



**SANTA FE IRRIGATION DISTRICT
BOARD OF DIRECTORS MEETING**

Santa Fe Irrigation District
5920 Linea del Cielo
Rancho Santa Fe, California 92067
Safety Center

**THURSDAY, FEBRUARY 19, 2026
8:30 a.m.**

BOARD OF DIRECTORS

Michael T. Hogan
PRESIDENT
Sandra Johnson
VICE PRESIDENT
Dana Frieauf
Andy Menshek
Ken Westphal

Albert C. Lau, P.E.
GENERAL MANAGER

Assistance for the disabled: The District meeting facility is accessible to persons using wheelchairs and others with disabilities. Agendas are available in large print. Materials in alternative formats and other accommodations will be made available upon request. Please make your request for alternative format or other accommodations, to the Board Secretary at 858-756-2424 or via email to cmcdowell@sfidwater.org. Providing at least 72 hours' notice prior to the meeting will help to ensure availability.

This meeting will be held at the above date, time, and location, and Board members and members of the public may attend in person. Members of the public may also attend virtually. Additional details on in-person participation and virtual public participation are below. Please note that in the event of technical issues that disrupt the livestream of the meeting, the meeting will continue, unless otherwise required by law, such as when a Director is attending the meeting remotely pursuant to certain provisions of the Brown Act.

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/87363466105?pwd=LlgTAmJvbmueXLTxaRu1fq6ksU5bm0n.1>

Passcode: 164063

Or One tap mobile:

+16699009128, 87363466105#, *164063#, +16694449171, 87363466105#, *164063#

Or Telephone:

Dial (for higher quality, dial a number based on your current location):

US: +1 669 900 9128, +1 669 444 9171, +1 719 359 4580, +1 253 205 0468, +1 253 215 8782, +1 346 248 7799, +1 646 558 8656, +1 646 931 3860, +1 689 278 1000, +1 301 715 8592, +1 305 224 1968, +1 309 205 3325, +1 312 626 6799, +1 360 209 5623, +1 386 347 5053, +1 507 473 4847, +1 564 217 2000

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Instructions for Members of the Public Who Wish to Address the Board of Directors:

Individuals may address the Board of Directors during Oral Communications (for items not appearing on the posted agenda which are within the subject matter jurisdiction of the District) and regarding items listed on the posted agenda during the deliberation of the agenda item, as follows:

A. Instructions for Making Public Comment for Those Attending In-Person:

Members of the public desiring to address the Board of Directors in-person for either items appearing on the posted agenda or during Oral Communications (for items not appearing on the posted agenda which are within the subject matter jurisdiction of the District) are asked to complete a speaker's card, available at the table near the entrance and present it to the Board Secretary prior to the start of the meeting. Speakers are asked to state their name, address, and topic, and to observe a time limit of three (3) minutes each.

B. Making Public Comment for Those Not Attending In-Person:

Members of the public who wish to address the Board of Directors under Oral Communications or on specific agenda items **who are not attending in person** may do so as instructed below:

1. To provide **verbal comments during the meeting**, join the Zoom meeting by computer, mobile phone, or dial-in number. On Zoom video conference by computer or mobile phone, use the "Raise Hand" feature. This will notify the Board Secretary that you wish to speak during Oral Communications or on a specific agenda item. If joining the meeting using the Zoom dial-in number, you can raise your hand by pressing *9. Speakers are asked to state their name, address, and topic, and to observe a time limit of three (3) minutes each.
2. You may send **written comments** to the Board Secretary for receipt **no later than 7:30 a.m., February 19, 2026**, to be read during the appropriate portion of the meeting. Written comments must be limited to 300 words/ have a reading limit of 3 minutes for each comment and emailed to cmcdowell@sfidwater.org, mailed to the attention of Celina McDowell, Board Secretary, SFID, P. O. Box 409, Rancho Santa Fe, CA 92067, or physically deposited in the District's payment drop box located in the public parking lot at the District's Administrative Office at 5920 Linea del Cielo, Rancho Santa Fe, California 92067.

C. Instructions for Listening to the Meeting Only:

Please click this link to listen to the meeting: <https://bit.ly/SFIDLIVE>

Please note that the above link only provides the opportunity to listen to the meeting. To view or listen to the meeting via Zoom and have the opportunity to provide public comment, please use the Zoom link or Zoom dial-in information in the section above and follow the instructions in this agenda.

