

**MIDWAY CITY SANITARY DISTRICT
REGULAR MEETING
BOARD OF DIRECTORS
DISTRICT OFFICE
14451 CEDARWOOD STREET
WESTMINSTER, CA**

**Tuesday, September 19, 2023
5:30 P.M.**

AGENDA

OUR MISSION STATEMENT

THE BOARD OF DIRECTORS AND EMPLOYEES OF THE MIDWAY CITY SANITARY DISTRICT WORK DILIGENTLY TO PROVIDE SEWER AND SOLID WASTE SERVICES TO THE RESIDENTS OF THE DISTRICT. OUR TOP PRIORITY IS TO ACCOMPLISH THIS IN AN ETHICAL, EFFICIENT, AND COST-EFFECTIVE MANNER THAT WILL PROTECT THE HEALTH AND SAFETY OF THOSE WE SERVE.

In accordance with the requirements of California Government Code Section 54954.2, this Agenda is posted not less than 72 hours prior to the meeting date and time above. All written materials relating to each agenda item are available for public inspection in the office of the Board Secretary.

In the event any matter not listed on this agenda is proposed to be submitted to the Board for discussion and/or action, it will be done in compliance with Section 54954.2, or as set forth on a Supplemental Agenda posted not less than 72 hours prior to the meeting.

Please Note: The District complies with the provisions of the Americans with Disabilities Act (ADA). Anyone needing special assistance please contact the District's Secretary at (714) 893-3553, at least one business day prior to the meeting so that we may accommodate you.

- 1. CALL TO ORDER, PLEDGE OF ALLEGIANCE AND INVOCATION**
- 2. ROLL CALL AND DECLARATION OF QUORUM**
- 3. PUBLIC COMMENTS**

All persons wishing to address the Board on specific Agenda items or matters of general interest should do so at this time. As determined by the President, speakers may be deferred until the specific item is taken for discussion and remarks may be limited to three (3) minutes.

4. APPROVAL OF THE MINUTES

- A. Approval of the Minutes of the Regular Meeting on September 5, 2023

5. APPROVAL OF EXPENDITURES

- A. Approval of Demands in the Amount of \$1,182,735.54

6. REPORTS

The President, General Manager, Legal Counsel, and other staff present verbal reports on miscellaneous matters of general interest to the Directors. These reports are for information only and require no action by the Directors.

- A. Report of President
- B. Report of General Manager
- C. Report from the Outreach Committee Meeting on September 6, 2023
- D. Report from the AAPI Leadership Summit Conference on September 7, 2023
- E. Report from the Meeting with Peoplespace Inc. offsite on September 7, 2023
- F. Report from the Building Project Ad Hoc Committee Meeting on September 12, 2023

7. CONSENT CALENDAR

All matters listed on the Consent Calendar are considered routine and will be acted upon at the same time unless separate discussion and/or action is requested by a Board Member, the public, or staff.

- A. Approve the Transferring and Reallocating of Funds into the Midway City Sanitary District's Reserve and Investment Accounts
- B. Approve the September 6, 2023 Outreach Committee Recommendations
- C. Approve and File the Treasurer's Investment Report for August 2023
- D. Approve the Engineer Report for August 2023
- E. Recognition and Approval of a 5-year Accident and Injury Free Award for Relief Driver/Utility Worker, Shannon Clarke, in the Amount of \$200.00
- F. Recognition and Approval of a 5-year Accident and Injury Free Award for Sewer Worker, Alejandro Gonzalez, in the Amount of \$200.00

8. OLD BUSINESS

None

9. NEW BUSINESS

- A. Consider the purchase of one (1) Electric Vehicle (EV) in an Amount not to Exceed a total of \$65,000.00
- B. RESOLUTION NO. 2023-19

CONSIDERATION OF APPROVAL OF THE RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT OF ORANGE COUNTY, CALIFORNIA, APPROVING CHANGES TO THE EMPLOYEE HANDBOOK FOR NON-REPRESENTED EMPLOYEES AND RESCINDING RESOLUTION NO. 2021-12

10. INFORMATIONAL ITEMS

- A. Orange County Water District Groundwater Adventure Tour on October 27, 2023
- B. Orange County Water Summit on October 13, 2023

11. BOARD CONCERNS/COMMENTS

12. GM/STAFF CONCERNS/COMMENTS

13. LEGAL COUNSEL CONCERNS/COMMENTS

14. CLOSED SESSION

CLOSED SESSION: During the course of conducting the business set forth on this agenda as a regular meeting of the Board, the Chair may convene the Board in closed session to consider matters of pending real estate negotiations, pending or potential litigation, or personnel matters, pursuant to Government Code Sections 54956.8, 54956.9, 54957 or 54957.6, as noted.

Reports relating to (a) purchase and sale of property; (b) matters of pending or potential litigation; (c) employment actions or negotiations with employee representatives; or which are exempt from public disclosure under the California Public Records Act, may be reviewed by the Board during a permitted closed session and are not available for public inspection. At such time as the Board takes final action on any of these subjects, the minutes will reflect all required disclosures of information.

None

15. ADJOURNMENT TO TUESDAY, OCTOBER 3, 2023

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE MIDWAY CITY
SANITARY DISTRICT OF ORANGE COUNTY
14451 CEDARWOOD STREET
WESTMINSTER, CA 92683**

September 5, 2023

CALL TO ORDER

President T. Diep called the regular meeting of the Governing Board of the Midway City Sanitary District to order at 14451 Cedarwood Street, Westminster, California on Tuesday, September 5, 2023 at 5:32 PM.

BOARD MEMBERS PRESENT:

Tyler Diep
Chi Charlie Nguyen
Andrew Nguyen
Sergio Contreras
Mark Nguyen

STAFF MEMBERS PRESENT:

Robert Housley, General Manager
Siamlu Cox, Director of Finance & Human Resources
Milo Ebrahimi, District Engineer, P.E.
Ashley Davies, Director of Services & Program Development
Cynthia Olsder, Executive/Board Secretary

OTHER MEMBERS PRESENT:

James H. Eggart, General Counsel Woodruff & Smart

PLEDGE AND INVOCATION

Director A. Nguyen led the Pledge of Allegiance. Director S. Contreras gave the Invocation.

PUBLIC COMMENTS

None

APPROVAL OF THE MINUTES OF THE REGULAR MEETING ON AUGUST 15, 2023

A motion was made by Director M. Nguyen, seconded by Director S. Contreras, to approve the minutes of the Regular Meeting on August 15, 2023. The motion was approved by the following 5-0 vote:

AYES: A. Nguyen, M. Nguyen, T. Diep, S. Contreras, C. Nguyen

NAYS:

ABSTAIN:

ABSENT:

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$197,835.20.

| # | CK # | DATE | AMOUNT | VENDOR CHECKS: | MEMO: |
|----|-------|------|---------------------|--|---|
| 1 | 14879 | 8/11 | 0.00 | SoCalGas | VOID: Acct # 021-760-4610 6 |
| 2 | 14880 | 8/11 | 450.37 | AT&T Mobility (First Net) | July-2023 |
| 3 | 14881 | 8/11 | 660.00 | Ayala's Car Wash | Fleet Wash |
| 4 | 14882 | 8/11 | 5,721.49 | Bodyworks Equip. Inc. | 2" Cam Follower (13) 4" Cam Follower (2) RR Hose Tray Kit (2) RockerSwitch (20) |
| 5 | 14883 | 8/11 | 1,413.12 | Daniels Tire Service | Recap Tires (6) |
| 6 | 14884 | 8/11 | 984.91 | Dtntech | August Clean Up Mailer (1000) |
| 7 | 14885 | 8/11 | 559.50 | Konecranes, Inc. | Crane inspection Aug-2023 Shop |
| 8 | 14886 | 8/11 | 828.36 | Merchants Building Maintenance, LLC | Janitorial Services August-2023 |
| 9 | 14887 | 8/11 | 308.12 | Motion and Flow Control Products, Inc. | Tube fittings (5) Hydraulic fittings (20) |
| 10 | 14888 | 8/11 | 487.20 | Snap-On Tools | Tools for Shop |
| 11 | 14889 | 8/11 | 38.23 | SoCalGas | Maint. Shop & Wash Rack - Aug 2023 |
| 12 | 14890 | 8/11 | 474.57 | Staples Business Credit | Office Supplies Jul-2023 |
| 13 | 14891 | 8/11 | 8,766.45 | SoCalGas | CNG Station Jun-2023 (11,900) |
| 14 | 14892 | 8/18 | 15,598.00 | AKM Consulting Engineers, Inc. | Spill Emergency Response & Master Plan |
| 15 | 14893 | 8/18 | 980.00 | Ayala's Car Wash | Fleet Wash |
| 16 | 14894 | 8/18 | 4,678.36 | Bodyworks Equip. Inc. | 2" Cam Follower (10) 4" Cam Follower (2) Prox Switch (4) Spring (10) Check & Relief Valve (2) |
| 17 | 14895 | 8/18 | 1,000.00 | City of Westminster | Fall Festival Silver Sponsorship 09/22-24/23 |
| 18 | 14896 | 8/18 | 363.00 | County of Orange/ Healthcare | CUPA APSA CUPA HAZ MAT Disclosure & Above Ground Tank |
| 19 | 14897 | 8/18 | 157.34 | Cummins Pacific LLC | Expansion Plugs (6) NG-10 |
| 20 | 14898 | 8/18 | 461.34 | Daniels Tire Service | Recap Tires (2) |
| 21 | 14899 | 8/18 | 36.58 | Hillco Fastener Warehouse Inc. | Extruded U Nut (25) NG-17 |
| 22 | 14900 | 8/18 | 1,931.00 | Jaycox Construction CNG | CNG Receptable Connectors (7) |
| 23 | 14901 | 8/18 | 1,274.71 | Los Angeles Truck Centers, LLC | Sight Glass (4) |
| 24 | 14902 | 8/18 | 2,000.00 | MacLeod Watts Inc. | GASB 75 Actuarial Update Report June 30 2023 |
| 25 | 14903 | 8/18 | 74.52 | Motion and Flow Control Products, Inc. | Hydraulic fittings (5) |
| 26 | 14904 | 8/18 | 18,854.67 | Orange County Sanitation District | Permit Fees Jul-2023 |
| 27 | 14905 | 8/18 | 307.09 | Pitney Bowes/Purchase Power | Postage August-2023 |
| 28 | 14906 | 8/18 | 11,536.00 | PumpMan | Lift Stations Maintenance 07-09/2023 |
| 29 | 14907 | 8/18 | 2,009.00 | Rutan & Tucker, LLP | Legal Services July-2023 |
| 30 | 14908 | 8/18 | 3,290.82 | Safety-Kleen Systems, Inc. | Transmission fluid (201) |
| 31 | 14909 | 8/18 | 1,349.00 | Spectrum Enterprise (Time Warner Cab) | August-2023 |
| 32 | 14910 | 8/18 | 353.97 | SoCal Auto & Truck Parts, Inc. | Air Flow Sensor Cleaner (12) Brake Parts Cleaner (24) |
| 33 | 14911 | 8/18 | 598.14 | UniFirst Corporation | August - 2023 |
| 34 | | | \$ 87,545.86 | CHECKS SUBTOTAL | |
| 35 | | | | | |
| 36 | | | | PAYROLL: | MEMO |
| 37 | | 8/8 | 83,721.00 | Paychex | Employee Payroll - Checks, Taxes, & Direct Deposits |
| 38 | | 8/18 | 5,968.34 | Nationwide | 457 Deferred Compensation (Employees) |
| 39 | | | \$ 89,689.34 | ACH TRANSFERS SUBTOTAL | |
| 40 | | | | | |
| 41 | | | | ACH PAYMENTS: | MEMO |
| 42 | | 8/14 | 473.57 | US Bank | Account Fees |
| 43 | | 8/15 | 1,050.00 | CalPERS | GASB68 |
| 44 | | 8/15 | 19,076.43 | CalPERS-Retirement | Earned Period 07/24/23 - 08/06/23 |
| 45 | | | \$ 20,600.00 | ACH TRANSFERS SUBTOTAL | |
| 46 | | | | | |

| | | | | |
|----|--|--|---------------|--|
| 46 | | | | |
| 47 | | | \$ 197,835.20 | TOTAL EXPENDITURES (ACCOUNTS PAYABLE CHECKS, PAYROLL, ACH TRANSFERS) |
| 48 | | | | |
| 49 | | | | <u>BANK TRANSFERS:</u> |
| 50 | | | | BANK TRANSFERS |
| 51 | | | | |

A motion was made by Director C. Nguyen, seconded by Director S. Contreras, to approve the expenditures in the amount of \$197,835.20. The motion was approved by the following 5-0 vote:

AYES: T. Diep, A. Nguyen, M. Nguyen, S. Contreras, C. Nguyen

NAYS:

ABSTAIN:

ABSENT:

REPORTS

Report of President:

None

Report of General Manager

GM R. Housley introduced Director of Services & Program Development, Ashley Davies, to the Board of Directors.

GM R. Housley reported that the combined sewer and solid waste fee for this year has been sent to the assessor's office; California secured property tax bills will be mailed out in October.

GM R. Housley reported that a change order for the building project's data line, internet services, and other connection lines has been approved.

Report from the Franchise Meeting on August 11, 2023

Director S. Contreras reported that he attended the meeting with Director M. Nguyen and that the District and CR&R will collaborate closely to organize a workshop event that is more effective and successful in the future.

Report from the Calendar Committee on August 18, 2023

Director M. Nguyen reported that he attended the meeting with Director S. Contreras and that they discussed some minor changes, such as color and photographs.

Report from the District Employee Luncheon on August 23, 2023

President T. Diep, Director A. Nguyen, and Director M. Nguyen attended the luncheon and reported that it was an excellent way to acknowledge the staff's efforts.

Report from the OC San District Board of Directors Meeting on August 23, 2023

Director A. Nguyen reported that the State of OC San luncheon is on Friday, October 27, 2023. Board Secretary C. Olsder will send an email with additional details and will make the reservation.

Report from the Clean-up Event at Goldenwest Park on August 26, 2023

The event was attended by all the directors, who reported that it had a good turnout.

Report from the CSDA Annual Conference on August 28-31, 2023

Director A. Nguyen and Director C. Nguyen attended the conference but deferred reporting on it to Director of Finance & HR Siamlu Cox. Director of Finance & HR Siamlu Cox reported that it was insightful, educational, and a great opportunity to network.

CONSENT CALENDAR

- A. Approve the 4th Quarter Fiscal Year 2022-2023 Financial Reports and Budget Review
- B. Consider Attendance at the 2024 Work Truck Week Trade Show Held at the Indiana Convention Center in Indianapolis, Indiana March 5-8, 2024
- C. Consider Rejection of Government Claim Filed on Behalf of Cari McCormick

A motion was made by Director M. Nguyen, seconded by Director A. Nguyen, to approve the Consent Calendar. The motion was approved by the following 5-0 vote:

AYES: T. Diep, A. Nguyen, M. Nguyen, S. Contreras, C. Nguyen

NAYS:

ABSTAIN:

ABSENT:

OLD BUSINESS

None

NEW BUSINESS

- A. Consider Approval of a Proposed Job Description for the Position of Accountant

A staff report and recommendations were provided and considered by the Board. A motion was made by Director A. Nguyen, seconded by Director S. Contreras, to approve the proposed job description for the position of accountant. The motion was approved by the following 5-0 call vote:

AYES: A. Nguyen, M. Nguyen, T. Diep, C. Nguyen, S. Contreras

NAYS:

ABSTAIN:

ABSENT:

INFORMATIONAL ITEMS

A. ISDOC Quarterly Luncheon (in-person) – September 28, 2023

Received and file.

BOARD CONCERNS/COMMENTS

Director M. Nguyen expressed appreciation to the staff who helped at the Clean-up event.

Director S. Contreras requested to be involved in the work plan for the Director of Services & Program Development.

Director A. Nguyen thanked both GM R. Housley and staff for their hard work.

Director C. Nguyen expressed his gratitude to the Board for supporting the attendance at the CSDA conference, noting that it was educational.

GM/STAFF CONCERNS/COMMENT

GM R. Housley reminded the Board that tomorrow, September 6, 2023, is the Outreach Committee meeting, and that this coming Thursday, September 7, 2023, is the AAPI Leadership Summit.

LEGAL COUNSEL CONCERNS/COMMENTS

General Counsel J. Eggart informed the Board that he wouldn't be present at the following board meeting.

At President Diep's direction, General Counsel, J. Eggart convened the meeting to closed session at 6:04 PM pursuant to Government Code Section 54957.6, as identified on the agenda as item 14A, in order for Board to confer with its designated Labor Negotiator representatives. General Counsel J. Eggart noted that Robert Housley and Joseph Larsen were the Designated Representatives.

CLOSED SESSION

CLOSED SESSION: During the course of conducting the business set forth on this agenda as a regular meeting of the Board, the Chair may convene the Board in closed session to consider matters of pending real estate negotiations, pending or potential litigation, or personnel matters, pursuant to Government Code Sections 54956.8, 54956.9, 54957 or 54957.6, as noted.

Reports relating to (a) purchase and sale of property; (b) matters of pending or potential litigation; (c) employment actions or negotiations with employee representatives; or which are exempt from public disclosure under the California Public Records Act, may be reviewed by the Board during a permitted closed session and are not available for public inspection. At such time as the Board takes final action on any of these subjects, the minutes will reflect all required disclosures of information.

A. CONFERENCE WITH LABOR NEGOTIATORS (Government Code Section 54957.6) Agency Designated Representatives: General Manager Robert Housley and Labor Counsel Joseph Larsen, Employee Organization: American Federation of State, County, and Municipal Employees, LOCAL 1734-01

President T. Diep reconvened the open session portion of the meeting at 6:05 PM.

General Counsel J. Eggart reported that the Board had met in closed session as identified on Agenda Item 14A, and that no reportable action had been taken.

ADJOURNMENT

President T. Diep adjourned the meeting at 6:05 PM to the next Board Meeting to be held at the District on Tuesday, September 19, 2023, at 5:30 PM.

Andrew Nguyen, Secretary

AGENDA ITEM 5A

Date: September 19, 2023

To: Board of Directors

Prepared by: Siamlu Cox, Director of Finance & Human Resources

Subject: Approval of Demands in the Amount of \$1,182,744.54

BACKGROUND

The laws of the State of California governing Special Districts provide that the Midway City Sanitary District Board of Directors shall review for approval all payments made by the District.

A Register of Demands is provided at each regular Midway City Sanitary District Board Meeting describing each payment made or to be made by the district during the specified period. The report is designed to communicate fiscal activity based on adopted and approved budget appropriations.

The Treasurer has duly reviewed the demands on the attached register.

FISCAL IMPACT

The total value of demand for this period is \$1,182,744.54. This includes expenses, payroll, and payroll-related disbursements.

Sufficient funds are available to process all payments.

RECOMMENDATION

Staff recommends that the Board of Directors review and approve the attached Register of Demands.

