services, payment in full of the Compensation and termination of this Agreement.

20 MISCELLANEOUS

20.1 Governing Law. The validity, construction and performance of this Agreement and all disputes between the parties arising out of this Agreement or as to any matters related to but not covered by this Agreement shall be governed by the laws, without regard to the laws as to choice or conflict of laws, of the State where the Project is located.

20.2 Assignment. Neither this Agreement nor any rights under this Agreement may be assigned by any party without the prior written consent of the other party(ies).

20.3 Binding Effect. The provisions of this Agreement shall bind and inure to the benefit of the parties and their respective successors and permitted assigns.

20.4 Parties in Interest. Nothing in this Agreement, expressed or implied, is intended to confer on any person or entity other than the parties any right or remedy under or by reason of this Agreement.

20.5 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute a single agreement.

20.6 Amendment and Waiver. This Agreement may be amended, modified or supplemented only by a writing executed by each of the parties. Any party may in writing waive any provisions of this Agreement to the extent such provision is for the benefit of the waiving party. No action taken pursuant to this Agreement, including any investigation by or on behalf of any party, shall be deemed to constitute a waiver by that party of its or any other party's compliance with any provisions of this Agreement. No waiver by any party of a breach of any provision of this Agreement shall be construed as a waiver of any subsequent or different breach, and no forbearance by a party to seek a remedy for noncompliance or breach by another party shall be construed as a waiver of any right or remedy with respect to such noncompliance or breach.


20.7 Venue, Jurisdiction and Process. The parties agree that any arbitration proceeding arising out of this Agreement or for the interpretation, performance or breach of this Agreement, shall be instituted in the County where the Project is located, and each party irrevocably submits to the jurisdiction of such proceeding and waives any and all objections to jurisdiction or venue that it may have under the laws of that state or otherwise in such proceeding.

20.8 Severability. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions, and this Agreement shall be construed in all respects as if any invalid or unenforceable provision were omitted.

20.9 Preparation of Agreement. All provisions of this Agreement have been subject to full and careful review by and negotiation between CONSULTANT and CLIENT. Each such party has availed itself of such legal advice and counsel as it, respectively, has deemed appropriate. The parties hereto agree that neither one of them shall be deemed to be the drafter or author of this Agreement, and in the event this Agreement is subject to interpretation or construction by a court of law or panel of arbitration, such court or panel shall not construe this Agreement or any portion hereof against either party as the drafter of this Agreement.

20.10 Entire Agreement. This Agreement embodies the entire agreement and understanding between the parties pertaining to the subject matter of this Agreement, and supersedes all prior agreements, understandings, negotiations, representations and discussions, whether verbal or written, of the parties pertaining to that subject matter.

CLIENT



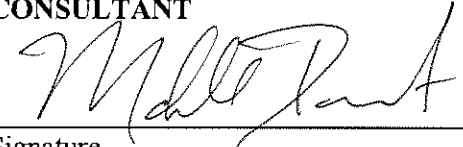
Signature

Edward Winkler

2/23/05

Date

CONSULTANT

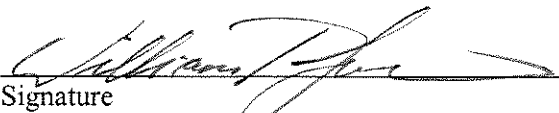


Signature

Marshall Davert

2/23/05

Date



Signature

William R. Swanson

Name (Printed or Typed)

2/24/2005

Date

Attachment A

TASK ORDER

This Task Order is made this the ____ day of _____, 20__, by and between _____ ("CLIENT") and MWH Americas, Inc. ("CONSULTANT") pursuant to the terms and conditions set forth in the Master Consulting Services Agreement executed between the parties on the ____ day of _____, 20__, ("Agreement"), which incorporated this Task Order by reference.