**DISBURSEMENTS FOR
Sep 19 2023**

| # | CK # | DATE | AMOUNT | VENDOR CHECKS: | MEMO: |
|----|-------|------|------------|---|---|
| 1 | 14912 | 8/23 | 599.00 | Eduardo Ceja | District Luncheon 2023_08_23 |
| 2 | 14913 | 8/25 | 531.34 | AT&T (Brookhurst Lift Station) | Acct # 714 531-0272 115 1 |
| 3 | 14914 | 8/25 | 280.00 | Ayala's Car Wash | Fleet Wash 08/21/23 |
| 4 | 14915 | 8/25 | 1,840.50 | Bodyworks Equip. Inc. | Heil Switch (5) Control Box (1) Interface (1) |
| 5 | 14916 | 8/25 | 84.94 | City of Westminster Hydrant | Hydrant Water Service Aug-2023 |
| 6 | 14917 | 8/25 | 4,882.50 | CliftonLarsonAllen, LLP | Financial Stmt Audit FYE 06/30/2023 Interim |
| 7 | 14918 | 8/25 | 149.69 | Cummins Pacific LLC | Oil Pan Gasket (1) NG-5 |
| 8 | 14919 | 8/25 | 5,544.05 | Daniels Tire Service | Recap and Front Tires |
| 9 | 14920 | 8/25 | 1,070.65 | Dartco Transmission Sales & Svcs. | Transmission Filters (12) |
| 10 | 14921 | 8/25 | 1,931.53 | Dtntech | Stadium Seats (40) |
| 11 | 14922 | 8/25 | 1,411.00 | Heritage Container Corporation | Cardboard Trash Boxes (250) |
| 12 | 14923 | 8/25 | 3,718.55 | Hydraulic Solutions And Supplies | Heil cylinders (4) Heil Packer (2) |
| 13 | 14924 | 8/25 | 678.12 | Intuit, Inc. | Void |
| 14 | 14925 | 8/25 | 2,383.80 | Lock N Climb LLC | Truck Engine Platform Ladder (1) |
| 15 | 14926 | 8/25 | 30.00 | MemorialCare Medical Foundation | Lab Spec R. Mayfield 03/08/2023 |
| 16 | 14927 | 8/25 | 33.90 | Pre-Paid Legal Services, Inc. | Prepaid legal Aug-2023 |
| 17 | 14928 | 8/25 | 27,256.56 | Samsara Inc. | License/Support Vehicle Cameras 07/22/23-07/21/24 (18) |
| 18 | 14929 | 8/25 | 458.47 | SoCal Auto & Truck Parts, Inc. | Shop Fan (1) Venom Steel (2) Brake Cleaner (36) |
| 19 | 14930 | 8/25 | 2,368.44 | Southwest Sign Company | Building Dedication Plaque Dpt |
| 20 | 14931 | 8/25 | 2,017.03 | Studio E. Interiors | Issue & Evaluate bids; Board Room layout |
| 21 | 14932 | 8/25 | 361.66 | UniFirst Corporation | August - 2023 |
| 22 | 14933 | 8/25 | 9,812.50 | Woodruff & Smart | Legal Services July-2023 |
| 23 | 14934 | 9/1 | 615.50 | Advanced Workplace Strategies, Inc. | DOT Test P.Mariscal, D.Solano, J.Contreras, R.Mayfield 08/04/23 |
| 24 | 14935 | 9/1 | 620.00 | Ayala's Car Wash | Fleet Wash (4) |
| 25 | 14936 | 9/1 | 5,961.26 | Bodyworks Equip. Inc. | Packer Paddle & Actuator Kit (1), Journal Block (1) |
| 26 | 14937 | 9/1 | 282.13 | Cameron Welding Supply | Revco Tigster Flame Res. LG (2), Revso Tigster Flame Res. XL (1), Med Marking Soapstone 120PK (1) |
| 27 | 14938 | 9/1 | 167.04 | City of Westminster-Water Billing | Wash Rack and District Office |
| 28 | 14939 | 9/1 | 193,214.13 | CR Transfer, Inc. | Tonnage Fees July 2023 |
| 29 | 14940 | 9/1 | 1,990.00 | CRC Cloud | Maintenance & Support Aug-2023 |
| 30 | 14941 | 9/1 | 1,970.28 | Daniels Tire Service | Recap Tires (15) |
| 31 | 14942 | 9/1 | 10,117.50 | Davis Farr LLP | Accounting Assistance July-2023 |
| 32 | 14943 | 9/1 | 0.00 | Frontier Communications | VOID: Acct # 209-188-5155-071808-5 |
| 33 | 14944 | 9/1 | 419.67 | Haaker Equipment Co. | Repairs to NG-6 Vactor Truck |
| 34 | 14945 | 9/1 | 276.55 | Hillco Fastener Warehouse Inc. | Restock bolts, washers, terminal packs & nylon wire for shop use |
| 35 | 14946 | 9/1 | 42.53 | Los Angeles Truck Centers, LLC | Turn Signal Lamp (2) for NG-12 |
| 36 | 14947 | 9/1 | 2,541.87 | NVB Equipment, Inc. | A/C Repair NG-6, 10, 7 |
| 37 | 14948 | 9/1 | 696.00 | Odyssey Power Corporation | Generator Emergency Diagnostic 08/21/23 |
| 38 | 14949 | 9/1 | 36.43 | PSI | Replacement Parts for Wash Rack |
| 39 | 14950 | 9/1 | 476.85 | Safety-Kleen Systems, Inc. | Model 90 Parts Washers (1) |
| 40 | 14951 | 9/1 | 11,816.73 | Southern California Edison | Willow Aug-2023 |
| 41 | 14952 | 9/1 | 98.02 | Spectrum Enterprise (Time Warner Cable) | Aug-2023 |
| 42 | 14953 | 9/1 | 1,471.36 | Standard Insurance Company Life | Sep - 2023 |
| 43 | 14954 | 9/1 | 683.98 | Tell Steel | Metal plates (3) Solid Waste trucks |
| 44 | 14955 | 9/1 | 349.57 | UniFirst Corporation | August - 2023 |
| 45 | 14956 | 9/1 | 621.40 | Frontier Communications | (714)903-1863 Willow Aug - 2023 |
| 46 | 14957 | 9/8 | 74.47 | Andrew Nguyen | 2023 CSDA Conference Reimbursement |
| 47 | 14958 | 9/8 | 360.00 | Ayala's Car Wash | Fleet Wash (9) |
| 48 | 14959 | 9/8 | 335.15 | Cameron Welding Supply | Oxygen, Compressed (2), Acetylene, Dissolved (1), Weldmark Cutting Tips (4) |
| 49 | 14960 | 9/8 | 1,891.48 | Clean Energy | CNG Station Service 08/28/23 |
| 50 | 14961 | 9/8 | 11,025.00 | CliftonLarsonAllen, LLP | Financial Stmt Audit FYE 06/30/2023 Interim |
| 51 | 14962 | 9/8 | 900.41 | CR&R Incorporated | Compost Event Westminster Mall 07/22/23 |
| 52 | 14963 | 9/8 | 12,465.00 | Rengel + Company Architects, Inc | Bldg Proj Mgt August-2023 |
| 53 | 14964 | 9/8 | 2,175.00 | Safety Research Consultants, Inc. | Driver's Safety Training on 05/20/23 |
| 54 | 14965 | 9/8 | 7,473.38 | SCI Consulting Group | Sewer & Trash Fee Levy Admin FY 2023-22 |
| 55 | 14966 | 9/8 | 4,218.88 | SDRMA - Employee Benefits | Oct-2023 |
| 56 | 14967 | 9/8 | 245.00 | Shannon Frost | EE Education Reimbursement |

**DISBURSEMENTS FOR
Sep 19 2023**

| | | | | | |
|----|-----------|------|------------------------|---|---|
| 57 | 14968 | 9/8 | 11,725.19 | SoCalGas | CNG Station Aug-2023 (12,439) |
| 58 | 14969 | 9/8 | 81.76 | Staples Business Credit | Office Supplies Aug-2023 |
| 59 | 14970 | 9/8 | 2,865.50 | Studio E. Interiors | 08/01 - 08/31 |
| 60 | 14971 | 9/8 | 473,927.04 | Woodcliff Corporation - Contractor | Solar & Building Project |
| 61 | 14972 | 9/8 | 24,943.54 | Woodcliff Corporation - Escrow Account | Solar & Building Project |
| 62 | | | \$ 856,619.83 | CHECKS SUBTOTAL | |
| 63 | | | | | |
| 64 | | | | PAYROLL: | MEMO |
| 65 | ACH | 8/22 | 87,055.43 | Paychex | Employee Payroll - Checks, Taxes, & Direct Deposits |
| 66 | ACH | 8/23 | 5,985.16 | Nationwide | 457 Deferred Compensation (Employees) |
| 67 | ACH | 9/1 | 8,221.16 | Paychex | Board Payroll - Checks, Taxes, & Direct Deposits |
| 68 | ACH | 9/1 | 846.00 | Nationwide | 457 Deferred Compensation (Board) |
| 69 | ACH | 9/5 | 86,399.72 | Paychex | Employee Payroll - Checks, Taxes, & Direct Deposits |
| 70 | | 9/11 | 5,929.20 | Nationwide | 457 Deferred Compensation (Employees) |
| 71 | | | \$ 194,436.67 | ACH TRANSFERS SUBTOTAL | |
| 72 | | | | | |
| 73 | | | | ACH PAYMENTS: | MEMO |
| 74 | FY24M1002 | 8/21 | 389.23 | Paychex | Time & Attendance |
| 75 | FY24M1003 | 8/25 | 17,005.28 | US Bank Corporate Payment System | CAL-Card Purchases Statement 08/22/23 |
| 75 | FY24M1004 | 8/24 | 19,076.37 | CalPERS-Retirement | Earned Period 08/07/23 - 08/20/23 |
| 77 | FY24M1005 | 8/28 | 1,572.71 | Chevron Texaco (WEX Bank) | Fleet Fuel |
| 75 | FY24M1006 | 8/23 | 67,662.68 | CalPERS-Health | September 2023 Health (Employees) |
| 79 | FY24M1007 | 8/23 | 6,874.06 | CalPERS-Health | September 2023 Health (Board) |
| 80 | FY24M1008 | 8/25 | 72.00 | Wex Health | Monthly HRA Admin Fee |
| 81 | FY24M1009 | 9/11 | 19,035.71 | CalPERS-Retirement | Earned Period 08/21/23 - 09/03/23 |
| 81 | | | \$ 131,688.04 | ACH TRANSFERS SUBTOTAL | |
| 83 | | | | | |
| 84 | | | \$ 1,182,744.54 | TOTAL EXPENDITURES (ACCOUNTS PAYABLE CHECKS, PAYROLL, ACH TRANSFERS) | |
| 85 | | | | | |
| 86 | | | | BANK TRANSFERS: | |
| 86 | | 8/22 | 400,000.00 | Funds Transfer from Checking to Money Market | |
| 87 | | 8/22 | 500,000.00 | Funds Transfer from LAIF to Checking | |
| 88 | | 9/8 | 262,167.50 | Funds Transfer from Money Market to Checking | |
| 89 | | | \$ 1,162,167.50 | BANK TRANSFERS | |

AGENDA ITEM 7A

Date: September 19, 2023

To: Board of Directors

Prepared by: Robert Housley, General Manager

Subject: Approve the Transferring and Reallocating of Funds into the Midway City Sanitary District's Reserve and Investment Accounts

BACKGROUND

The Midway City Sanitary District Board of Directors and Staff are responsible for evaluating the District's reserves and looking into the future of the District's needs to formulate a financial strategy to ensure the District's long-term fiscal sustainability.

The Midway City Sanitary District has always maintained reserves, which has contributed to good standings with credit rating agencies; provided financial flexibility in economic downturns; contributed a source of investment income for operations; and assured financial coverage in the event of future emergencies.

The purpose of developing reserves and a Reserve Fund Policy tailored to the needs of the District is to establish a funding mechanism that protects against unanticipated events that would adversely affect the financial condition of the District and jeopardize the continuation of critical public health and safety services. Such a policy will ensure the District maintains adequate reserves for long-term infrastructure replacement and refurbishment of equipment, funding of post-employment benefits, debt service and to maintain the District's financial stability.

Having a well formulated strategy benefits the ratepayers of the District by giving the District the ability to pay for a portion of or all of the cost of a major purchase or project using reserve funds in lieu of having to raise rates or seek outside financing.

Without adequate reserves the District would struggle to maintain existing service levels, repair and upgrading aging infrastructure and to meet state and federal regulations, possibly resulting in cuts to the services the District provides to its customers.

The Board of Directors and Staff, through the budget process and Board meetings, has identified priorities and the need to set up reserve accounts to meet those priorities so that the District can meet its future obligations with as little impact to the daily operations of the District and its customers. Currently the District has identified 6 areas of reserves/funds.

The reserve accounts the Board of Director's and Staff have identified are:

1. **Operating Fund:** These funds are used for day-to-day operations, unforeseen emergencies, unanticipated revenue shortfalls or unexpected expenditure increases.
2. **Orange County Midway City:** These funds are received from the County of Orange Redevelopment Agency to be used solely for capital infrastructure projects within the unincorporated area of Midway City. This reserve has been established to ensure funds are available for the replacement, upgrade and refurbishment of the District's sewer lines located in the unincorporated area of Midway City.
3. **Lift Stations and Sewer Lines:** This reserve has been established to ensure adequate funds are available for the replacement, upgrade and refurbishment of the District's sewer lines and lift stations.
4. **Vehicle Replacements:** This reserve has been established to ensure adequate funds are available for the systematic replacement and refurbishment of the District's sewer, solid waste, and maintenance trucks and vehicles.
5. **Buildings, Equipment, and Facilities:** This reserve has been established to ensure funding will be available to plan for the acquisition, construction, replacement and repair/maintenance, for infrastructure, land, equipment, and facilities.
6. **Compressed Natural Gas (CNG) Fueling Station:** This reserve has been established to ensure that the District has adequate funds available for the future replacement and repair/Maintenance of the CNG equipment and facility.
7. **Emergencies and Contingencies:** This reserve may be used for unanticipated and nonrecurring extraordinary needs of an emergency nature, including a natural disaster or calamity and in the event of a declared State of Emergency. The fund may also be used for nonrecurring and unforeseen needs, unexpected obligations created by state and federal laws, new public safety or health needs after the budget process has occurred, or opportunities to achieve cost saving. It may also be used to cover revenue shortfalls experienced by the District and for cash flow management purposes.
8. **CERBT 115 Trust Related to OPEB (Retiree medical benefits):** This restricted 115 trust fund was established so that the District is able to invest funds to achieve cost savings to the District for Other Post-Employment Benefits (OPEB) liabilities. Employees who retire from the District and their eligible dependents may be eligible for retiree medical benefits. This fund is restricted to reimbursement for the

cost of retiree OPEB medical benefits only and cannot be used for any other general purpose.

9. **CEPPT 115 Trust Related to Pensions:** This restricted 115 trust fund was established so that the District is able to invest funds to achieve cost savings to the District for on-going pension costs, and future pension liabilities. Employees are eligible for membership to the District's Defined Benefit Pension plan (CalPERS) upon hire. There are current pension contributions and future liabilities. This fund is restricted for the reimbursement or payment of the cost of current payroll contributions, unfunded liabilities, and additional discretionary payments. This trust fund is restricted and cannot be used for any other general purpose.

RESERVE ACCOUNTS AND RESERVE TARGETS

Annually, the Midway City Sanitary District (MCSD) Board of Directors conducts several open budget workshops that encourage frank and detailed discussions which includes evaluating the District's reserves, reserve policy and the short and long term needs of the District. Reserve accounts and reserve targets are set by the Board with input from the community, staff and the District's capital, strategic and sewer system master plans. During this process individual reserve accounts are created and eliminated and approved by the Board of Directors through adoption of a Resolution. The Board reviews and monitors the District's reserves and reserve targets throughout the year.

A future independent 'reserve and needs analyses by a third-party consultant may be able to provide additional insight and assist the Board with formulating future reserve priorities, alternatives, strategies, and reserve targets.

STAFF RECOMMENDATION

Staff recommends that the Board of Directors approve the Midway City Sanitary District's Reserves and approve the proposed transfers of funds into the Districts reserve and investment accounts as presented and provide additional direction as necessary.

FISCAL IMPACT

These transfers are a result of the budgeted depreciation for the year which the District uses to budget for and save for future projects and capital needs, as well-as the desire to increase the funded status in several of the categories.

A well-formulated financial strategy will help ensure the District's long-term fiscal sustainability. As part of the District's financial strategy, the proposed transfers will help provide efficient and cost-effective services to the District's ratepayers in the future.

The only potential outgoing funds with the proposed transfers is the District's CEPPT 115 trust related to pensions. The remainder of the transfers are only the reallocation of how the funds are earmarked for future use. The Board of Directors may make changes and/or reallocate the unrestricted and designated reserve funds as the District's financial

strategy evolves. The restricted funds are for a restricted purpose only and can only be used for their intended purpose.

There are sufficient funds in the District's operating account to make the proposed transfers without any adverse effect on the day-to-day operations of the District.

[proposed transfers next page]

| | | Location | Category | Goal | Balance as of 09-11-2024 | Over/(Under) Goal | Proposed Transfers | Proposed Adj. Balance | % Funded After Proposed Adj. |
|----|---|---------------|--------------|---------------|-----------------------------|----------------------|-----------------------|--------------------------|---------------------------------------|
| 1 | OPERATING FUNDS | | Unrestricted | \$ 10,000,000 | | | | | |
| 2 | Checking | Union Bank | Unrestricted | | \$ 975,717 | | | | |
| 3 | Money Market | Union Bank | Unrestricted | | \$ 400,000 | | | | |
| 4 | Petty Cash | District Safe | Unrestricted | | \$ 300 | | | | |
| 5 | Local Agency Investment Fund | LAIF | Unrestricted | | \$ 8,092,103 | | (1,500,000.00) | | |
| 6 | Total UNRESTRICTED Operating Funds | | | \$ 10,000,000 | \$ 9,468,120 | \$ (531,880) | (1,500,000.00) | \$ 7,968,120 | 79.7% |
| 7 | DESIGANTED FUNDS | | | | | | | | |
| 8 | Midway City | LAIF | Designated | \$ 3,600,000 | \$ 2,050,401 | \$ (1,549,599) | (500,000.00) | \$ 1,550,401 | 43.1% |
| 9 | Buildings, Equipment, and Facilities | LAIF | Designated | \$ 8,000,000 | \$ 3,850,117 | \$ (4,149,883) | 3,000,000.00 | \$ 6,850,117 | 85.6% |
| 10 | Lift Stations & Sewer Lines | LAIF | Designated | \$ 50,000,000 | \$ 31,037,192 | \$ (18,962,808) | (1,000,000.00) | \$ 30,037,192 | 60.1% |
| 11 | CNG Station & Facilities | LAIF | Designated | \$ 4,000,000 | \$ 1,963,236 | \$ (2,036,764) | | \$ 1,963,236 | 49.1% |
| 12 | Vehicle Replacements | LAIF | Designated | \$ 5,000,000 | \$ 3,605,884 | \$ (1,394,116) | | \$ 3,605,884 | 72.1% |
| 13 | Emergencies & Contigencies | CaTRUST | Designated | \$ 2,500,000 | \$ 1,446,875 | \$ (1,053,125) | | \$ 1,446,875 | 57.9% |
| 14 | CERBT 115 Trust Related to OPEB | CaPERS | Restricted | \$ 4,900,000 | \$ 6,469,951 | \$ 1,569,951 | | \$ 6,469,951 | 132.0% |
| 15 | CEPPT 115 Trust Related to Pensions | CaPERS | Restricted | \$ 4,800,000 | \$ 4,874,068 | \$ 74,068 | | \$ 4,874,068 | 101.5% |
| 16 | Total DESIGNATED Reserves | | | \$ 82,800,000 | \$ 55,297,724 | \$ (27,502,276) | 1,500,000.00 | \$ 56,797,724 | 68.6% |
| 17 | Totals | | | \$ 92,800,000 | \$ 64,765,844 | \$ (28,034,156) | \$ - | \$ 64,765,844 | 78% |

AGENDA ITEM 7B

Date: September 19, 2023

To: Board of Directors

Prepared by: Cynthia Olsder, Executive/Board Secretary

Subject: Approve the September 6, 2023 Outreach Committee Recommendations

BACKGROUND

At the April 5, 2022 meeting the Board approved the formation of a standing Outreach Committee. The Outreach Committee usually meets on the first Wednesday of each month to plan and discuss upcoming outreach activities. The Committee recommends continued radio and media outreach, averaging up to two radio programs per month on an ongoing basis.

The Outreach Committee met on September 6, 2023 and their recommendations are as follows:

1. The Committee recommends publishing an annual one-page newsletter at the beginning of the year that would highlight all the activities and events taking place at the District. Staff to draft the newsletter and outline the publication strategy for 2024.
2. The Committee recommends increasing the radio program for each radio station from \$1500 to \$2000.
3. The Committee recommends that staff give certificates and gift cards up to \$50 based on the number of participations to anyone who volunteers for district events.
4. The Committee recommends that President T. Diep, Director S. Contreras, or Director M. Nguyen, two of the three directors, attend the radio outreach with Me Vietnam. An appointment will be set up in October.
5. The Committee recommends that Director A. Nguyen and Director C. Nguyen attend the radio outreach with VietLink. An appointment will be set up in October.
6. The next Outreach Committee meeting is planned for October 4, 2023 at 12:00 noon.

FISCAL IMPACT

The potential fiscal impact of the Outreach Committee's recommendations are as follows:

- Monthly radio outreach \$ 4,000.00

STAFF RECOMMENDATION

Staff recommends that the Board of Directors approve the Outreach Committee's recommendations as presented.

AGENDA ITEM 7C

Date: September 19, 2023

To: Board of Directors

Prepared by: Siamlu Cox, Director of Finance and Human Resources

Subject: Approve and File the Treasurer’s Investment Report for August 2023

BACKGROUND

Midway City Sanitary District’s investment policy requires a monthly investment report, which includes all financial investments of the District and provides information on the investment type, value, and yield available for all investments. The report also provides the Board of Directors with an update on the balances of the District’s various funds.

Per the State Government Code 53600 et seq., and the Midway City Sanitary District’s (District) Investment Policy, the District may invest up to a maximum percentage of the entire portfolio funds in authorized financial investments.

The following table shows a summary of the District’s authorized financial investments, the yield available as of the preparation of this report, the book and market value of the District’s funds, the percentage of the District’s pooled funds that are invested in each financial investment, and the maximum percentage (or dollar limit), allowable per the State Government Code and the District’s investment policy.

The Book Value of the District’s total invested cash as of August 31, 2023, is \$52,650,821.19

| INVESTMENT | TYPE OF INVESTMENT | MATURITY DATE | YIELD | BOOK VALUE | MARKET VALUE | % OF PORTFOLIO | MAXIMUM PERCENTAGE |
|---------------------------------------|--------------------|---------------|--------|------------------|------------------|----------------|--------------------|
| | | | | AS OF 8/31/2023 | AS OF 8/31/2023 | | OF PORTFOLIO |
| FDIC Insured Accounts | | | | | | | |
| US Bank Interest Checking | Checking | Liquid | 0.00% | \$ 205,012.96 | \$ 205,012.96 | 0.39% | None |
| US Bank Money Market | Money Market | Liquid | 0.00% | \$ 400,000.00 | \$ 400,000.00 | 0.76% | 20% |
| Total FDIC Insured Accounts | | | | \$ 605,012.96 | \$ 605,012.96 | 1.15% | |
| LAIF | | | | | | | |
| CalTRUST (Medium Term Fund) | Pool/Bond Fund | Liquid | 3.434% | \$ 50,598,933.62 | \$ 50,598,933.62 | 96.10% | \$75 million |
| Certificate of Deposits | CD | - | - | \$ - | \$ - | 0.00% | 30% |
| U.S. Treasury Securities | US Securities | - | - | \$ - | \$ - | 0.00% | None |
| U.S. Treasury Security | | | | \$ - | \$ - | 0.00% | None |
| Total U.S. Treasury Securities | | | | \$ - | \$ - | 0.00% | |
| TOTAL Investments | | | | \$ 52,736,297.05 | \$ 52,650,821.19 | 100.00% | |

STAFF RECOMMENDATION

Approve and file the Treasurer’s Investment Report.

FISCAL IMPACT

Informational report only.

MIDWAY CITY SANITARY DISTRICT
District Investment Activities
8/31/2023

| | Operating Fund 1040.10 | Midway City 1040.20 | Buildings Equipment & Facilities 1040.30 | Lift Stations & Sewer Lines 1040.40 | CNG Station & Fueling Facilities 1040.50 | Vehicle Replacement 1040.60 | Total LAIF Account No. 7030-005 | Emergency Fund CaITRUST Medium-Term #114.00 |
|------------------------------------|---------------------------|------------------------|---|---|--|-----------------------------------|---------------------------------------|--|
| Beginning Balance, 6.01.2023 | \$ 8,796,545.93 | \$ 2,050,401.25 | \$ 3,645,674.18 | \$ 31,037,191.86 | \$ 1,963,235.91 | \$ 3,605,884.49 | \$ 51,098,933.62 | \$ 1,446,874.61 |
| Investment Income, LAIF & CaITRUST | | | | | | | | \$ 4,455.68 |
| Market Value Capital Gain/(Loss) | | | | | | | | |
| Transfer from LAIF to US Bank | \$ (500,000.00) | | | | | | | |
| Transfer from Union Bank to LAIF | \$ (204,443.12) | | \$ 204,443.12 | | | | | |
| Transfers LAIF to LAIF | | | | | | | | |
| Transfer from CaITRUST to US Bank | | | | | | | | \$ (4,455.68) |
| Ending Balance, 6.30.2023 | \$ 8,092,102.81 | \$ 2,050,401.25 | \$ 3,850,117.30 | \$ 31,037,191.86 | \$ 1,963,235.91 | \$ 3,605,884.49 | \$ 50,598,933.62 | \$ 1,446,874.61 |

TOTAL LAIF, U.S. SECURITIES, CaITRUST
& INTEREST RECEIVABLE \$ 52,045,808.23

ADD: US BANK \$ 1,666,072.77

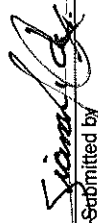
a. Checking (158301509028) \$ 55,437.41


b. Money Market (158200156913)

TOTAL DISTRICT CASH ON HAND \$ 53,767,318.41

C E R T I F I C A T I O N

I certify that (1) all investment actions executed since the last report have been made in full compliance with the District's Investment Policy and, (2) the District will meet its expenditure obligations for the next six months as required by California Government Code Sections 53646(b)(2) and (3), respectively.


Prepared & Submitted by
Siamlu Cox, Director of Finance and Human Resources


Robert Housley, General Manager

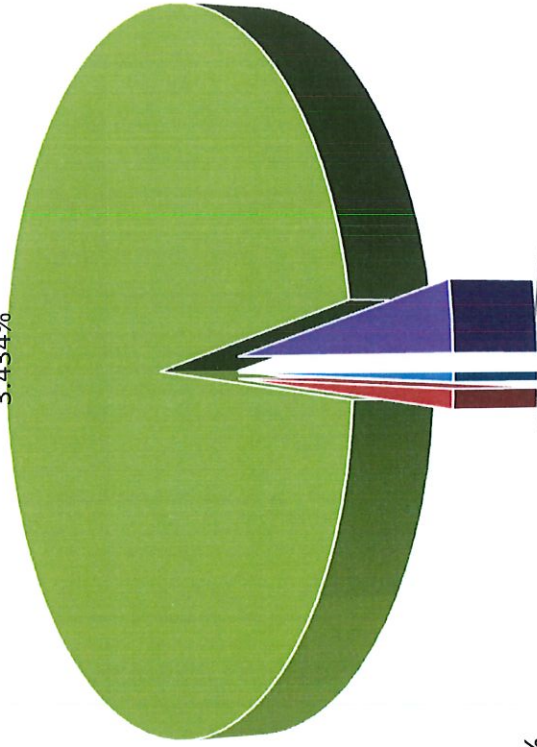
09.13.23

Dated

Dated

MCSD PORTFOLIO as of 08.31.2023

LAIF 96.1%
\$50,598,934
Current Yield
3.434%



Money Market 0.76%
\$400,000

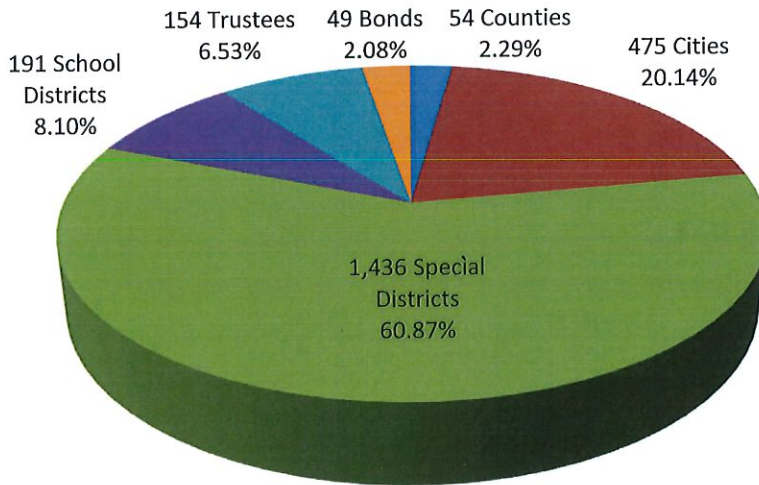
CalTRUST 2.75%
\$1,446,874.61
Current Yield Mo.
0.31%

Checking 0.39%
\$205,013

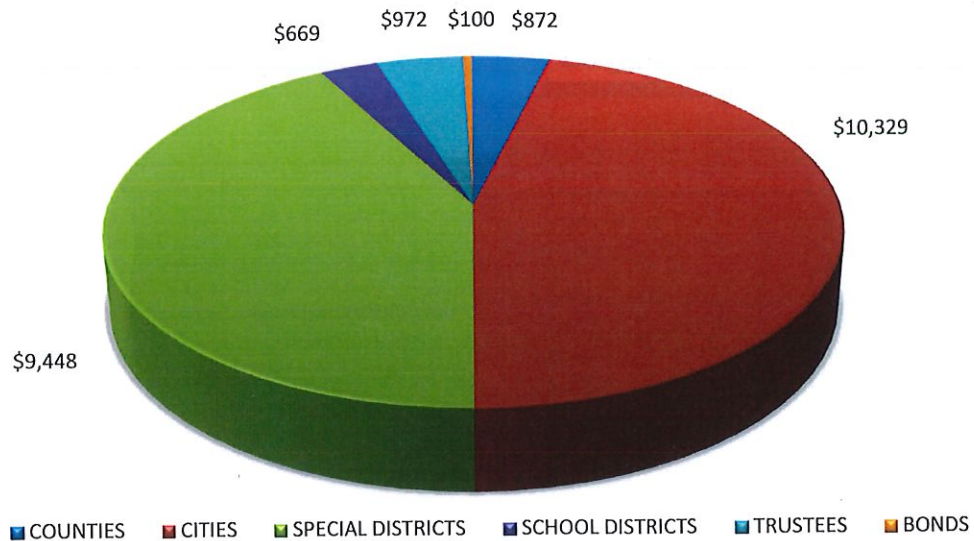
LAIF STATISTICS AS OF 8/31/23

| | Balance By Type | Participation | % of Fund |
|----------------------------|----------------------------|----------------|----------------|
| 54 COUNTIES | 871,772,962.74 | 2.29% | 3.89% |
| 475 CITIES | 10,328,983,331.89 | 20.14% | 46.13% |
| 1,436 SPECIAL DISTRICTS | 9,447,928,884.88 | 60.87% | 42.20% |
| 191 SCHOOL DISTRICTS | 669,492,835.22 | 8.10% | 2.99% |
| 154 TRUSTEES | 971,987,022.04 | 6.53% | 4.34% |
| 49 BONDS | 100,111,235.19 | 2.08% | 0.45% |
| 2,359 Fund Balance: | \$22,390,276,271.96 | 100.00% | 100.00% |

Participation:



Balance by Type (dollars in millions):



Percentages may not total 100% due to rounding.

California State Treasurer
Fiona Ma, CPA



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

September 13, 2023

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

MIDWAY CITY SANITARY DISTRICT

GENERAL MANAGER
14451 CEDARWOOD STREET
WESTMINSTER, CA 92683

[Tran Type Definitions](#)

Account Number: 70-30-005

August 2023 Statement

| Effective Date | Transaction Date | Tran Type | Confirm Number | Web Confirm Number | Authorized Caller | Amount |
|----------------|------------------|-----------|----------------|--------------------|-------------------|-------------|
| 8/28/2023 | 8/25/2023 | RW | 1737960 | 1698345 | ROBERT HOUSLEY | -500,000.00 |

Account Summary

| | | | |
|-------------------|-------------|--------------------|---------------|
| Total Deposit: | 0.00 | Beginning Balance: | 51,098,933.62 |
| Total Withdrawal: | -500,000.00 | Ending Balance: | 50,598,933.62 |



CalTRUST
 PO Box 2709
 Granite Bay, CA 95746
 www.caltrust.org
 Email: admin@caltrust.org
 Fax: 402-963-9094
 Phone: 833-CALTRUST (225-8787)

Investment Account Summary

08/01/2023 through 08/31/2023

SUMMARY OF INVESTMENTS

| Fund | Account Number | Total Shares Owned | Net Asset Value per Share on Aug 31 (\$) | Value on Aug 31 (\$) | Average Cost Amount (\$) | Cumulative Change in Value (\$) |
|---|----------------|--------------------|--|----------------------|--------------------------|---------------------------------|
| MIDWAY CITY SANITARY DISTRICT | 20100007910 | | | | | |
| CalTRUST Medium Term Fund | 20100007910 | 149,316.265 | 9.69 | 1,446,874.61 | 1,532,350.47 | (85,475.86) |
| Portfolios Total value as of 08/31/2023 | | | | 1,446,874.61 | | |

DETAIL OF TRANSACTION ACTIVITY

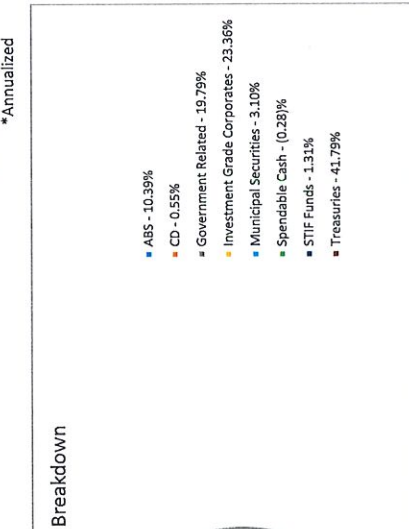
| Activity Description | Activity Date | Amount (\$) | Amount in Shares | Balance in Shares | Price per Share (\$) | Balance (\$) | Average Cost Amt (\$) | Realized Gain/(Loss) (\$) |
|---------------------------|---------------|-------------------------------|------------------|-------------------|-----------------------------|--------------|-----------------------|---------------------------|
| | | MIDWAY CITY SANITARY DISTRICT | | | Account Number: 20100007910 | | | |
| CalTRUST Medium Term Fund | | | | | | | | |
| Beginning Balance | 08/01/2023 | | | 149,316.265 | 9.69 | 1,446,874.61 | | |
| Accrual Income Div Cash | 08/31/2023 | 4,455.68 | 0.000 | 149,316.265 | 9.69 | 1,446,874.61 | 0.00 | 0.00 |
| Change in Value | | | | | | 0.00 | | |
| Closing Balance as of | Aug 31 | | | 149,316.265 | 9.69 | 1,446,874.61 | | |

Please note that this information should not be construed as tax advice and it is recommended that you consult with a tax professional regarding your account.



| | CaITRUST Medium Term | BofAML 1-3 Corp & Gov't, A Rated and Above | CaITRUST Medium Term Net Total Return | CaITRUST Medium Term Yield | BofAML 1-3 Corp & Gov't, A Rated and Above |
|-------------------------|----------------------|--|---------------------------------------|----------------------------|--|
| Net Assets | \$939,273,393.78 | N/A | 0.31% | 0.31% | 0.37% |
| NAV per Share | \$9.69 | N/A | 0.37% | 0.89% | 0.43% |
| 30 Day SEC Yield | 4.87% | N/A | 1.85% | 1.75% | 1.91% |
| Distribution Yield | 3.63% | N/A | 1.69% | 2.93% | 1.64% |
| Period Net Total Return | 0.31% | 0.37% | -1.08% | 1.83% | -1.24% |
| Effective Duration | 2.15 yrs | N/A | -0.65% | 1.41% | -0.68% |
| Average Maturity | 2.42 yrs | N/A | 1.20% | 1.65% | 1.23% |
| Weighted Average Life | 2.36 yrs | N/A | 1.00% | 1.37% | 1.07% |
| | | | 1.77% | 1.93% | 2.05% |

* Annualized



Rated AA-f by S&P Global Ratings

**Midway City Sanitary District
CalTRUST Summary**

CalTRUST - Medium-Term Fund

| | Investment or (Withdrawal) | Dividends '+' | Capital Gain or Loss (-) | Balance | | |
|------------------------|-------------------------------|------------------|-----------------------------|---------------------|-----------------------|------------------------|
| Investment May-2020 | \$ 750,000.00 | 432.90 | 1,460.57 | \$ 751,893.47 | | |
| June-2020 | | 857.56 | 730.70 | \$ 753,481.73 | | |
| July-2020 | | 765.26 | 731.54 | \$ 754,978.53 | | |
| August-2020 | | 745.40 | - | \$ 755,723.93 | | |
| September-2020 | | 677.57 | (733.01) | \$ 755,668.49 | | |
| October-2020 | | 621.72 | (733.66) | \$ 755,556.55 | | |
| November-2020 | | 476.58 | - | \$ 756,033.13 | | |
| December-2020 | | 439.21 | | \$ 756,472.34 | | |
| January-2021 | | 387.68 | | \$ 756,860.02 | | |
| February-2021 | | 342.73 | (1,471.06) | \$ 755,731.69 | | |
| March-2021 | | 354.98 | (735.87) | \$ 755,350.80 | | |
| April-2021 | | 251.06 | | \$ 755,601.86 | | |
| May-2021 | 750,000.00 | 316.74 | 736.45 | \$ 1,506,655.05 | | |
| June-2021 | | 473.98 | (1,467.04) | \$ 1,505,661.99 | | |
| July-2021 | | 415.67 | 1,467.51 | \$ 1,507,545.17 | | |
| August-2021 | | 390.03 | 0.01 | \$ 1,507,935.21 | | |
| September-2021 | | 370.72 | (1,468.29) | \$ 1,506,837.64 | | |
| October-2021 | | 396.41 | (5,874.61) | \$ 1,501,359.44 | | |
| November-2021 | | 461.36 | (1,469.04) | \$ 1,500,351.76 | | |
| December-2021 | | 516.64 | (2,938.98) | \$ 1,497,929.42 | | |
| January-2022 | | 598.08 | (10,289.99) | \$ 1,488,237.51 | | |
| February-2022 | | 610.05 | (7,352.96) | \$ 1,481,494.60 | | |
| March-2022 | | 836.34 | (20,596.74) | \$ 1,461,734.20 | | |
| April-2022 | | 1,028.38 | (8,832.23) | \$ 1,453,930.35 | | |
| May-2022 | | 1,290.86 | 5,892.32 | \$ 1,461,113.53 | | |
| June-2022 | | 1,354.72 | (8,846.29) | \$ 1,453,621.96 | | |
| July-2022 | | 1,518.86 | 5,903.03 | \$ 1,461,043.85 | | |
| August-2022 | | 1,986.06 | (11,818.35) | \$ 1,451,211.56 | | |
| September-2022 | | 2,166.97 | (20,710.46) | \$ 1,432,668.07 | | |
| October-2022 | | 2,438.11 | (4,444.68) | \$ 1,430,661.50 | | |
| November-2022 | | 2,709.46 | 8,904.53 | \$ 1,442,275.49 | | |
| December-2022 | | 2,890.90 | 1,486.88 | \$ 1,446,653.27 | | |
| January-2023 | | 3,227.48 | 8,939.16 | \$ 1,458,819.91 | | |
| February-2023 | (3,447.06) | 3,447.06 | (13,438.46) | \$ 1,445,381.45 | | |
| March-2023 | (4,147.17) | 4,147.17 | 14,931.62 | \$ 1,460,313.07 | | |
| April-2023 | (3,791.32) | 3,791.32 | 1,493.16 | \$ 1,461,806.23 | | |
| May-2023 | (4,482.39) | 4,482.39 | (7,465.81) | \$ 1,454,340.42 | | |
| June-2023 | (4,090.56) | 4,090.56 | (8,958.97) | \$ 1,445,381.45 | | |
| July-2023 | (4,246.18) | 4,246.18 | 1,493.16 | \$ 1,446,874.61 | | |
| August-2023 | (4,455.68) | 4,455.68 | - | \$ 1,446,874.61 | | |
| \$ 1,471,339.64 | | | | \$ 61,010.83 | \$ (85,475.86) | \$ 1,446,874.61 |

AGENDA ITEM 7D

Date: September 19, 2023

To: Board of Directors

Prepared by: Milo Ebrahimi, P.E., District Engineer

Subject: Approve the Engineer Report for August 2023

BACKGROUND/DISCUSSION

1. District Building Project by Woodcliff

1.1. The new office building:

- 1.1.1. The contractor worked on rough electrical. It is almost complete.
- 1.1.2. The contractor worked on fire-suppression.
- 1.1.3. The contractor finished rough plumbing and rough mechanical (HVAC).
- 1.1.4. Windows are installed.

1.2. The locker room building:

- 1.2.1. The contractor worked on rough electrical. It is almost complete.
- 1.2.2. The contractor finished rough plumbing and rough mechanical (HVAC).

1.3. Trenching:

- 1.3.1. The contractor replaced the installed bolts of the fire lines with stainless steel based on the Orange County Fire Authorities (OCFA) instruction. OCFA approved the installation of the fire line.
- 1.3.2. The irrigation line is complete.

1.4. Housekeeping and dust control:

- 1.4.1. There is no issue with the housekeeping. The district communicates with the contractor to resolve any issue.