1. The CONSULTANT Contract Number for this Task Order is _____. The CONSULTANT Job Number for this Task Order is _____. The CONSULTANT Contract Number and Job Number shall be referenced in each invoice submitted by CONSULTANT to CLIENT under this Task Order.

2. The Services to be performed by CONSULTANT under this Task Order are as follows:

_____.

3. The Project Schedule is as follows:

_____.

4. The Compensation to be paid to CONSULTANT for the performance of the Services under this Task Order is set forth in Appendix I (Compensation), attached hereto and incorporated herein by reference.

5. Deliverables to be provided under this Task Order are as follows:

_____.

CLIENT

CONSULTANT

Signature

Signature

Name (Printed or Typed)

Name (Printed or Typed)

Date

Date



3301 C Street, Suite 1900
Sacramento, CA 95816

October 6, 2023

Mr. Trevor Joseph
Manager of Technical Services
Regional Water Authority
2295 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833

Dear Mr. Joseph,

Reference: Change Order to Master Consulting Services Agreement

Please find the attached Stantec-signed copy of Change Order No. 11 to the Master Consulting Services Agreement for Professional Services provided by Stantec Consulting Services Inc. to the Regional Water Authority. Please return a fully signed copy for our records.

Please call me at (916) 418-8259 if you have any questions.

Regards,

A handwritten signature in blue ink, appearing to read "Van Nishikawa".

Vanessa Nishikawa
Project Manager
Phone: 916.418.8259
Fax: 916.924.9102
vanessa.nishikawa@stantec.com

Attachment: Change Order No. 11

CHANGE ORDER

Contract No. 1511346
Change Order No. 11
Effective Date: October 6, 2023

In accordance with Article 7 of the Master Consulting Services Agreement dated February 23, 2005 ("Agreement") between the Regional Water Authority ("CLIENT") and Stantec Consulting Services Inc., formerly MWH Americas, Inc., ("CONSULTANT"), this Change Order modified the Agreement as follows:

1. Change in Services:

- N/A

2. Change in Time of Performance:

- Extend the period of performance until December 31, 2026, unless terminated earlier pursuant to the Agreement.

3. Change in CONSULTANT's Compensation:

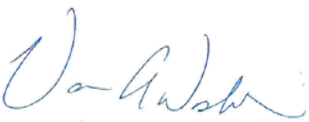
- Rates are subject to change annually, consistent with Statement of Qualifications dated February 18, 2016. Rates will increase on January 1 of each year.

All other terms and conditions remain unchanged.

CLIENT

CONSULTANT

Signature



Signature

Name (Printed or Typed)

Vanessa Nishikawa, Senior Principal

Name (Printed or Typed)

Date

October 6, 2023

Date

Topic: 2024 RWA Board of Directors and Executive Committee Meeting Dates
Type: New Business
Item For: Consent Calendar; Approve 2024 Meeting Schedule
Purpose: Routine

SUBMITTED BY: Ashley Flores, CMC
Secretary

PRESENTER: Jim Peifer
Executive Director

EXECUTIVE SUMMARY

This is an information item for the Regional Water Authority Board of Directors to approve the 2024 RWA Meeting dates for the Board of Directors and the Executive Committee.

STAFF RECOMMENDED ACTION

Approve the 2024 Board of Directors and Executive Committee meeting schedule.

BACKGROUND

In accordance with the RWA Policy, staff presents the following proposed 2024 board meeting schedule for Board approval.

RWA Board Meetings (Thursdays starting at 9:00 a.m.)

January 18, 2024
March 14
May 16
July 11
September 12
November 14

RWA Executive Committee Meetings (Tuesdays starting at 1:30 p.m.)

January 23, 2024
February 20
March 26
April 30
May 28
June 25
July 23
August 27
September 24
October 22
December 17

FINDINGS/CONCLUSIONS

In accordance with the RWA Policy, the 2024 board meeting schedule is being presented for approval by the board.

FISCAL IMPACT

Costs for Board of Directors and Executive Committee Meetings are included in the annual operating budget.