2. Sewer System Master Plan (SSMP) and Spill Emergency Response Plan (SERP) by AKM

2.1. SSMP:

- 2.1.1. SSMP is in progress. There is a monthly meeting with AKM about progress.
- 2.1.2. The consultant will finish in about 10 months. A few months' delay is possible due to some missing As-Builts. A survey of the missing area or other approach might be needed to cover missing information for engineering analysis.
- 2.1.3. Consultant is reviewing existing documents and information/data (task 1).
- 2.1.4. Consultant is developing sewer system model and utilizing GIS based software (task 2).
- 2.1.5. Consultant is working on flow monitoring plan and implementation (task 3).

3. Plans Reviewed this month
 - 3.1. OCSD sewer permits: 20.
 - 3.2. Development projects (trash enclosures and/or sewer lines): 3.
4. Westminster Mall project
 - 4.1. Will serve letter:
 - 4.1.1. Will Serve Letter is requested for the new developments by the developer's engineer.
 - 4.1.2. The initial calculation of the entire mall shows that public sewer line up sizing is required to meet the demand.
 - 4.1.3. The district and the consultant, AKM, finished the analysis for the Will Serve Letter. The legal counsel has been informed about the analysis.
 - 4.1.4. The legal counsel is working on the conditional will serve letter.
5. Sewer department projects
 - 5.1. Sewer Manholes cockroach mitigation project
 - 5.1.1. Proposal is received from Golden Bell Product company.
 - 5.1.2. The district is waiting for OCSD for approval of the product that will be used.
 - 5.2. Sewer lines CCTV project
 - 5.2.1. The proposal is being developed by the district.
 - 5.2.2. Comments on the proposal are received from the consultant, AKM.
 - 5.2.3. The goal is to integrate the result of the pipe assessments into the GIS system of SSMP.
6. Sewer department activities
 - 6.1. There was no emergency related repair for sewer system this month.
 - 6.2. 72 hot spot locations were cleaned and checked.
 - 6.3. 51,000 linear feet of sewer line was cleaned on the west side.

FISCAL IMPACT

There is no fiscal impact.

STAFF RECOMMENDATION

Informational item only. Receive and file.

AGENDA ITEM 7E

Date: September 19, 2023

To: Board of Directors

Prepared by: Nick Castro, Director of Operations and Safety

Subject: Recognition and Approval of a 5-year Accident and Injury Free Award for Relief Driver/Utility Worker, Shannon Clarke, in the Amount of \$200.00

BACKGROUND

As of July 9, 2023, Relief Driver/Utility Worker, Shannon Clarke, became eligible for the 5-year Accident and Injury Free Award.

To promote safety in the operation of District equipment and the encouragement of safety in personal work habits, the Board of Directors has set as District policy the following program:

Accident and Injury Free Awards - All Operations Employees

| | |
|--------|-----------------------------|
| 5 yrs | \$200.00 |
| 10 yrs | \$300.00 |
| 15 yrs | \$500.00 |
| 20 yrs | Honor plaque and \$750.00 |
| 25 yrs | Honor plaque and \$1,000.00 |

STAFF RECOMMENDATION

Staff recommends that the Board of Directors approve a 5-year accident and injury free award for Relief Driver/Utility Worker, Shannon Clarke, in the amount of \$200.00.

FISCAL IMPACT

\$200.00

AGENDA ITEM 7F

Date: September 19, 2023

To: Board of Directors

Prepared by: Nick Castro, Director of Operations and Safety

Subject: Recognition and Approval of a 5-year Accident and Injury Free Award for Sewer Worker, Alejandro Gonzalez, in the Amount of \$200.00

BACKGROUND

As of May 22, 2023, Sewer Worker, Alejandro Gonzalez, became eligible for the 5-year Accident and Injury Free Award.

To promote safety in the operation of District equipment and the encouragement of safety in personal work habits, the Board of Directors has set as District policy the following program:

Accident and Injury Free Awards - All Operations Employees

| | |
|--------|-----------------------------|
| 5 yrs | \$200.00 |
| 10 yrs | \$300.00 |
| 15 yrs | \$500.00 |
| 20 yrs | Honor plaque and \$750.00 |
| 25 yrs | Honor plaque and \$1,000.00 |

STAFF RECOMMENDATION

Staff recommends that the Board of Directors approve a 5-year accident and injury free award for Sewer Worker, Alejandro Gonzlez, in the amount of \$200.00.

FISCAL IMPACT

\$200.00

AGENDA ITEM 9A

Date: September 19, 2023

To: Board of Directors

Prepared by: Nicolas Castro, Director of Operations/Safety

Subject: Consider the purchase of one (1) Electric Vehicle (EV) in an Amount not to Exceed a total of \$65,000.00

BACKGROUND

With the increase in the number of employees who work in the field and in administration, along with the District's requirement to perform solid waste cart audits, compliance enforcement, and along with the District's vision to increase its outreach and educational opportunities, there is a great need to purchase an additional vehicle to meet the District's operational, outreach, and educational needs.

It is anticipated that the new vehicle will be primarily used by the solid waste department for performing cart audits, compliance enforcement with SB 1383 and AB 341, and for educational and community events. The new vehicle will also be made available to others as needed.

Staff has evaluated several types of vehicles and has identified a sedan or crossover type of vehicle such as the Chevy Equinox (est. \$48,000), Chevy Blazer (est. \$60,000), and the Hyundai Kona or IONIQ (est. \$48,000-\$58,000), as good options based on service, utility, and cost. However, Staff intends to continue to compare and evaluate these vehicles and others before making the actual purchases to ensure that the District receives the best possible solution and cost savings. The vehicle will be electrical, which will operate on electrical power while driving which results in better fuel efficiency, reduced emissions, lower fuel costs, and would be the first electrical vehicle in the District's fleet.

Because the price and availability of these types of vehicles is constantly changing, flexibility is needed in order to get the best pricing and desired vehicle, and it is not feasible to conduct a formal procurement. Therefore, Staff is requesting the Board authorize the General Manager to purchase the vehicles using either (1) an informal bid process to solicit competitive quotes or (2) a co-operative purchasing contract from Sourcewell. Contracting agencies such as Sourcewell provide procurement services to education and government entities throughout the country. These agencies offer a multitude of cooperatively contracted products, equipment, and service opportunities, and have the legislative authority to solicit, evaluate, and award contracts through a competitive solicitation process, saving users time and money. These co-operative purchasing contracts satisfy the District's competitive bid requirements, and the District has successfully used these methods in the past to purchase vehicles.

The Midway City Sanitary District (MCSD) has consistently strived to improve its environmental footprint and reduce operating costs. As part of our ongoing sustainability efforts, we have been exploring the adoption of electric vehicles within our fleet. Electric Vehicles (EV) have gained popularity as a cleaner and more cost-effective alternative to traditional gasoline powered vehicles. They produce zero tailpipe emissions, contribute to lower maintenance costs, and align with our commitment to reducing greenhouse gas emissions.

The current building remodel and solar project includes five (5) Level 2 charging stations. Level 2 chargers offer faster charging times compared to standard household outlets, making them more convenient for EV owners. Once installed the new solar panels are expected to generate up to 140,000 kWh per year.

Current gasoline prices at the pump range from \$5.49 to \$5.99 per gallon of gasoline, depending on the market. A vehicle with an 18.0-gallon tank would potentially cost \$98 to fill it completely up. The range of a gasoline vehicle varies greatly depending on the type of vehicle and how it's driven.

Most EVs can generally travel 3 to 4 miles per kilowatt-hour (kWh) of energy, depending on the vehicle and how it's driven. With a full charge, a vehicle's range is potentially 300 miles, and would require 75-100 kWh. Using our current kWh cost with SCE (0.31375 cents/per kWh) the potential cost to recharge an EV is \$31. However, with the use of the solar panels generating electricity, the cost to recharge the vehicle on a day-to-day basis is \$0.

By utilizing the solar panels to recharge an EV the District could potentially save \$2,548 per year in the cost of gasoline alone. EV's also provide additional savings in the area of vehicle upkeep and maintenance as an EV does not require the same kind of regular maintenance and fluid changes as a gasoline powered vehicle.

Additional Benefits:

- Zero Emissions: EVs produce no tailpipe emissions, reducing our carbon footprint and improving air quality in the community.
- Reduced Noise Pollution: EVs are quieter than a traditional vehicle, reducing noise pollution during sanitation operations.
- Potential Incentives: Government incentives and rebates for EV purchases may be available, further reducing the cost of acquisition.
- Lower Operating Costs: EVs have lower fuel and maintenance costs, resulting in significant long-term savings.
- Demonstrating our commitment to sustainability and responsible environmental practices can enhance our reputation in the community.
- Midway City Sanitary District solar project includes five (5) Level 2 EV charging stations that are compatible with most electric vehicles.
- The EV can be used for community events, staff, and solid waste cart audits: a sustainable mobility solution.

- A 'wrap' can also be applied to the EV as a way to make the District more visible and to help bring greater awareness of the District and communicate the District's commitment to environmental sustainability (est. \$2,000 - \$3,000).

STAFF RECOMMENDATION

Staff recommends that the Board of Directors authorize the General Manager to negotiate and enter into the necessary contracts on behalf of the District to purchase one (1) new electric vehicle for District Staff job-related use in an amount not to exceed a total of \$65,000.00, utilizing either an informal bid process or a cooperative purchasing arrangement for the vehicle.

FINANCIAL IMPACT

The potential fiscal impact for one (1) new Electric Vehicle (EV) and placing it into service is \$65,000.00.

AGENDA ITEM 9B

Date: September 19, 2023

To: Board of Directors

Prepared by: Siamlu Cox, Director of Finance and Human Resources

Subject: CONSIDERATION OF APPROVAL OF THE RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT OF ORANGE COUNTY, CALIFORNIA, APPROVING CHANGES TO THE EMPLOYEE HANDBOOK FOR NON-REPRESENTED EMPLOYEES AND RESCINDING RESOLUTION NO. 2021-12

BACKGROUND

The Employee Handbook For Non-Represented Employees (Handbook) is the rules and regulations for non-represented and management employees of Midway City Sanitary District. The current Handbook was adopted on April 23, 2019, and revised on November 16, 2021. The Handbook communicates policies regarding employment, conduct and behavior, compensation, and other policies and procedures to follow, and as such, should be periodically reviewed and updated to incorporate legislative changes. Staff is proposing changes to the Handbook that incorporate language from Assembly Bills 1041 and 1949 that became effective January 1, 2023.

Assembly Bill No. 1041

The California Family Rights Act (CFRA) and the Healthy Workplaces, Healthy Families Act of 2014, also known as the Paid Sick Leave Law, allow employees to care for individuals who are not family members, called "Designated Persons." Under CFRA, a Designated Person is defined as an individual related by blood or whose association with the employee is the equivalent of a family relationship. Under the Healthy Workplaces, Healthy Families Act of 2014 it is defined as a person identified by the employee at the time they request sick leave. As permitted under both laws, the Handbook limits employees to one designated person per 12-month period. The language to include Designated Persons has been added to CHAPTER 5, § C. SICK LEAVE (Page 28), and § H. CALIFORNIA FAMILY RIGHTS ACTS LEAVE (CFRA) (Page 32).

Assembly Bill No. 1949

The Handbook currently allows three (3) days of paid leave for Bereavement Leave. AB 1949 amends the California Fair Employment and Housing Act (FEHA) to create a statutory right for eligible employees to take up to five (5) days of bereavement leave upon the death of a covered family member. The additional two (2) days of Bereavement Leave does not have to be paid by the employer, but employees will have the right to use sick leave, vacation or other paid leave to any unpaid leave under this policy. Staff is asking for the additional two (2) days to be paid leave. For purposes of Bereavement Leave, a covered family member includes spouse, child, parent, sibling, grandparent, grandchild, domestic partner, or parent-in-law. The Bill also states that leave must be

completed within three (3) months of the date of death, but need not be taken consecutively. The language to capture amendments to FEHA and the proposed two (2) paid days of Bereavement Leave have been included in CHAPTER 5. § S. BEREAVEMENT LEAVE (Page 41) of the Handbook.

STAFF RECOMMENDATION

Staff recommends that the Board of Directors, adopt RESOLUTION NO. 2023-19 APPROVING CHANGES TO THE EMPLOYEE HANDBOOK FOR NON-REPRESENTED EMPLOYEES AND RESCINDING RESOLUTION NO. 2021-12.

FISCAL IMPACT

There is no fiscal impact associated with the adoption of the proposed changes to the Employee Handbook For Non-Represented Employees.

Attachments:

1. RESOLUTION NO. 2023-19 APPROVING CHANGES TO THE EMPLOYEE HANDBOOK FOR NON-REPRESENTED EMPLOYEES AND RESCINDING RESOLUTION NO. 2021-12.
 - a. Exhibit A. Employee Handbook for Non-Represented Employees Copy with Markups

1 **CERTIFICATION**

2 I, Andrew Ngueyn, Secretary of the Midway City Sanitary District of Orange
3 County, California, do hereby certify that the foregoing Resolution No. 2023-19 was
4 duly adopted at a meeting of the Board of Directors of said District, held on the 19th
5 day of September, 2023, by the following vote of the members of the Board:
6

7 AYES:

8 NOES:

9 ABSENT:

10 ABSTAIN:

11 and I further certify that Tyler Diep, as President, and Andrew Nguyen, as Secretary,
12 signed and approved said Resolution on the 19th day of September 2023.

13 _____
Andrew Nguyen, Secretary

14 (District Seal)

15 _____
16 STATE OF CALIFORNIA)
17 COUNTY OF ORANGE } ss.

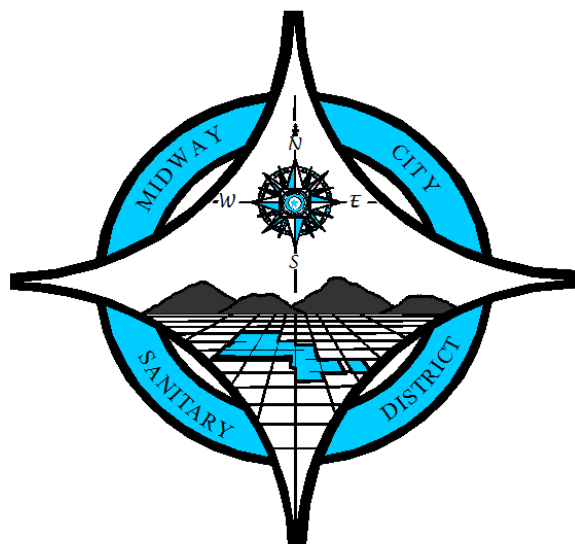
18 I, Andrew Nguyen, Secretary of Midway City Sanitary District of Orange County,
19 California, do hereby certify that the foregoing is a full, true and correct copy of
20 Resolution No. 2023-19 passed and adopted by the Board of Directors of said District
21 at a meeting thereof held on the 19th day of September 2023.

22 IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official
23 Seal of said District on the 19th day of September 2023

24 _____
25 Andrew Nguyen, Secretary

26 (District Seal)

MIDWAY CITY SANITARY DISTRICT
EMPLOYEE HANDBOOK
FOR NON-REPRESENTED EMPLOYEES ONLY



Adopted April 23, 2019
Revised September 19, 2023

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APPENDICES

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CHAPTER 1

INTRODUCTORY POLICIES

A. INTRODUCTORY STATEMENT

Welcome! As an employee of the Midway City Sanitary District (MCSD), you are an important member of a team effort. We hope that you will find your position with MCSD rewarding, challenging, and productive.

Because our success depends upon the dedication of our employees, we are highly selective in choosing new members of our team. We look to you and the other employees to contribute to the success of MCSD.

This employee handbook (Handbook) is intended to explain the terms and conditions of employment of all non-represented employees. Written employment contracts between MCSD and certain individuals shall supersede the provisions of this Handbook.

Management will be happy to answer any questions you may have.

B. INTEGRATION CLAUSE AND THE RIGHT TO REVISE

This Handbook expresses guidelines regarding the employment policies and practices of MCSD in effect at the time of publication.

MCSD reserves the right to revise, modify, delete or add to any and all policies, procedures, work rules or benefits stated in this Handbook or in any other document at any time. MCSD reserves full discretion to exercise all managerial rights in the operation of its business.

Any written changes to this Handbook will be distributed to all employees so that employees will be aware of the new policies or procedures and all employees will be required to sign a statement acknowledging receipt of any Handbook revisions. No oral statements or representations can in any way change or alter the provisions of this Handbook. Nothing in this employee Handbook, or any other personnel document, including benefit plan descriptions, creates or is intended to create a promise or representation of continued employment for any employee.

If any section, subsection, sentence, clause, phrase or portion of this Handbook is for any reason held to be invalid or unconstitutional by the final decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Handbook. MCSD hereby declares that it would have adopted this Handbook and each section, subsection, sentence, clause, phrase or portion thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or portions may be declared invalid or unconstitutional.

C. DEFINITIONS OF TERMS

All words and terms used in this Handbook shall be defined as they are normally and generally understood in the field of personnel administration. For the purpose of convenience, the following words and terms most commonly used are defined as follows:

- 1) *Controlled Substance*: Any substance which could potentially impair the employee's ability to effectively and safely perform the functions of his/her duties, including, but not limited to: alcohol, coca leaves, cocaine, marijuana, opium and opiates, amphetamines, methamphetamine, lysergic acid (L.S.D.), etc.
- 2) *Days*: Calendar days unless otherwise stated.
- 3) *Employee*: An elected, appointed or hired person occupying a position in MCSD employment who is not represented by a union. This excludes independent and outside contractors, commissioners, members of the Board of Directors, members of advisory boards, and volunteers.
- 4) *Fair Labor Standards Act (FLSA)*: The Federal Law which guarantees employees certain minimum wages and time and one-half overtime standards.
- 5) *General Manager*: The General Manager serves at the pleasure of the Board of Directors. The General Manager has the overall responsibility for recommending policy to the Board, and upon Board authorization of such policies, shall effectively implement those policies in addition to all other policies of MCSD. In addition, the General Manager oversees all areas of operation for the agency and is primarily responsible for training and supervising all management personnel.
- 6) *Non-Exempt Employee*: An employee who is not exempt from the pay and overtime provisions of FLSA.
- 7) *Salaried Employee*: An employee who is generally exempt from overtime pay and FLSA requirements who receives a regular salary for any week in which work is performed.
- 8) *Supervisor*: An employee with the responsibility of evaluating and/or directing other employees and for organizing and assigning their work.
- 9) *Weapons*: Firearms of any type; knives with folding blades in excess of 3-1/2 inches; sheath knives; any knives prohibited by State Law; personal defense chemical weapons, including: (a) mace (tear gas) or (b) oleoresin capsicum (pepper spray); any martial arts weapons; electric stun guns (tasers); or other objects used in a dangerous or threatening manner.

D. EQUAL EMPLOYMENT OPPORTUNITY

MCSD is an equal opportunity employer and makes employment decisions on the basis of merit. We want to have the best available person in every position. MCSD policy prohibits discrimination against qualified applicants or employees with respect to any terms or conditions of employment based on gender, gender identity or expression, pregnancy, childbirth or related medical conditions, race, religion, creed, color, national origin, ancestry, physical or mental disability, veteran status, other medical condition including genetic predisposition, marital status, age, sexual orientation, [reproductive health decision-making](#), or any other basis protected by federal, state, or local law or ordinance or regulation. It also prohibits discrimination based on the perception that anyone has any of those characteristics, or is

associated with a person who has or is perceived as having any of those characteristics. All such discrimination is unlawful and prohibited in all operations of MCSD.

MCSD is committed to complying with all applicable laws providing equal employment opportunities. This commitment applies to all persons involved in the operations of MCSD and prohibits discrimination by any employee of MCSD, including supervisors and co-workers.

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

Any applicant or employee who requires an accommodation in order to perform the essential functions of the job should contact a MCSD representative with day-to-day personnel responsibilities and request such an accommodation. The individual with the disability should specify what accommodation he or she needs to perform the job. The requested accommodations will be evaluated on a case-by-case basis. MCSD will engage in a good-faith interactive process to identify the barriers that make it difficult for the applicant or employee to have an equal opportunity to perform his or her essential job functions. MCSD will identify possible accommodations, if any, that will help eliminate the limitations. If an accommodation is reasonable and will not impose an undue hardship on MCSD, MCSD will make the accommodation.

If you believe you have been subjected to any form of unlawful discrimination, report such conduct immediately to the General Manager and/or the Director of Finance and Human Resources. Your complaint should be specific, and you should provide the names of the individual(s) involved and any witnesses to such conduct. MCSD will immediately undertake a thorough and objective investigation and attempt to resolve the situation.

If MCSD determines that prohibited discrimination has occurred, effective remedial action will be taken commensurate with the severity of the offense. Appropriate action will also be taken to deter any future discrimination. You will be notified when and if action is taken. MCSD will not retaliate against you for filing a complaint and will not knowingly permit retaliation by management, employees or your co-workers for such complaint. However, knowingly filing a false discrimination claim is cause for discipline, up to and including termination.

E. PROHIBITED HARASSMENT

The Board has adopted a Harassment, Discrimination, and Retaliation Policy, attached as **Appendix 1**, which may be amended from time-to-time.

CHAPTER 2

EMPLOYMENT POLICIES AND PRACTICES

A. NEW HIRES

The first six months of continuous employment is considered a probationary period. During this time, you will learn your responsibilities, get acquainted with fellow employees and determine whether you are happy with your job. During this time, your supervisor will closely monitor your performance. Employment is not guaranteed for the entire six months of the probationary period. Employment during the probationary period may be terminated with or without cause and with or without advance notice at any time by the employee or MCSD.

Upon completion of the probationary period, MCSD will review your performance. If MCSD finds your performance satisfactory and decides to continue your employment, it will advise you of any improvements expected from you. At this time, you may express suggestions to improve MCSD's efficiency and operations.

After completion of the probationary period, eligible employees will qualify to receive many of the benefits described in this Handbook.

B. JOB DUTIES

During the probationary period, your supervisor will explain your job responsibilities and the performance standards expected of you. Be aware that your job responsibilities may change at any time during your employment. From time to time you may be asked to work on special projects or to assist with other work necessary or important to the operation of MCSD. Your cooperation and assistance in performing such additional work is expected.

MCSD reserves the right, at any time, with or without notice, to alter or change job responsibilities, reassign or transfer job positions, or assign additional job responsibilities.

C. WORK SCHEDULES

MCSD has a wide range of operating hours, Monday through Saturday, with limited operations on Sundays. Business hours may change as needs of MCSD dictate. Although regular employees are assigned a work schedule, they will probably change from time to time. Nothing contained in this Handbook shall be construed to constitute a guarantee of minimum hours of work per day or per workweek or of days of work per workweek. When economic conditions dictate, management may direct a reduction of hours, a furlough, or a Reduction in Force.

D. OVERTIME

All non-exempt employees shall be paid at one and one-half (1-1/2) times the regular rate of pay for all hours worked over forty (40) in a single work week, or eight (8) hours within a single day. Overtime compensation shall be paid at the same time the employee receives his/her regular pay for the pay period in which the overtime was accrued. In determining whether an employee has accrued overtime in a single

work week, hours worked shall not include any time taken off for vacation (unless called back to duty for MCSD while on vacation), sick leave, personal leave, bereavement leave, or any other hours not actually worked, except holidays.

At the General Manager's discretion, exempt salaried employees may take compensatory time off for work performed on the employee's regular days off. . An employee, at his option, may choose to take compensatory time off, in lieu of payment for the overtime work time. Notwithstanding the forgoing, an employee may only earn or accrue up to four (4) hours of compensatory time within one pay period and an employee shall not accrue more than sixty-four (64) hours of compensation time. Any earned or accrued compensation time in excess of forty (40) hours that is not used by the end of a calendar year shall be paid out to the employee at the employee's then current rate of pay, which payment shall be made with the first regular payment of wages during the month of January. Compensatory time shall be scheduled at least two *full* business days in advance by the mutual agreement of the employee and the General Manager. An employee may be docked for emergency leave.

Those non-exempt employees that are required to work on Saturday, who are not regularly scheduled to work on that day and do not otherwise qualify for compensation at a rate of one and one-half (1-1/2) their regular rate of pay, may be eligible for overtime pay at the rate of one and one-half (1-1/2) times their hourly rate for any hours worked on Saturday if they worked at least 4 complete shifts in the previous 5 days (Monday through Friday).

E. MEAL AND REST PERIODS

Meal Periods

All non-exempt employees who work in excess of 5.00 hours in a workday are provided a minimum of 30 minutes of unpaid time for a meal period ("First Meal Period"). Employees who work more than 10.00 hours in a workday are provided a second unpaid meal period of at least 30 minutes ("Second Meal Period").

An employee's First Meal Period will be provided after no more than 5.00 hours of work and the Second Meal Period after no more than 10.00 hours of work. During a meal period, employees will be relieved of all work duties and are free to leave the premises. Under no circumstances should employees record a meal period and continue working.

Waiver of Meal Periods

An employee may voluntarily choose to waive the employee's First Meal Period if the total hours worked that day does not exceed 6.00 hours. An employee may voluntarily choose to waive the employee's Second Meal Period if the total hours worked that day does not exceed 12.00 hours, provided that the employee took the First Meal Period.

Rest Breaks

Non-exempt employees may take a minimum 15-minute rest break per 4 hours worked, or major fraction thereof. Insofar as practicable, rest breaks will be provided in the middle of work periods – one before the meal period, and one after the meal period. Rest breaks are paid.

During rest breaks, employees will be relieved of all work duties. Employees are encouraged to leave their work area during rest breaks in order to achieve the rest and refreshment the break is designed to give.

Employees should arrange any incidental personal activities that are carried out at work to correspond with their rest breaks, as far as practicable.

F. LACTATION BREAKS

MCSD will provide a reasonable amount of break time to any employee who desires to pump breast milk for an infant child. The break time shall, if possible, run concurrently with any break time already provided to the employee. Any break time provided to pump that does not run concurrently with break time already provided to the employee shall be unpaid.

MCSD will provide a suitable location for an employee to pump breast milk in private and will make reasonable efforts to provide employees with the use of a room or other private location that is located close to the employee's work area. Employees with private offices may use their offices for this purpose. To request a lactation accommodation, employees should contact the General Manager and/or Director of Finance and Human Resources.

G. TIMEKEEPING REQUIREMENTS

Accurate timecards and timesheets are a priority at MCSD. All employees are required to report accurate, complete time records of all hours worked, as well as vacation, sick leave, or other approved leaves. All hours actually worked must be included in an employee's time records, including time worked in excess of an employee's normal schedule. It is your responsibility to submit all time records to your immediate supervisor prior to the process of payroll (see section H, Payment of Wages).

Altering a time record without permission will not be tolerated, and constitutes grounds for disciplinary action up to and including termination.

H. PAYMENT OF WAGES

All employees of MCSD are paid every other Wednesday for work performed during the previous two-week pay period. The pay period ends Sunday at midnight preceding the Wednesday payroll and includes the prior two weeks of hours worked. If a payday falls on a holiday, you will be paid on the preceding workday. Paychecks are normally available by 3:00 p.m. on payday at MCSD office. If there is an error on your paycheck, please report it immediately to your supervisor.

I. AUTOMATIC DEPOSIT

MCSD offers automatic payroll deposit for employees. You may begin and stop automatic payroll deposit at any time. To begin automatic payroll deposit, you must complete a form (available from the Director of Finance and Human Resources) and return it to the Director of Finance and Human Resources at least 10 days before the pay period for which you would like the service to begin. You should carefully monitor your payroll deposit statements for accuracy after the service begins.

To stop automatic payroll deposit, submit written notification to the Human Resource Director before the pay period for which you would like the service to end.

J. SALARIED EMPLOYEE PAY REDUCTIONS

Salaried employees shall receive their full salary for any week in which they perform any work. For purposes of this salary pay policy, a week is Monday 12:01 a.m. and concluding at 12:00 a.m. (midnight) the following Monday morning. An employee shall receive his or her full salary for any week in which an employee does any work, subject to the following rules:

- Deductions from pay are permissible: when a salaried, exempt employee is absent from work for one or more full days for personal reasons other than sickness or disability; for absences of one or more full days due to sickness or disability if the deduction is made in accordance with a bona fide plan, policy or practice of providing compensation for salary lost due to illness; to offset amounts employees receive as jury or witness fees, or for military pay; or for unpaid disciplinary suspensions of one or more full days imposed in good faith.
- MCSD is not required to pay the full salary in the initial or terminal week of employment of salaried, exempt employees.

This salary pay policy is intended to comply with the salary pay requirements of the FLSA and shall be construed in accordance with the FLSA. Employees are encouraged to direct any questions concerning their salary pay to the General Manager and/or Director of Finance and Human Resources so that any inadvertent error can be corrected. MCSD does not allow deductions that violate the FLSA.

K. ACTING PAY

The Board has adopted an Acting Pay Salary Adjustments for Unrepresented Employees Policy, attached as **Appendix 2**, which may be amended from time-to-time.

L. PERSONNEL RECORDS

You have a right to inspect documents in your personnel file, as provided by law, in the presence of an MCSD representative at a mutually convenient time during normal business hours. You also have the right to request copies of all employment-related documents that you have signed. Personnel files are the property of MCSD and may not be removed from MCSD without prior written authorization from the General Manager and/or Director of Finance and Human Resources.

The information contained in an employee's personnel file is permanent and confidential and must be current and up-to-date. Employees must inform MCSD immediately whenever there are changes in personal data such as address, telephone number, marital status, number of dependents, and person(s) to notify in case of an emergency.

MCSD will exert reasonable efforts to restrict disclosure of your personnel file to authorized individuals within MCSD. Any request or subpoena for information from personnel files must be directed to the General Manager and/or Director of Finance and Human Resources. Only the General Manager and the Director of Finance and Human Resources is authorized to release information about current or former

employees. Disclosure of personnel information to outside sources will be limited in accordance with law. However, MCSD will cooperate with requests from authorized law enforcement or local, state or federal agencies conducting official investigations, properly issued subpoenas, or court orders. Personnel records shall be destroyed in accordance with MCSD's system for destruction of records, or in accordance with other applicable laws.

M. EMPLOYEE REFERENCES

All requests for references must be directed to the General Manager or Director of Finance and Human Resources. No other manager, supervisor or employee is authorized to provide references for current or former employees. MCSD's policy as to references for employees who are no longer employed by MCSD is to disclose only the dates of employment and the title of the last position held. If you authorize disclosure in writing, MCSD will also inform the prospective employers of the amount of salary or wage you earned.

N. PERFORMANCE EVALUATIONS

Each employee will receive periodic performance evaluations conducted by the General Manager or his/her designee. Your first performance evaluation will take place after completion of your probationary period. Generally, subsequent performance evaluations may be conducted on an approximately annual basis, on or about the anniversary date of your employee employment with MCSD. The frequency of performance evaluations may vary depending upon the length of service, job position, past performance, changes in job duties, or recurring performance problems.

Performance evaluations may review factors such as the quality of and quantity of the work you perform, your knowledge of the job, your initiative, your work attitude, and your attitude toward others. The performance evaluations are intended to make you aware of your progress, areas for improvement, and objectives or goals for future work performance. Favorable performance evaluations do not guarantee increases in salary or promotions. Salary increases and promotions are not required at any time, are solely within the discretion of MCSD, and depend upon many factors in addition to performance. After the review, you will be required to sign the evaluation report simply to acknowledge that it has been presented to you, that you have discussed it with your supervisor, and that you are aware of its contents. You may submit a written response to your evaluation within ten (10) days after you receive a copy, and it will be attached to your evaluation.

O. OPEN-DOOR POLICY

Suggestions for improving MCSD are always welcome. At some time, you may have a complaint, suggestion or question about your job, your working conditions or the treatment you are receiving. Your good-faith complaints, questions and suggestions are of concern to MCSD, and we suggest that you bring them to the attention of the General Manager and/or the Director of Finance and Human Resources, who will then make every effort to address them as appropriate.

P. EMPLOYMENT OF RELATIVES

MCSD may refuse to hire relatives of present employees if it is found by the General Manager and/or Director of Finance and Human Resources that doing so would result in actual or potential problems in supervision, security, safety, or morale, or if doing so could create potential conflicts of interest. For the

purposes of this section, the term “relative” includes a spouse, child, sibling, parent, grandparent, in-law, registered domestic partner, cousin, or step-relative. An actual or potential problematic relationship or conflict of interest between employees may include, but not be limited to, the following circumstances:

- One employee would have a supervisor-subordinate relationship with a relative.
- Two relatives would be under the jurisdiction of the same immediate supervisor.
- One employee would have access to confidential or financial information concerning his/her relative.
- One employee would have the power or authority to make recommendations or decisions about his/her relative which could or would have a financial or other impact upon the employee’s relative.
- One employee would have the authority to discipline a relative.

Q. CONFLICTS OF INTEREST

Employees are not allowed to have any personal, business, or financial interest outside MCSD which in any way conflicts with or appears to conflict with the interests of MCSD or places the employee in a position in which the employee can use his or her association with MCSD for direct or indirect gain to the possible detriment to or embarrassment of MCSD. A conflict of interest may arise in a variety of circumstances and may be direct or indirect. A conflict of interest arises whenever an employee’s outside interests might affect or might reasonably be thought by others to affect an employee’s judgment or conduct in matters which involve MCSD. Employees are to avoid personal or organizational conflicts of interest whether real or potential.

Personal or romantic involvement with a competitor, supplier or subordinate employee of MCSD, which impairs an employee’s ability to exercise good judgment on behalf of MCSD, creates an actual or potential conflict of interest. Supervisor-subordinate romantic or personal relationships also can lead to supervisory problems, possible claims of sexual harassment and morale problems.

An employee involved in any of the types of relationships or situations described in this section should immediately and fully disclose the relevant circumstances to the General Manager, for a determination as to whether a potential or actual conflict exists. If an actual or potential conflict is found, MCSD may take whatever corrective action appears appropriate according to the circumstances. Each case will be evaluated on an individual basis. Failure to disclose relevant facts shall constitute grounds for disciplinary action, up to and including termination.

R. REDUCTIONS IN FORCE

Under some circumstances, MCSD may need to reduce its workforce due to lack of work, lack of funds, or restructuring. If it becomes necessary to restructure our operations or reduce the number of employees, MCSD will attempt to provide advance notice, if possible, so as to minimize the impact on those affected. If possible, employees subject to layoff will be informed of the nature of the layoff and the foreseeable duration of the layoff, whether short-term or indefinite.

In determining which employees will be subject to layoff, MCSD may take into account, among other things, operational requirements, the skill, productivity, ability and past performance of those involved and also, where feasible, the employee's length of service. However, MCSD retains the sole and absolute discretion to determine which employees are subject to layoff.

S. DISCIPLINE AND INVOLUNTARY TERMINATIONS

The General Manager shall have the right, for reasonable cause, to demote, dismiss, reduce in pay, or suspend without pay for up to thirty (30) calendar days any permanent employee governed by these rules. The provisions of this article shall not apply to probationary employees or reductions in pay or a termination which are part of a general plan to reduce salaries and wages, to eliminate services or a reduction in force.

The General Manager shall provide the employee with written notice of the proposed action. The written notice shall contain the date it is intended to be effective, the charge(s) and facts on which the proposed action is based, and notification that the employee is entitled to respond to the charges orally and in writing to the General Manager within five (5) working days after transmittal or notification. Failure by the employee to make a written or oral response will constitute waiver of the right to respond. Further, the employee shall be provided with relevant written materials, written reports and documents considered by the General Manager in reaching his/her decision. If the employee elects to respond in person, a meeting shall be scheduled with the General Manager in which the employee shall be given the opportunity to respond to the proposed action. The employee shall be entitled to be represented by counsel or any other person at the meeting. If discipline is implemented after following the above procedure, a written notice of discipline shall be served upon the employee. The notice shall inform the employee of the employee's appeal rights, if any. The General Manager shall have the right to put the employee on immediate suspension in an emergency situation, in which case the procedures provided by this paragraph shall be provided as soon thereafter as possible.

When formal disciplinary action, as defined in this rule, has been taken by the General Manager, and the employee has received written notification of the action, the employee shall have the right to appeal to the Board of Directors by filing a written answer to the charges and requesting a hearing within fifteen (15) calendar days of having been furnished with a copy of the final notice of discipline.

The Board of Directors may hear the matter or appoint a hearing officer to hear the matter and make a recommendation to the Board. The hearing shall be held as soon as can be reasonably scheduled by the Board or appointed hearing officer. The hearing shall be conducted in a manner conducive to determination of the truth. Technical rules of evidence shall not apply. Both the General Manager and the employee may have representation at the hearing, and shall be given the opportunity to present and challenge evidence. A written decision shall be prepared and given to the employee. It is expressly understood that the grievance procedure does not apply to discipline.

T. VOLUNTARY TERMINATION

Voluntary termination results when an employee voluntarily resigns his or her employment, or fails to report to work for three consecutive scheduled workdays without notice to, or approval by, his or her

supervisor. All MCSD-owned property (vehicles, keys, uniforms, identification badges, other MCSD-issued equipment, etc.) must be returned immediately upon termination of employment.

U. GRIEVANCE PROCEDURE

An employee who has a grievance shall attempt to resolve the problem by conferring directly with the General Manager. In the event such conference fails to provide a full and final resolution, the employee may submit the matter to the Board of Directors within thirty (30) days of the occurrence of the act or omission giving rise to the grievance by filing a formal written allegation that there has been a misapplication of specific provision(s) of MCSD rules or policies.

If the Board of Directors chooses to hear the matter, it shall schedule a hearing for its next regular meeting that is seven (7) calendar days or more after the grievance is filed. The employee shall have the right to self-representation or to be represented by any other third party. The Board of Directors shall consider such information as is presented by the parties to the grievance and requested by the Board. The Board shall provide a written decision to the employee and the General Manager which shall be final and binding.

CHAPTER 3 STANDARDS OF CONDUCT

A. PROHIBITED CONDUCT

The following conduct is prohibited and will not be tolerated by MCSD. This list is not intended to be exclusive and is illustrative only; other types of conduct injurious to security, personal safety, employee welfare, and MCSD's operations are prohibited as well. Any one of these violations may result in discipline up to and including termination.

- Falsification of employment records, employment information or other MCSD records.
- General inefficiency or incompetence.
- Dishonesty
- Recording the work time of another employee or allowing any other employee to record your work time, or allowing falsification of any time record, either your own or another employee's.
- Theft of any MCSD property or the property of any employee or customer.
- Deliberate or careless destruction, damage or defacing of any MCSD property or the property of any employee or customer.
- Removing or borrowing MCSD property without prior authorization.
- Unauthorized use of MCSD equipment, time, materials, or facilities.
- Consumption of, possession of, selling or providing Controlled Substances during working time, or at a time or in a manner affecting work performance.
- Provoking a fight or fighting during working hours or on MCSD property, including vehicles.
- Participating in horseplay or practical jokes on MCSD time or on MCSD premises or vehicles.
- Carrying Weapons or other unauthorized dangerous objects on MCSD premises or vehicles at any time.
- Engaging in criminal conduct, whether or not related to job performance.
- Causing, creating or participating in a disruption of any kind during working hours on MCSD property, including vehicles.
- Insubordination, including but not limited to failure or refusal to obey the reasonable orders or instructions of a supervisor or member of management, or the use of abusive or threatening language toward a supervisor or member of management.

- Using profane, threatening or abusive language at any time on MCSD property including vehicles or while dealing with the public.
- Immoral or indecent conduct committed in the course of employment.
- Unexcused absenteeism, tardiness, or abuse of break and lunch periods, including failure to notify supervisors of break time or other absences from work, and failure to take required breaks and meal periods.
- Multiple garnishments as permitted by state or federal law.
- Failure to notify a supervisor at least one (1) hour in advance of shift time when unable to report to work.
- Unreported absences to scheduled work shifts.
- Failure to obtain permission to leave work for any reason during normal working hours.
- Failure to observe working schedules, including rest and lunch periods.
- Abuse of paid sick leave.
- Failure to provide a physician's certificate with regard to absences from work when requested or required to do so.
- Sleeping or malingering on the job.
- Working overtime without prior authorization or refusing to work assigned overtime.
- Refusal to work, without a good reason, when needed due to emergency call-ins, disasters, etc.
- Wearing extreme, unprofessional or inappropriate styles of dress or hair (or refusal to wear MCSD uniform) while working.
- Violation of any safety, health, security or MCSD policies, rules or procedures.
- Failure to observe parking and traffic regulations of the premises.
- Failure to report an on-the-job accident.
- Committing a fraudulent act or a breach of trust under any circumstances.
- Prohibited harassment of any kind.
- Engaging in political activity while in uniform or on duty.
- Distributing literature or soliciting on MCSD premises except during authorized breaks.

- Posting, altering, or removing any matter on bulletin boards or MCSD property unless specifically authorized to do so.
- Unauthorized cell phone, phone, electronic device or computer usage during work hours.
- Defamatory or derogatory comments about MCSD, its employees, or appointed officials.

B. OUTSIDE EMPLOYMENT

While MCSD does not seek to interfere with the off-duty and personal conduct of its employees, certain types of off-duty conduct may interfere with MCSD's legitimate business interests. For this reason, employees are expected to conduct their personal affairs in a manner that does not adversely affect MCSD's or their own integrity, reputation, or credibility. Illegal or immoral off-duty conduct on the part of an employee that may adversely affect MCSD's legitimate business interests or the employee's ability to perform his or her job will not be tolerated.

While employed by MCSD, employees are expected to devote their energies to their jobs with MCSD. The following types of additional employment are strictly prohibited:

- Additional employment that conflicts with an employee's work schedule, duties and responsibilities;
- Additional employment that creates a real or potential conflict of interest or is incompatible with the employee's employment with MCSD;
- Additional employment that impairs or has a detrimental effect on the employee's work performance with MCSD;
- Additional employment that requires the employee to conduct non-MCSD work or related activities on MCSD's property during MCSD's working hours or using MCSD's facilities, uniforms and/or equipment;
- Additional employment that directly or indirectly competes with the business or the interests of MCSD.

Employees who wish to engage in outside employment must submit a written request to the General Manager explaining the details of the outside employment. If the outside employment is authorized, MCSD assumes no responsibility for the outside employment. MCSD shall not provide workers' compensation coverage or any other benefit for injuries occurring from or arising out of outside employment.

C. DRUG AND ALCOHOL ABUSE

MCSD is concerned about the use of alcohol, illegal drugs or Controlled Substances or abuse of prescription drugs as it affects the workplace. Use of these substances whether on or off the job can adversely affect an employee's work performance, efficiency, safety and health and therefore seriously impair the employee's value to MCSD. In addition, the use or possession of these substances on the job

constitutes a potential danger to the welfare and safety of the public as well as other employees and exposes MCS D to the risks of property loss or damage, or injury to other persons. While on paid duty time or on MCS D property, including MCS D vehicles or while operating MCS D equipment, employees shall not consume, possess, be under the influence of, sell, purchase, transfer, distribute or provide for free any Controlled Substances.

Furthermore, the use of prescription drugs and/or over-the-counter drugs also may affect an employee's job performance and thereby endanger the public, and seriously impair the employee's value to MCS D. The use of prescription drugs, that would not alter an employee's work performance is acceptable, if prescribed in writing by a qualified physician. Any employee who is using prescription or over-the-counter drugs that may impair the employee's ability to safely perform the job, or may affect the safety or well-being of others, must notify a supervisor of such use immediately before starting or resuming work. In the event there is a question regarding an employee's ability to perform assigned duties safely and effectively while using such drugs, a written clearance from a qualified physician shall be required before the employee is allowed to resume the employee's regular duties.

The following rules and standards of conduct apply to all employees either on MCS D property, including vehicles, or during the workday (including meals and rest periods).

Behavior that violates MCS D policy includes:

- The unlawful manufacture, distribution, dispensing, possession, or consumption of any Controlled Substance on the job, in MCS D workplace (including MCS D vehicles) or while subject to duty.
- Reporting to work or being subject to duty while his/her ability to perform job duties is impaired due to on or off-duty alcohol or drug use.
- Driving an MCS D vehicle while under the influence of a Controlled Substance, or a legally prescribed medication carrying a warning label that the medication may cause drowsiness or other impairment of motor skills.
- Distribution, sale or purchase of an illegal or Controlled Substance while on the job.

Violation of the above rules and standards of conduct will not be tolerated and may subject an employee to discipline, up to and including termination. An employee who is convicted under a criminal drug statute for a violation occurring in the workplace or during any MCS D-related activity or event will be deemed to have violated this policy. MCS D also may bring the matter to the attention of appropriate law enforcement authorities.

Inspections and Testing to Administer and Enforce Policy

In order to enforce the policies set forth in this section, MCS D reserves the right to inspect employees, as well as any articles and property in their possession, to detect inappropriate materials. All MCS D lockers, desks, cabinets, vehicles, computer files, and computer diskettes are the property of MCS D and are subject to search without the employee's consent by MCS D management at any time, with or without notice. Refusal to cooperate with a search may result in a disciplinary action, up to and including termination.

In addition, MCSD also reserves the right to require that an existing employee undergo testing if MCSD determines that reasonable suspicion exists to believe that the employee is under the influence of any illegal drug or Controlled Substance, as defined in this Handbook, or has abused a prescription or over-the-counter medication. Reasonable suspicion shall, whenever possible, be evaluated based on personal observations by a member of management who is familiar with the employee's normal behavior. Information that is obtained from a reliable person with personal knowledge of the employee may also be utilized in appropriate circumstances.

An employee's conviction on a charge of illegal sale or possession of any Controlled Substance while off MCSD property will not be tolerated because such conduct, even though off duty, reflects adversely on MCSD. In addition, MCSD must keep people who sell or possess Controlled Substances off MCSD's premises in order to keep the Controlled Substances themselves off the premises.

MCSD will encourage and assist employees with chemical dependencies (alcohol or drug) to seek treatment and/or rehabilitation. MCSD is not obligated, however, to continue to employ any person whose job performance is impaired because of drug or alcohol use. This policy on treatment and rehabilitation is not intended to affect MCSD's treatment of employees who violate the regulations described above. Rather, rehabilitation is an option for an employee who acknowledges a chemical dependency and voluntarily seeks treatment to end that dependency. In accordance with state and federal law, MCSD will make every effort to provide reasonable accommodation to any employee who chooses to voluntarily participate in a rehabilitation program.

In addition to the abovementioned policies regarding drug and alcohol abuse, MCSD employees who drive a Class B or Class A vehicle, or who are required to dispatch or maintain such vehicles are required to comply with the following rules and regulations:

- Drug-Free Workplace Act of 1988
- California Drug-Free Workplace Act of 1990 (Cal. Govt. Code Sections 8350 et seq.)
- FTA Prevention of Prohibited Drug Use and Alcohol Misuse in Transit Operations (49 CFR Part 655)
- Procedures for Transportation Workplace Drug and Alcohol Testing Program (49 CFR Part 40)

The specifics of the abovementioned rules and regulations of MCSD's Drug and Alcohol Abuse Policy are provided in a separate handbook to employees. All applicable employees are required to familiarize themselves with these rules and regulations. If any applicable employee has any questions regarding these rules and regulations, he/she should immediately discuss with the Designated Employee Representative (Director of Finance and Human Resources or General Manager).

D. ATTENDANCE

As an employee of MCSD, you are expected to be regular in attendance. Any absence causes problems for the public, your fellow employees and your supervisor. When you are absent, your assigned work must be performed by others.

Non-exempt employees are expected to report to work as scheduled, on time, fit and prepared to start work. Employees also are expected to remain at work for their entire work schedule, except for meal or rest periods or when required to leave on authorized MCSD business. Late arrival, early departure or other absences from scheduled hours are disruptive and must be avoided.

If you are unable to report for work on any particular day, you must call your supervisor at least one hour before the time you are scheduled to begin working for that day. If you call less than one hour before your scheduled time to begin work, you may be subject to discipline up to and including termination. In all cases of absence, employees must provide their supervisor with an honest reason or explanation. Employees also must inform their supervisors of the expected duration of any absence. Absent extenuating circumstances, you must call in on any day you are scheduled to work and will not report to work. Falsification of sickness is grounds for discipline up to and including termination.

Absenteeism (whether excused or not) will be recorded. Excessive absenteeism may be grounds for discipline up to and including termination of employment. Each situation of excessive absenteeism shall be evaluated on a case-by-case basis. However, even one unexcused absence may be considered excessive, depending on the circumstances.

If you fail to report for work without any notification to your supervisor and your absence continues for a period of three days, MCSD will consider that you have voluntarily terminated your employment.

E. PUNCTUALITY

As an employee of MCSD, you are expected to be punctual. Any tardiness causes problems for the public, your fellow employees and your supervisor. In all cases of tardiness, employees must provide their supervisor with an honest reason or explanation. All tardiness will be recorded. Excessive tardiness may be grounds for discipline up to and including termination of employment. Each situation of excessive tardiness shall be evaluated on a case-by-case basis. However, even one tardy may be considered excessive, depending on the circumstances.

F. DRESS AND GROOMING STANDARDS

Employees are expected to dress conservatively, in good taste and according to the requirements of their position. Exceptions may be made for employees observing established religious dress and grooming practices. If there are any questions as to what constitutes proper attire within a given department, the General Manager and/or Director of Finance and Human Resources should be consulted.

Any employee who is inappropriately dressed when he or she arrives for work will be considered unsuitable to commence work and will be sent home. The employee may be asked to return to work later in the same day in proper attire that conforms to MCSD standards. Employees who are asked to leave because of inappropriate dress or attire will not be compensated for any time expended in going home or returning to work.

G. CUSTOMER RELATIONS

Employees are expected to be polite, courteous, prompt, and attentive to every customer. When an employee encounters an uncomfortable situation that he or she does not feel capable of handling, or a matter that exceeds the employee's authority, a Supervisor should be called immediately.

Customers are to be treated with courtesy and given proper attention at all times. Never regard a customer's question or concern as an interruption or an annoyance. You must respond to inquiries from customers, whether in person or by telephone, promptly and professionally.

Never place a telephone caller on hold for an extended period. Direct incoming calls to the appropriate person and make sure the call is received.

Through your conduct, show your desire to assist the customer in obtaining the help he or she needs. If you are unable to help a customer, find someone who can.

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

Never argue with a customer. If a problem develops or if a customer remains dissatisfied, ask your Supervisor or another member of management to intervene.

H. CONFIDENTIALITY

Each employee is responsible for safeguarding confidential information obtained in connection with his or her employment. In the course of your work, you may have access to confidential information regarding MCSD, its suppliers, its customers or perhaps even fellow employees. It is your responsibility to not reveal or divulge any such information unless it is necessary for you to do so in the performance of your duties. Access to confidential information should be on a "need-to-know" basis and must be authorized by your supervisor. Any breach of this policy will not be tolerated and legal action may be taken by MCSD.

I. MEDIA CONTACTS

Employees may be approached for interviews or comments by the news media. Only people designated by the General Manager as media contacts may comment on MCSD policy or events that have an impact on MCSD.

CHAPTER 4 OPERATIONAL CONSIDERATIONS

A. EMPLOYER PROPERTY

Storage units, lockers, desks, vehicles, uniforms, keys and ID cards are MCSD property and must be maintained according to MCSD rules and regulations. They must be kept clean and tidy and are to be used only for work-related purposes. MCSD reserves the right to inspect all MCSD property to insure compliance with its rules and regulations, without notice to the employee and at any time, not necessarily in the employee's presence.

MCSD shall not be responsible for lost or stolen personal property as the result of an employee's use of an MCSD provided locker.

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

For security reasons, employees should not leave personal belongings of value in the workplace.

Terminated employees should remove any personal items at the time they leave MCSD. Personal items left in the workplace are subject to disposal if not claimed at the time of an employee's termination.

B. USE OF MCSD TECHNOLOGY

MCSD provides computers, internet access, telephones, electronic mail, voicemail, and other electronic communication devices to some employees to assist them in performing their jobs. Each employee is required to use these resources in a productive and respectful manner and for business purposes only. Failure to do so may result in discipline up to and including termination.

Electronic communication and media may not be used in any manner that would be discriminatory, harassing, or obscene, or for any other purpose that is illegal, against MCSD policy, or not in the best interest of MCSD.

MCSD voicemail, electronic mail (e-mail) and/or electronic communications are to be used for business purposes only. MCSD reserves the right to monitor voicemail message, e-mail messages and electronic communications to ensure compliance with this rule, without notice to the employee and at any time, not necessarily in the employee's presence.

MCSD may periodically need to assign and/or change "passwords" and personal codes for voicemail, e-mail, computers, etc. These communication technologies and related storage media and databases are to be used only for MCSD business and they remain the property of MCSD. MCSD reserves the right to keep a record of all passwords and codes used and/or may be able to override any such password system.

Employees who misuse electronic communications and engage in defamation, copyright or trademark infringement, misappropriation of trade secrets, discrimination, harassment, or related actions will be subject to discipline and/or immediate termination.

Employees may not install personal software on MCSD computer systems.

All electronic information created by any employee using any means of MCSD computer or electronic communication system is the property of MCSD and remains the property of MCSD. Personal passwords may be used for purposes of security, but the use of a personal password does not affect MCSD's ownership of the electronic information.

MCSD will override all personal passwords if necessary for any reason.

MCSD reserves the right to access and review electronic files, messages, e-mail, voice mail and other digital archives, and to monitor the use of electronic communications and internet usage as necessary to ensure that no misuse or violation of MCSD policy or any law occurs. MCSD reserves the right to restrict or terminate an employee's use of the internet due to misuse or abuse by the employee. Employees should understand that they have no right of privacy with respect to any messages, data, or information that is sent, received, or stored on MCSD's electronic, voicemail, or computer systems. Under some circumstances, communications sent via email or text messaging may be subject to disclosure under the Public Records Act or Freedom of Information Act, or in cooperation with law enforcement, or as a result of litigation. If disclosure of email messages (or other data files) should be required (despite the designation of any communication as "private" or "confidential"), MCSD shall not be liable for any such disclosure. In short, MCSD's information system does not provide any guarantee of personal privacy protection, and employees should use the system with this in mind.

Employees are not permitted to access the electronic communications of other employees or third parties unless directed to do so by MCSD management.

No employee may install or use anonymous e-mail transmission programs or encryption of e-mail communications, except as specifically authorized by the General Manager and/or Director of Finance and Human Resources.

Employees who use devices on which information may be received and/or stored, including but not limited to cell phones, cordless phones, portable computers, fax machines, and voice mail communications are required to use these methods in strict compliance with the trade secrets and confidential communication policy established by MCSD. Except for such uses, these communication tools should not be used for communicating confidential or sensitive information or any trade secrets.

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

Questions about access to electronic communications or issues relating to security should be addressed to the General Manager and/or Director of Finance and Human Resources.

C. UNIFORMS AND SAFETY

This section pertains only to non-represented employees only, working in or having responsibilities in the field operations, and does not pertain to office personnel, unless otherwise provided by the General Manager. At time of adoption there is only one non-represented employee this section pertains to.

MCSO will provide uniforms and laundry service for all field employees. The regular issue of uniforms will be eleven (11) shirts and eleven (11) pairs of pants. The laundry service for the issued uniforms shall be provided on a schedule established by MCSO and the contractor providing such service. When an employee terminates employment with MCSO for any reason, all uniforms shall be returned to MCSO. Such an employee shall be charged at MCSO cost for any shortages or damage resulting from other than normal wear.

For safety purposes, MCSO will provide field employees with back support and prescription or non-prescription safety glasses which are to be worn at all times during working hours. MCSO shall have complete discretion as to the choice of examining doctor and the choice of the supplier for the required glasses.

Employees in the field will be required to wear appropriate foot protection to include safety/steel-toed footwear. Each employee will be reimbursed up to Two Hundred Dollars (\$250.00) per calendar year upon presenting proof of purchase and visual confirmation of one to two pair of OSHA approved safety/steel-toed footwear.

The District will reimburse employees for tetanus and hepatitis A/B inoculations to the extent that they are not otherwise available to the employee pursuant to the employee's health benefit plan.

D. OFF-DUTY USE OF FACILITIES AND VEHICLES

Employees are prohibited from making use of MCSO facilities while not on duty. Employees are expressly prohibited from using MCSO facilities, MCSO property, MCSO vehicles or MCSO equipment for personal use. Property belonging to MCSO must be returned to its appropriate location when it is no longer used for MCSO business.

Drivers of MCSO vehicles are expected to return such vehicles to MCSO site immediately when the employee's shift ends or when the vehicle is no longer in use for MCSO business. Drivers are expected to return MCSO vehicles by direct route, without any unnecessary or personal detours. An employee may remove an MCSO vehicle or other MCSO property from MCSO site for non-business reasons only with the prior consent of the General Manager and/or Director of Finance and Human Resources.

E. SECURITY

MCSO has developed guidelines to help maintain a secure workplace. Be aware of persons loitering for no apparent reason in parking areas, walkways, entrances and exits, and service areas. Report any suspicious persons or activities to your supervisor. Secure your desk or office at the end of the day. When called away from your work area for an extended length of time, do not leave valuable and/or personal articles in or around your workstation that may be accessible. The security of facilities as well as the welfare of our employees depends upon the alertness, and sensitivity of every individual to potential security risks. You should immediately notify your supervisor when unknown persons are acting in a suspicious manner in or around the facilities, or when keys, security passes, or identification badges are missing.

F. HEALTH AND SAFETY

MCSD is committed to the safety of its employees and property. Every employee is responsible for his/her own safety as well as the safety of others in the workplace, and all employees are obligated to be aware of, and comply with, all applicable safety rules and policies. To achieve our goal of maintaining a safe workplace, everyone must be safety conscious at all times. Employees must immediately report any unsafe or hazardous condition directly to their Supervisor.

Employee Safety and Economy Suggestion Program

Employees are encouraged to submit any ideas they have relating to measures designed to enhance the safety of MCSD employees or as to how MCSD could be more efficiently operated. The General Manager and Board of Directors shall review all submitted suggestions for evaluation as to the practicality of application in the operation of MCSD. When the General Manager and Board of Directors determines that a suggestion may result in savings to MCSD, an award shall be made based upon five percent (5%) of the savings to MCSD up to a maximum of One Thousand Dollars (\$1,000). The minimum award shall be \$50.

Safety Awards Program

In an effort to promote safety in the operation of MCSD equipment and to encourage safety in personal work habits, employees shall be eligible for receipt of special recognition from the Board of Directors based on the performance record of his/her respective department.

G. WORKPLACE VIOLENCE

MCSD recognizes that workplace violence is a growing concern among employers and employees across the country. MCSD is, therefore, committed to providing a safe, violence-free workplace. In this regard, MCSD strictly prohibits employees, consultants, guests, visitors, or anyone else on MCSD premises or engaging in a MCSD-related activity from behaving in a violent or threatening manner. Moreover, as a part of this policy, MCSD seeks to prevent workplace violence before it begins and reserves the right to deal with behavior that suggests a propensity towards violence even prior to any violent behavior occurring.

MCSD believes that prevention of workplace violence begins with recognition and awareness of potential early warning signs and has established procedures for responding to any situation that presents the possibility of violence.

Workplace violence includes, but is not limited to, the following:

- Threats of any kind;
- Threatening, physically aggressive or violent behavior, such as intimidation of or attempts to instill fear in others;

- Other behavior that suggests a propensity toward violence, which can include belligerent speech, excessive arguing or swearing, sabotage, or threats of sabotage of MCSD property, or a demonstrated pattern of refusal to follow MCSD policies and procedures;
- Defacing MCSD property or causing physical damage to its facilities and/or vehicles; or
- With the exception of security personnel and as otherwise allowed in this Handbook, bringing Weapons of any kind on MCSD premises, in MCSD parking lots, or while conducting MCSD business.

If any employee observes or becomes aware of any of the above-listed actions or behavior by an employee, guest, consultant, visitor, or anyone else, he or she should notify any Supervisor or manager immediately. Further, employees should notify their Supervisors or managers if any restraining order is in effect, or if a potentially violent non work-related situation exists that could result in violence in the workplace.

All reports of workplace violence will be taken seriously and will be investigated promptly and thoroughly. In appropriate circumstances, MCSD will inform the reporting individual of the results of the investigation. To the extent possible, MCSD will maintain the confidentiality of the reporting employee and of the investigation but may need to disclose results in appropriate circumstances, for example, in order to protect individual safety. MCSD will not tolerate retaliation against any employee who reports workplace violence. MCSD may take action under California Code of Civil Procedure Section 527.8 to obtain a temporary restraining order or injunction against any person who threatens workplace violence against an employee.

If MCSD determines that workplace violence has occurred, MCSD will take appropriate corrective action and will impose discipline on offending employees. The appropriate discipline will depend on the particular facts, but may include written or oral warnings, probation, reassignment of responsibilities, suspension, or termination. If the violent behavior is that of a non-employee, MCSD will take appropriate corrective action in an attempt to ensure that such behavior is not repeated. Under certain circumstances, MCSD may forego disciplinary action on the condition that the employee takes a medical leave of absence. In addition, MCSD may request that the employee participate in counseling or training.

H. PHYSICAL EXAMINATIONS

To the extent permitted by law, MCSD reserves the right to require an employee to submit to a fitness for duty physical examination if MCSD believes or suspects that the employee may not be able to perform the essential duties of the job without risk of harm to him/herself or others. The examining physician may be selected by MCSD and the cost of such examinations shall be paid by MCSD. Any employee, when required by MCSD to be relieved from duty for the purpose of taking a physical examination, shall be paid for time lost in taking such physical examination.

As a condition of continued employment with MCSD, any physical examination must reveal the physical and mental fitness of the employee involved to perform their duties with or without accommodation.

I. PERSONAL SAFETY

No employee, other than those required by their position, shall bring a Weapon of any type to a MCSD facility, including parking lots and public streets outside or immediately adjacent to a MCSD building, or place in a MCSD vehicle or equipment. Violation of this “zero tolerance” policy will lead to discipline, up to and including termination. An employee may bring a personal defense chemical spray to a MCSD facility, including parking lots and public streets outside or immediately adjacent to a MCSD building, or place in a MCSD vehicle or equipment if approved by the General Manager and/or Director of Finance and Human Resources after (1) having demonstrated a legitimate need for such spray and (2) having obtained any necessary certification for the same.

J. ERGONOMICS

MCSD encourages and continuously strives to maintain a safe and healthful workplace by furnishing equipment which is necessary to enable employees to carry out assigned duties in a safe and healthful manner. MCSD is subject to Cal/OSHA ergonomics standards for minimizing workplace repetitive motion injuries. MCSD will make necessary adjustments to reduce exposure to ergonomic hazards through modifications to equipment and processes and employee training. MCSD encourages safe and proper work procedures and requires all employees to follow safety laws, rules, instructions and guidelines and shall use all safety equipment specified for the work they are performing.

MCSD believes that reduction of ergonomic risk is instrumental in maintaining an environment of personal safety and well-being, and is essential to our business. We intend to provide appropriate resources to create a risk-free environment.

If you have any questions about ergonomics, please contact the General Manager.

K. SMOKING POLICIES

MCSD is committed to a healthy and safe working environment. Accordingly, smoking is prohibited in all MCSD facilities and vehicles, including remote facilities utilized by MCSD, with the exception of those areas specifically designated by MCSD as a smoking area.

L. TELEPHONE CALLS AND USE OF ELECTRONIC DEVICES

Employees are requested to keep all personal phone calls and text messages to a minimum. Friends and relatives should be discouraged from calling or sending texted messages during working hours unless there is an emergency. Under no circumstances should an employee make or charge a long-distance phone call to MCSD unless it is work-related and approved in advance by the employee’s supervisor. Employees should make every effort to keep any necessary, personal phone calls to less than three minutes in duration.

M. THE USE OF CELL PHONES OR ELECTRONIC DEVICES IN VEHICLES

The Board has adopted a Policy regarding the Use of Cell Phones or Electronic Devices in Vehicles, attached as **Appendix 3**, which may be amended from time-to-time.

N. HOUSEKEEPING

All employees are expected to keep their work areas clean and organized. People using common areas such as lunch rooms, locker rooms, and restrooms are expected to keep them sanitary. Please clean up after meals and dispose of trash properly.

O. PARKING

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

P. CONDUCTING PERSONAL BUSINESS

Employees are to conduct only MCSD business while at work. Employees may not conduct personal business or business for another employer or organization during their scheduled working hours.

Q. POLICIES FOR MCSD DRIVERS

Employees who are required to drive an MCSD vehicle or their own vehicle on MCSD business will be required to show proof of a current valid driver license and current appropriate insurance coverage before the first day of employment.

MCSD participates in a system that regularly checks state Department of Motor Vehicles records of all employees who drive as part of their job.

MCSD retains the right to terminate an employee whose license is revoked, who fails to maintain personal automobile insurance coverage or who is uninsurable under MCSD's policy for failure to meet the minimum qualifications of their job.

Employees who drive their own vehicles on MCSD business will be reimbursed at the federal reimbursement rate.

CHAPTER 5 EMPLOYEE BENEFITS

A. HOLIDAYS

The office of MCSD may be closed on Saturdays and Sundays. The following days of the calendar year are declared holidays, on which days the office of MCSD shall not be open for business and the employees will not be required to work:

- New Year's Day
- Presidents' Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

In Recognition of the fact that we live in a pluralistic society with many different traditions, celebrations and heroes, each employee may select any date as a paid holiday for celebrating his/her particular tradition, hero or celebration.

Each employee, after completing one full year of service to MCSD, shall be granted two additional days off; one for his/her birthday and the other at a time designated by the employee, subject to approval by the General Manager and/or Director of Finance and Human Resources. If such day is taken on a day other than the employee's birthday, the day off shall be at the discretion of the General Manager or Director of Finance and Human Resources. Holidays provided in this paragraph are for the benefit of the employees within a specific year and failure by an employee to designate or take the holidays as set forth therein will result in the employee's having waived the benefits to those holidays. In no event, will the holidays carry over into a subsequent year.

In order to be paid for any established holiday, unless an employee is out on bereavement leave, an employee must have actually worked a full day on the work days immediately preceding and following such holiday; provided, however, if such employee fails to work either or both days on account of illness or injury, he/she may nevertheless be compensated for such holiday provided that he/she furnishes MCSD with a written statement by a doctor of medicine or a doctor of chiropractic medicine, stating that such employee was examined by him and in his opinion was unable to work on such day or days. However, the General Manager and/or Director of Finance and Human Resources may at his/her discretion approve planned leave in conjunction with a holiday so as long as it does not interfere with the operations of MCSD. Employees on unpaid medical or unpaid leave of absence are not entitled to be paid for holidays pursuant to this policy. Employees who are receiving Workers' Compensation pay but no vacation or sick leave pay shall not receive compensation for holidays.

On the holidays designated by these rules, in the judgment and discretion of the General Manager and/or Director of Finance and Human Resources of MCSD, an exempt or non-exempt employee may be required to work, to properly and adequately provide management and supervision of MCSD operations. Compensation for such services by exempt and non-exempt employees shall be paid at a rate of two times the employee's regular hourly rate of pay.

Office staff shall also receive paid holiday leave on the Friday following Thanksgiving Day and one-half day on Christmas Eve (December 24th) and one-half day on New Year's Eve (December 31st).

B. VACATION LEAVE

Vacation will begin to accrue on the employees first full day of employment. However, no vacation shall be compensated or honored until completion of the employee's probationary period(s).

Vacation leave shall be taken at times approved by the General Manager and/or Director of Finance and Human Resources and shall be based on the following schedule as established by MCSD:

| | |
|-------------------|-----------------|
| 0 to 4 years | 10 working days |
| 5 to 11 years | 15 working days |
| 12 to 19 years | 20 working days |
| 20 years and over | 25 working days |

There is no cap on vacation accruals. Vacation leave shall not accrue for periods of extended personal or medical leaves. Extended personal or medical leaves are those of thirty (30) or more days without pay. Earned vacation time will be suspended during periods of extended personal or medical leave and will be reactivated only upon return to full employment. An employee who is receiving Worker's Compensation benefits but is no longer receiving sick leave or vacation pay shall be considered absent from duty without pay for the purposes of accumulation of vacation leave.

Any employee whose service with MCSD is severed by MCSD action, resignation, retirement, or death shall be compensated, at his or her final rate of pay, for all earned vacation and compensatory time. In the case of termination by death, such compensation shall be paid to either the employee's beneficiary or to the employee's estate.

Any advance of vacation time must be approved in advance by the General Manager and/or Director of Finance and Human Resources.

The policy of MCSD is to encourage full utilization of vacation time off by all employees. However, each December, an employee may file an irrevocable request to cash-out up to eighty (80) hours of vacation leave to be earned in the next calendar year. MCSD shall pay each request in the first paycheck of December of the following year. In order to be eligible for this cash-out, the employee must have a remaining balance of at least forty (40) hours of accrued vacation hours after cashing-out and must have taken a minimum of forty (40) vacation hours in the 12 months prior to the request.

Upon an employee's showing of an unforeseen financial hardship, the Board may grant an additional request(s) that an employee be paid his/her regular rate of pay in lieu of taking up to forty (40) hours of

his/her vacation time off in eight (8) hour increments. A decision on such a request is at the sole discretion of the Board of Directors, and shall be decided on a case-by-case basis.

C. SICK LEAVE

MCSD provides paid sick leave to its employees . Paid sick leave is to be used for the diagnosis, care, or treatment of an existing health condition of an employee or an employee’s family member, or preventive care for an employee or their family member or bereavement upon the death of a family member (see Bereavement Leave policy)~~as otherwise required by law~~. For purposes of this policy, “family member” includes the employee’s parent, child, spouse, registered domestic partner, grandparent, grandchild ~~and sibling,~~ and employee designated person. For purposes of this policy, “employee designated person” is defined as a person the employee designates at the time the employee requests paid sick leave. An employee is limited to identifying one employee designated person per 12-month period. Paid sick leave may also be used for reasons related to domestic violence, sexual assault or stalking or any other permissible reason under applicable local law. Paid sick leave is not to be used for vacation or personal time off.

For each calendar month that a full time employee is in the service of MCSD, he/she shall accrue eight (8) hours of sick leave; provided, however, that no such leave of absence shall be accrued during periods of absence from duty without pay in excess of thirty (30) days. An employee who is receiving sick leave or vacation pay shall be considered absent from duty without pay for the purposes of accumulation of sick leave. Total available sick hours will be reported on the pay stub, along with other currently reported payroll information.

Employees shall be paid at their current hourly rate at the end of the year for each hour of sick leave accumulated in excess of 192 hours, which payment shall be made with the first regular payment of wages during the month of December.

Any employee injured during the course and scope of employment shall be entitled to receive full salary for a period of time equaling the employee’s accumulated sick leave. If an employee is paid an allowance by Workers Compensation insurance, MCSD will utilize the employee’s sick leave to compensate the employee for the difference between the allowance granted by the insurance and the employee’s regular daily pay as long as the employee has accumulated sick leave remaining. In computing the benefits paid by Workers’ Compensation insurance, wage benefits alone shall be considered, and medical and hospital benefits shall be excluded.

If the need for sick leave is foreseeable, employees must provide reasonable advance notice to MCSD of the need for leave. For events that are unforeseeable, employees must notify MCSD of the need for leave as soon as practicable.

MCSD reserves the right to have a MCSD-selected doctor examine any employee that is returning to work following an illness or injury.

Any grant of sick leave must, at the General Manager’s option, be supported by a written statement by either a licensed doctor of medicine, a doctor of dental surgery, or a doctor of chiropractic medicine following the use of three days of paid sick leave in a calendar year (either consecutively or

nonconsecutively) which states that the employee has been under his/her care and is unable to work. Abusive or excessive absences related to illness or injury may result in discipline up to and including termination.

Any employee whose service with MCSD is severed by MCSD action or resignation shall be compensated for fifty percent (50%) of his/her unused earned sick leave up to a maximum of one hundred ninety-two (192) hours at his/her then current rate of pay. Any employee whose service with MCSD is severed by retirement or death shall be compensated for one hundred percent (100%) of his/her unused earned sick leave up to a maximum of one hundred ninety-two (192) hours at his/her then current rate of pay. In the case of termination by death, such compensation shall be paid to either the employee's beneficiary or his/her estate entitled thereto.

D. BENEFIT PLANS

This section of the handbook is designed to acquaint employees with some of the significant features of MCSD's benefit programs. More detailed information regarding many of these benefits is contained in plan booklets, group insurance policies and MCSD's official plan documents. While the provisions of this section provide a general overview of the insurance benefits, the handbook does not describe all the exclusions, limitations or conditions of the benefit programs described in this section. If there is any real or apparent conflict between the brief summaries in this section of the handbook and the terms, conditions or limitations of the official plan documents, the provisions of the official plan documents will control over these brief summaries. Employees are encouraged to review the official plan documents for further information.

Health Benefits

Employees shall be eligible for dental, vision and life insurance benefits on the first day of the month following completion of at least one full month of service to MCSD.

Employees shall be eligible for medical insurance in accordance with any MCSD contract with PERS.

The amounts paid by MCSD will be determined from time to time by the Board of Directors, with the employee responsible to pay any amounts for coverage selected by employee not covered by the benefit cap established by the Board of Directors. The benefit cap shall be used toward the premiums for any PERS Medical Plan chosen by the employee and any dependent coverage under the dental insurance plan; the balance of any premiums for medical insurance and dependent coverage for dental insurance, exceeding the cap, shall be deducted from the employee's payroll payment.

MCSD shall pay the group life insurance, vision and dental insurance plans for the employee only.

In the event that a death occurs to an employee while employed, the District shall continue to make the same contribution as made during the employee's life for the spouse and dependents (if the spouse and dependents do not have other coverage) for the remainder of the year following the death of that employee or for six (6) months, whichever is of a longer duration.

Medical insurance at retirement will be provided in accordance with any MCSD contract with PERS.

Disability Insurance

California State Disability Insurance (“SDI”) is a partial wage-replacement insurance plan for California workers. The SDI program is State-mandated, and funded through employee payroll deductions. Disability insurance is payable when you cannot work because of illness or injury not caused by employment at MCSD or when you are entitled to temporary workers’ compensation at a rate less than the daily disability benefit amount. Specific rules and regulations governing disability are available from MCSD office staff. See the Director of Finance and Human Resources for assistance in applying for SDI.

Workers Compensation

You are protected by MCSD’s workers’ compensation insurance policy while employed by MCSD, at no cost to you. The policy covers you in case of occupational injury or illness. See Chapter 5.V for more detailed information about Workers Compensation and how/when you should notify MCSD about an on the job injury.

Unemployment Compensation

MCSD is self-funded for unemployment compensation on behalf of its employees.

Retirement

All eligible MCSD employees participate in the Public Employees Retirement System (PERS). Consult your PERS package for details. No Social Security deductions (called FICA/OASDI on paycheck stub) are made for PERS participants. Employees shall be responsible for their entire contribution to PERS.

Medicare

All employees pay Medicare deductions, as does MCSD, which contributes an equal amount.

E. REIMBURSEMENTS

MCSD will reimburse employees for authorized business expenses, including but not limited to, business-related mileage, travel, meals, and cell phones where required. For reimbursement information, employees should contact the Director of Finance and Human Resources.

F. EDUCATIONAL ADVANCEMENT ASSISTANCE

MCSD has a training and educational assistance program to encourage employees to enroll in continuing education.

All employees of MCSD are eligible for training or educational assistance provided the employee makes proper application to and obtains the approval of the General Manager prior to enrollment. Approval is at the complete discretion of the General Manager and/or Director of Finance and Human Resources and as allowed by the budget.

All educational courses must be taken for credit. MCSD will reimburse all paid expenses for tuition, books and laboratory fees upon satisfactory presentation of a grade “C” or better. No transportation or clothing expenses will be reimbursed. Reimbursement shall be made at the conclusion of the course or seminar. If an employee voluntarily leaves MCSD other than for retirement, less than two (2) years after the conclusion of an educational course, the employee shall reimburse MCSD for the full cost of the course.

G. LEAVES OF ABSENCE WITHOUT PAY

MCSD may grant leaves of absence without pay to employees in certain circumstances in which it is not otherwise required by law. In order to be considered for a leave of absence under this section, the employee must have successfully completed the six-month probationary period.

Leave of absence without pay, and for reasons other than those for which other leaves of absence may be taken, shall be approved in advance and in writing by the General Manager, Director of Finance and Human Resources, or the Board of Directors. Any employee requesting a leave of absence without pay pursuant to this section may be required to utilize all of his/her accrued vacation time, and sick leave, if appropriate, prior to the start of the leave without pay. It is important to clearly state the reason for requesting any leave in writing as far in advance as possible, to keep in touch with your supervisor during your leave, and to give prompt notice if there is any change in your return date. If your leave expires and you have not contacted the General Manager and/or Director of Finance and Human Resources, it will be assumed that you do not plan to return and that you have terminated your employment.

Time accumulated during the leave will not count as time worked for any purpose.

Unless otherwise approved by the General Manager or required by law, MCSD does not continue to pay premiums for health insurance coverage, or contribute towards employees’ cafeteria plan, for employees on leaves of absence under this section. However, you may self-pay the premiums under the provisions of COBRA of 1985. MCSD Director of Human Resources can give you additional information on this subject.

H. CALIFORNIA FAMILY RIGHTS ACT LEAVE (CFRA)

MCSD provides family and medical leave to eligible employees under the California Family Rights Act (CFRA). MCSD refers to this leave as “CFRA Leave.” The function of this policy is to provide employees with a general description of their CFRA rights. In the event of any conflict between this policy and applicable law, employees will be afforded all rights as required by law. When an employee takes CFRA Leave for a reason that also qualifies for FMLA Leave, the leave will run concurrently under CFRA and FMLA for a combined total of up to 12 weeks of leave.

Eligibility

To be eligible to take CFRA Leave, employees must meet all of the following conditions:

- Have worked at least 12 months for MCSD;
- Have worked at least 1,250 hours for MCSD over the preceding 12 months; and

- Work at a worksite in California.

~~An eligible employee is entitled to take up to 12 weeks of CFRA Leave during a 12-month period. The 12-month period in which the CFRA Leave occurs will be calculated on a “rolling” 12-month period measured backward from the date an employee uses any CFRA Leave.~~

Permissible Purposes of CFRA Leave

CFRA Leave may be taken for any of the following reasons:

- Birth of a child or to care for a newly-born child (“bonding leave”);
- Placement of a child for adoption or foster care (“bonding leave”);
- To care for a child, parent, grandparent, grandchild, sibling, spouse, or domestic, parents-in-law, or employee designated person (collectively, referred to as a “family member” in this policy) with a serious health condition (“family care leave”). For purposes of this policy, “employee designated person” is defined as any individual related by blood or whose association with the employee is the equivalent of a family relationship. An employee may identify their employee designated person at the time the employee requests CFRA Leave, and is limited to identifying one employee designated person per 12-month period; ~~partner (referred to as a “family member” in this policy) with a serious health condition (“family care leave”);~~
- Because of an employee’s own serious health condition, which makes the employee unable to perform the functions of the employee’s job, except for leave taken for disability on account of the employee’s pregnancy, childbirth, or related medical conditions (“serious health condition leave”); or
- Because of a qualifying exigency related to the covered active duty or call to covered active duty of an employee’s spouse, domestic partner, child, or parent in the Armed Forces of the United States.

Length of Leave

An eligible employee is entitled to take up to 12 weeks of CFRA Leave during a 12-month period. The 12-month period in which the CFRA Leave occurs will be calculated on a “rolling” 12-month period measured backward from the date an employee uses any CFRA Leave. Bonding leave must be concluded within 12 months of the birth or placement of the child. If both parents work for MCSD and are eligible for leave under this policy, the parents will each be permitted to take 12 workweeks of CFRA.

If eligible for CFRA Leave, an employee may take CFRA Leave intermittently, by reducing the employee’s normal weekly or daily work schedule, when medically necessary for the employee’s own or immediate family member’s serious health condition. Intermittent bonding leave may be available, but may be subject to additional restrictions. Leave taken intermittently may be taken in increments of no less than 1 hour. If an employee requires intermittent leave or reduced-schedule leave for a planned medical

treatment, the employee must try to schedule the leave in a manner that will least disrupt to MCSD's operations.

Pregnancy-Related Disabilities

Pregnancy-related disabilities are not counted against an employee's CFRA Leave entitlement. Instead, they are covered by California's Pregnancy Disability Leave Law, which is explained below in MCSD's Pregnancy Disability Leave Policy.

Health Benefits During CFRA Leave

During CFRA Leave, MCSD will continue making contributions for the employee's group health benefits on the same terms as if the employee had continued to work. This means that if the employee wants benefits coverage to continue during CFRA Leave, the employee must continue to pay the employee's portion of any premium payments during CFRA Leave. In some instances, MCSD may recover premiums it paid to maintain health coverage if the employee fails to return to work following a CFRA Leave. If the employee has exhausted all available CFRA Leave, continuation coverage will be available at the employee's expense under COBRA.

Pay During CFRA Leave

CFRA Leave is unpaid unless the employee qualifies for state-provided disability/family leave benefits. Employees are required to substitute accrued vacation time for unpaid CFRA Leave. Employees may substitute accrued paid sick time for all unpaid CFRA Leave.

Employees do not accrue seniority or benefits, including vacation and paid sick leave during unpaid CFRA Leave.

Employment Status After CFRA Leave

Employees granted CFRA Leave are guaranteed reinstatement to the same or an equivalent job position at the end of the leave unless the job ceased to exist for legitimate business reasons and subject to any other defense allowed under the law.

Notice and Certification Procedures

When seeking CFRA Leave, employees must provide all of the following to the General Manager, where applicable:

- 1) 30 days' advance notice of the need to take CFRA Leave, if the need is foreseeable, or notice as soon as practicable in the case of unforeseeable leave. When leave is for planned medical treatment, employees must try to schedule treatment so as not to unduly disrupt MCSD's operation;
- 2) Medical certification supporting the need for leave due to a serious health condition affecting the employee or the employee's family member must be provided before the leave begins, or if not possible, within 15 days of MCSD's request to provide the certification;

- 3) Periodic updates as permitted by law during the leave regarding the employee's status and intent to return to work; and
- 4) Medical certification of fitness for duty before returning to work, if the leave was due to the employee's own serious health condition.

At MCS D's expense, MCS D may also require a second or third medical opinion regarding an employee's own serious health condition. Employees are expected to cooperate with MCS D in obtaining additional medical opinions that MCS D may require.

Failure to Provide Certification and to Return from Leave

Failure to comply with the notice and certification requirements may result in a delay or denial of the CFRA Leave. If an employee fails to return to work at the end of the CFRA Leave's expiration and has not obtained an extension of the leave, MCS D may presume that the employee does not plan to return to work and has resigned from employment.

I. FAMILY/MEDICAL LEAVE (FMLA)

MCS D provides family and medical leave to eligible employees under both the federal Family and Medical Leave Act (FMLA) and the California Family Rights Act. MCS D refers to both types of leaves as "FMLA Leave." The function of this policy is to provide employees with a general description of their FMLA rights. In the event of any conflict between this policy and applicable law, employees will be afforded all rights as required by law.

Eligibility

To be eligible to take FMLA Leave, employees must meet all of the following conditions:

- 1) Have worked at least 12 months for MCS D;
- 2) Have worked at least 1,250 hours for MCS D over the preceding 12 months; and
- 3) Work at a location where there are at least 50 employees within 75 miles.

Permissible Purposes for Leave

FMLA Leave may be taken for any of the following reasons:

- 1) Birth of a child or to care for a newly-born child ("bonding leave");
- 2) Placement of a child for adoption or foster care ("bonding leave");
- 3) To care for an immediate family member (spouse, registered domestic partner, child, or employee's parent) with a serious health condition ("family care leave");
- 4) Because of an employee's own serious health condition, which makes the employee unable to perform the functions of the employee's job ("serious health condition leave");

- 5) Because of a “qualifying exigency” arising out of the fact that an employee’s spouse, son, daughter, or parent is on active duty or ordered to active duty in the armed forces (“military emergency leave”); or
- 6) To care for an injured service member if the employee is the spouse, son, daughter, parent or next of kin of the injured or ill service member (“military caregiver leave”).

Length of Leave

An eligible employee can take up to 12 workweeks of unpaid leave during any “rolling” 12-month period, measured backward from the date an employee uses any leave under this policy. If both spouses work for MCSD and are eligible for leave under this policy, the spouses will be limited to a total of 12 workweeks off between the two of them for bonding leave. Bonding leave must be concluded within 12 months of the birth or placement of the child.

If eligible for FMLA Leave, an employee may take FMLA Leave intermittently, by reducing the employee’s normal weekly or daily work schedule, when medically necessary for the employee’s own or immediate family member’s serious health condition. Intermittent leave for bonding leave may be available, but may be subject to additional restrictions. Leave taken intermittently may be taken in increments of no less than 1 hour. If an employee requires intermittent leave or reduced-schedule leave, the employee must try to schedule the leave in a manner that will least disrupt MCSD’s operations.

For military caregiver leave, an eligible employee can take a combined total of 26 workweeks of leave for military caregiver leave and leave for any other FMLA-qualifying reason during the same “single 12-month period.” Of this 26-week period, the eligible employee may not exceed 12 workweeks of leave for any reason other than military caregiver leave. For purposes of military caregiver leave, a “single 12-month period” begins on the first day the eligible employee takes military caregiver leave and ends 12 months after that date. If the employee takes less than 26 weeks of leave during that 12-month period, the unused weeks are forfeited. If both spouses work for MCSD and are eligible for leave under this policy, the spouses may be limited to a total of 26 workweeks off between the two of them depending on the reasons for the leave.

Health Benefits During Leave

During FMLA Leave, MCSD will continue making contributions for the employee’s group health benefits on the same terms as if the employee had continued to work. This means that if the employee wants benefits coverage to continue during the FMLA Leave, the employee must continue to pay his or her portion of any premium payments during the FMLA Leave. In some instances, MCSD may recover premiums it paid to maintain health coverage if the employee fails to return to work following a FMLA Leave. If the employee has exhausted all available FMLA Leave, continuation coverage will be available at the employee’s expense under COBRA.

Pay During FMLA Leave

FMLA Leave is unpaid except to the extent the employee qualifies for paid leave benefits through a state-provided program or MCSD-provided program. Employees are required to substitute accrued vacation time for unpaid FMLA Leave. Employees are required to substitute accrued sick leave for unpaid FMLA

Leave for their own serious health condition, and may substitute accrued sick leave for any other type of FMLA Leave.

Employees do not accrue seniority or benefits, including vacation and sick leave during unpaid FMLA Leave.

Employment Status After FMLA Leave

Employees granted FMLA Leave are guaranteed reinstatement to the same or an equivalent job position at the end of the leave unless the job ceased to exist for legitimate business reasons and subject to any other defense allowed under the law. "Key employees," as defined by law, may be subject to reinstatement limitations in some circumstances. If an employee is a "key employee," the employee will be notified of the possible limitations at the time the employee requests a leave.

Notice and Certification Procedures

When seeking FMLA Leave, employees must provide all of the following to the Human Resources Director, where applicable:

- 1) 30 days' advance notice of the need to take FMLA Leave, if the need is foreseeable, or notice as soon as practicable in the case of unforeseeable leave. When leave is for planned medical treatment, employees must try to schedule treatment so as not to unduly disrupt MCSD's operation;
- 2) Medical certification supporting the need for leave due to a serious health condition affecting the employee or the employee's immediate family member must be provided before the leave begins, or if not possible, within 15 days of MCSD's request to provide the certification;
- 3) Certification of the family member's active duty status or call to active duty for emergency military leave;
- 4) Periodic updates as permitted by law during the leave regarding the employee's status and intent to return to work; and
- 5) Medical certification of fitness for duty before returning to work, if the leave was due to the employee's own serious health condition.

At MCSD's expense, MCSD may also require a second or third medical opinion regarding an employee's own serious health condition. Employees are expected to cooperate with MCSD in obtaining additional medical opinions that MCSD may require.

Failure to Provide Certification and to Return from Leave

Failure to comply with the notice and certification requirements may result in a delay or denial of the leave. If an employee fails to return to work at the end of the leave's expiration and has not obtained an extension of the leave, MCSD may presume that the employee does not plan to return to work and has resigned from employment.

Pregnancy-Related Disabilities

Under FMLA, a disability due to pregnancy, childbirth or related medical condition is a “serious health condition” but under the California Family Rights Act it is not. Under California law, pregnancy-related disabilities are not counted against an employee’s leave entitlement under the California Family Rights Act. Instead, they are covered by California’s Pregnancy Disability Leave Law, which is explained below in MCSD’s Pregnancy Disability Leave Policy.

J. PREGNANCY DISABILITY LEAVE

Eligibility for Pregnancy Disability Leave

An employee who is disabled by pregnancy, childbirth or related medical conditions is eligible to take a pregnancy disability leave (“PDL”). An employee affected by pregnancy or a related medical condition is also eligible to transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties, provided the employee is qualified and such position is available. In addition, if it is medically advisable for the employee to take intermittent leave or work a reduced leave schedule, MCSD may require the employee to transfer temporarily to an alternative position with equivalent pay and benefits that can better accommodate recurring periods of leave.

The PDL is for any period(s) of actual disability caused by an employee’s pregnancy, childbirth, or related medical condition up to 4 months (or 17 1/3 workweeks for a full-time employee) per pregnancy.

The PDL does not need to be taken in one continuous period of time, but can be taken on an as-needed basis. Time off needed for prenatal care, severe morning sickness, doctor-ordered bed rest, childbirth, and recovery from childbirth is covered by PDL.

Requesting PDL

Employees are required to obtain a certification from their health care provider of their pregnancy disability or the medical advisability of a transfer. The certification should include: (1) the date on which the employee became disabled due to pregnancy or the date of the medical advisability of a transfer; (2) the probable duration of the period(s) of disability or the period(s) for the advisability of a transfer; and, (3) a statement that, due to the disability, the employee is either unable to work at all or to perform any one or more of the essential functions of the employee’s position without undue risk to the employee, the pregnancy’s successful completion, or to other persons; or (4) a statement that, due to the pregnancy, a transfer to a less strenuous or hazardous position or duties is medically advisable.

Pay While on PDL

PDL Leave is unpaid except to the extent the employee qualifies for paid leave benefits through a state-provided program or MCSD-provided program. Employees are required to substitute accrued sick leave for all unpaid PDL. Employees may substitute accrued vacation for any unpaid PDL. The use of any accrued sick leave or vacation will not extend the duration of available PDL.

MCSD encourages employees to contact the California Employment Development Department regarding an employee’s eligibility for state disability insurance for the unpaid portion of the employee’s leave.

Employees will not be eligible to accrue seniority or benefits, including sick leave or vacation during any period of unpaid leave.

Health Benefits While On PDL

During the PDL, MCSD will maintain the employee's health insurance coverage under any group health plan as if the employee had remained actively employed. During PDL, the employee must continue to pay any employee contribution to the health coverage. After the PDL is exhausted, the employee will be eligible for continuation coverage under COBRA, except as otherwise required by law.

Returning From PDL

Upon return from PDL, the employee will be reinstated to the same position unless the job ceases to exist because of legitimate business reasons unrelated to the PDL, or to a comparable position for which the employee is qualified. As a condition of the employee's return from PDL, or transfer, MCSD requires the employee to obtain a release to return to work from the employee's health care provider stating that the employee is able to resume her original job duties.

PDL will run concurrently with leave under the federal Family Medical and Leave Act. Any request for leave after the employee's pregnancy disability has ended will be treated as a request for leave under the California Family Rights Act, if the employee is eligible for such leave. Please contact the Human Resource Director for additional information.

K. ALCOHOL AND DRUG REHABILITATION LEAVE

MCSD will assist employees who recognize they have a problem with alcohol or drugs that could interfere with their ability to perform their jobs in a satisfactory manner. Employees with an alcohol or drug problem, who decide to enroll voluntarily in a rehabilitation program, will be given unpaid time off to participate (unless doing so would result in undue hardship on MCSD). If an employee requests time off to participate in such a program, MCSD will make reasonable efforts to keep the information confidential.

L. LEAVE FOR VICTIMS OF DOMESTIC OR SEXUAL VIOLENCE

Employees who are the victim (or parent of a victim) of domestic violence, sexual assault, harassment, or stalking may take time off for the following purposes:

- 1) To obtain legal relief (a temporary restraining order, permanent restraining order, or other injunctive relief) to help ensure the health, safety, or welfare of the employee or the employee's children;
- 2) To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking;
- 3) To obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking;

- 4) To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking;
- 5) To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

If an employee needs time off for one of the above purposes, the employee should give advance notice to his or her supervisor as soon as possible so that arrangements to accommodate the absence may be made. If advance notice is not possible, the employee must provide appropriate written certification of the reason for the absence within a reasonable amount of time upon the employee's return to work.

MCSD will provide reasonable accommodations for a victim of domestic violence, sexual assault, or stalking who requests an accommodation for the safety of the victim while at work. MCSD will make reasonable efforts to maintain the confidentiality of any employee requesting time off on account of domestic violence, sexual assault, or stalking. Time off under this type of leave is generally unpaid. However, employees may utilize any available accrued vacation or sick leave. No adverse action will be taken against any employee in any manner for requesting or taking time off as provided in this policy.

M. VICTIMS OF CRIME LEAVE

Employees who are the victim of certain crimes and offenses (violent or serious felonies, or a felony involving theft or embezzlement), an immediate family member of a victim, a domestic partner of a victim, the child of a domestic partner of a victim, or guardian of a victim, may be entitled to time off from work in order to (1) attend judicial proceedings related to that crime or offense; or (2) participate in the preparation for the criminal proceedings at the prosecuting attorney's request. Before an employee may be absent from work, the employee should give notice to the employee's supervisor and provide a copy of the notice of each scheduled proceeding that is provided to the victim by the agency responsible for providing such notice. If advance notice is not possible, the employee must provide appropriate written documentation evidencing the proceeding. This leave is unpaid. No adverse action will be taken against any employee in any manner for requesting or taking time off as provided in this policy.

N. JURY DUTY

Any employee that is called for jury service shall be compensated at his/her regular salary rate for all time that he/she is required to be absent due to jury duty; provided, however, that such MCSD payment shall be offset by any jury duty per diem fee paid to the employee. Employees are required to present proof of jury service in order to be compensated.

O. TIME OFF TO VOTE

The General Manager or the Director of Finance and Human Resources will adjust an employee's schedule as needed to ensure that the employee will have the opportunity to vote. If an employee does not have sufficient time outside of working hours to vote in an official state-sanctioned election, the employee may take off enough working time to vote. Such time off shall be taken at the beginning or the end of the regular working shift, whichever allows for more free time. If an employee is requesting time off to vote,

the employee should give his or her supervisor as much notice as possible and must submit proof of voting to MCSD. No employee will be penalized or retaliated against for requesting time off to vote.

P. MILITARY LEAVE

If an employee enters the armed forces of the United States, the employee will be granted a military leave in accordance with the Uniform Services Employment and Reemployment Rights Act of 1994 (“USERRA”) and all applicable state laws regulating absence from work for military service. USERRA protects job rights and benefits for veterans and members of the reserves. USERRA prohibits discrimination against employees, and provides reemployment protection and other benefits for veterans and employees who perform military service. Employees must provide advance notice of the need for military leave, unless prevented from doing so by military necessity or if providing notice would be impossible or unreasonable. Military leaves of absence are unpaid. All other rights and benefits will continue as if the employee had remained continuously employed and will be available to the employee upon reinstatement. Subject to certain exceptions provided by federal law, an employee will be reinstated with full seniority to the employee’s former position or to a comparable position, if the employee makes a timely request for re-employment upon departure from military service.

If an employee is a member of the National Guard, a reserve component of the armed forces, or any state militia or state armed forces, the employee will, upon furnishing a copy of the official orders or instructions, be granted a military training leave. Unless otherwise provided by state or federal law, training leaves shall not, except in an emergency or in the event of extenuating circumstances, exceed 2 weeks a year, plus reasonable travel time. If an employee is seeking military-related leave, the employee is encouraged to contact his or her supervisor or the Human Resource Director for additional information regarding eligibility and leave rights.

Q. MILITARY SPOUSE LEAVE

Qualified employees will be given up to 10 days unpaid leave during that time in which the employee’s spouse is on leave from deployment in a combat zone with the active duty or reserve military or National Guard during a period of military conflict. Qualified employees are employees who work an average of 20 hours per week and have a spouse who is serving as (1) a member of the U.S. Armed Forces and who has been deployed during a period of military conflict to an area designated as a combat theater or combat zone by the President of the United States or (2) a member of the Armed Forces Reserve Components or the National Guard and has been deployed during a period of military conflict. Qualified employees who wish to request this leave must provide their supervisor or the Human Resource Director with a written request for such leave within 2 business days of receiving official notice that the military spouse will be on leave from deployment and written documentation certifying that the military member will be on military leave from deployment.

R. SCHOOL ACTIVITIES

Employees who are the parent, stepparent, foster parent, guardian, grandparent, or person *in loco parentis* of one or more children in kindergarten through grade 12, or attending a licensed child day care facility, are eligible for up to 40 hours of unpaid leave time each year to (1) find, enroll, or reenroll a child in a school or licensed child day care facility; (2) participate in the activities of the school or day care facility

of any of their children; or (3) address a childcare provider or school emergency. Forty hours is the maximum amount of time that may be taken in any calendar year. Employees may also take off additional time as may be necessary to attend the employee's child's or grandchild's school to discuss a possible suspension or expulsion. Employees must provide the General Manager and/or the Director of Finance and Human Resources reasonable advance notice of the need for such leave time and must provide written documentation from the school or day care facility verifying their participation in the activities on a specific date and at a particular time. Accrued vacation or earned compensatory time may be used for such absences; otherwise, school visitation time is unpaid. No adverse action will be taken against any employee in any manner for requesting or taking time off as provided in this policy.

S. BEREAVEMENT LEAVE

MCSD will grant a request by an Employee to take up to five (5) paid days of bereavement leave upon the death of a covered family member. To be eligible for bereavement leave, the employee must have been employed with MCSD for at least 30 days prior to taking leave. The leave does not need to be taken consecutively but must be completed within 3 months of the date of the covered family member's death. "Covered family member" for purposes of this policy is defined as spouse, child, parent, sibling, grandparent, grandchild, domestic partner, parent-in-law, step-parent or step-child, current brother-in-law or sister-in-law, or any relative living in the immediate household of the employee.

The General Manager must be informed of all requests for bereavement leave, and MCSD may request documentation evidencing the covered family member's death within 30 days of the first day bereavement leave is taken. MCSD will maintain confidentiality relating to an employee's request to use bereavement leave. In the discretion of the General Manager and/or the Director of Finance and Human Resources, an employee may be allowed up to three (3) days of bereavement leave with full pay when a death occurs in the employee's immediate family. Members of the immediate family mean the mother, father, grandmother, grandfather, or grandchild of the employee or of the employee's spouse; and the spouse, son, son-in-law, daughter, daughter-in-law, brother, sister, step-parent or step-child of the employee, current brother-in-law or sister-in-law, or any relative living in the immediate household of the employee. The General Manager and/or the Director of Finance and Human Resources may request verification of the facts surrounding the leave and grant or deny the leave as deemed appropriate.

T. CATASTROPHIC LEAVE SHARING PROGRAM

The Board has adopted a Catastrophic Leave Sharing Program, attached as **Appendix 4**, which may be amended from time-to-time.

U. WORKERS' COMPENSATION

MCSD, in accordance with state law, provides insurance coverage for employees in case of work-related injuries, including even minor first-aid injuries. The workers' compensation benefits provided to injured employees may include:

- Medical care
- Cash benefits, tax free, to replace lost wages; and

- Vocational rehabilitation to help qualified injured employees return to suitable employment.

To ensure that you receive workers' compensation benefits to which you may be entitled, you will need to:

- Immediately report any work-related injury to your supervisor;
- Seek medical treatment and follow-up care if required;
- Complete a written Employee's Claim Form (DWC Form 1) and return it to management; and
- Provide MCSD with a certification from your health care provider regarding the need for workers' compensation disability leave, as well as your eventual ability to return to work from leave.

Upon submission of a medical certification that an employee is able to return to work after a workers' compensation leave, the employee under most circumstances will be reinstated to his or her same position held at the time the leave began, or to an equivalent position, if available. An employee returning from a workers' compensation leave has no greater right to reinstatement than if the employee had been continuously employed rather than on leave. For example, if the employee on workers' compensation leave would have been laid off had he or she not gone on leave, or if the employee's position has been eliminated or filled in order to avoid undermining MCSD's ability to operate safely and efficiently during the leave, and no equivalent or comparable positions are available, then the employee would not be entitled to reinstatement.

An employee's return depends on his or her qualifications for any existing openings. If, after returning from a workers' compensation disability leave, an employee is unable to perform the essential functions of his or her job because of physical or mental disability MCSD's obligations to the employee may include reasonable accommodation, as governed by the Americans with Disabilities Act.

MCSD provides medical treatment for work-related injuries through State Fund Insurance to provide medical care to injured employees because of their experience in treating work-related injuries.

Employees who are injured in a work-related incident will be referred to a physician selected by MCSD for medical treatment for up to 30 days, unless prior to a work-related injury, MCSD has received from the employee a written notice that the employee wishes to be treated by his or her own physician. In all cases, employees may seek treatment from their own physician after 30 days, should they so desire.

The law requires MCSD to notify the workers' compensation insurance company of any concerns of false or fraudulent claims.

Any person who makes or causes to be made any knowingly false or fraudulent material statement or material misrepresentation for the purpose of obtaining or denying workers' compensation benefits or payments is guilty of a felony. A violation of this law is punishable by imprisonment for one to five years, or by a fine not exceeding \$50,000 or double the value of the fraud, whichever is greater, or both. Additional civil penalties may also apply.

MCSD or its insurer will not be liable for payment of workers' compensation benefits for any injury that arises out of an employee's voluntary participation in any off-duty recreational, social, or athletic activity that is not part of the employee's work-related duties. This includes MCSD rodeos, recognition dinners, etc.



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