ROLL CALL - CALL MEETING TO ORDER

ITEMS TO BE ADDED TO THE AGENDA

(Government Code Section 54954.2)

PLEDGE OF ALLEGIANCE – Vice President Johnson

ORAL COMMUNICATIONS ON ITEMS NOT APPEARING ON THE AGENDA

Opportunity for members of the public to address the Board of Directors on items not appearing on the posted agenda, pursuant to Government Code Section 54954.3.

PRESENTATIONS AND AWARDS

1. Employee Recognition – Marco Martinez, Water Treatment Operator III, celebrating 10 years with the District

ACTION AGENDA

The following items on the Action Agenda call for discussion and action by the Board of Directors. All items are placed on the Agenda so that the Board may discuss and take action on the item if the Board is so inclined.

CONSENT ITEMS

The following listed items on the consent calendar are routine matters and there will be no discussion unless the Board of Directors removes an item. Items removed by the Board or public will be heard following approval of the remaining items on the Consent Calendar.

2. Approval of January 15, 2026, Board Meeting Minutes (pages 6-12)
3. Receive and File Monthly Finance Reports (pages 13-27)
 - a. Budget Graphs
 - b. Disbursements
 - c. Monthly Investment Transaction Report
4. Approval of an Encroachment Agreement for 117 Plaza Street, Solana Beach (APN 298-010-45-00; Pillbox Tavern) (pages 28-35)
5. Authorize the General Manager to Execute a Purchase Order for the Replacement of (1) Light Duty Work Truck (pages 36-41)
6. Authorize the General Manager to Execute Purchase Order with Xylem for the Purchase of an In-Kind Replacement of Online Total Organic Carbon Analyzer (pages 42-44)
7. Annual Review of Directors Compensation (pages 45-47)

ACTION AND DISCUSSION ITEMS

8. Review and Discuss FY26 Mid-Year Budget Projections and Approve \$157,000 in Total Appropriation Requests (pages 48-77)

9. Approve a \$2.4 Million Increase in the Designated Fund Balance of the Lake Hodges Fund (pages 78-80)
10. Approve a 5-Year Contract with SHI International Corp. for Microsoft Suite Renewal (pages 81-86)
11. Review and Discuss Corporate Yard Options and Recommend that the Board of Directors Authorize the General Manager to Retain Consultants and Advisors to Prepare for the Purchase and Sale of Real Property (pages 87-109)
12. Review and Recommend Adoption of Resolution No. 26-02, Amending District Administrative Code – Table of Contents, Articles 4-5, 8-15, 17-19, 22-23, 25, and 29 (pages 110-116 w/enclosures)
13. Legislative Update (page 117)
14. Water Supply Update (page 118)

REPORTS

The following reports are placed on the Agenda to provide information to the Board and the public. There is no action called for on these items. The Board may engage in discussion of any report upon which specific subject matter is identified in the Agenda but may not take any action other than to place the matter on a future Agenda.

15. Operations Reports (pages 119-124)
 - a. R.E. Badger Filtration Plant Report
 - b. Water Resources Report
 - c. San Dieguito Reservoir Security Update
16. Board Reports (pages 125-126)
 - a. San Diego County Water Authority (SDCWA) Board Meeting Report
 - b. Other Meetings/Conferences

DIRECTORS' COMMENTS

The Directors' comments are comments by Directors concerning District business, which may be of interest to the Board. They are placed on the Agenda to enable the individual Board members to convey information to the Board and the public. No action is to be taken on comments made by the Board members.

17. Directors' Comments (verbal)
18. Future Agenda Items (verbal)
19. General Manager's Report (verbal)
20. General Counsel's Comments (verbal)

INFORMATION ITEMS

21. Review of San Diego County Water Agency Rate Comparison (pages 127-135)

CLOSED SESSION

At any time during the Regular Session, the Board may adjourn to Closed Session to consider litigation or discuss with Legal Counsel matters within the Attorney/Client Privilege, subject to the appropriate disclosures. Discussion of litigation is within the Attorney/Client Privilege and may be held in Closed Session. (Pursuant to Government Code Section 54956.9)

22. Conference with Legal Counsel – Existing Litigation
Pursuant to Government Code Section 54956.9(d)(1)
Santa Fe Irrigation District, et al. v. City of San Diego, Superior Court of California,
County of San Diego, Case No. 24CU003725N
23. Conference with Legal Counsel – Existing Litigation
Pursuant to Government Code Section 54956.9(d)(1)
Studer, et al. v. Santa Fe Irrigation District, et al., Superior Court of California,
County of San Diego, Case No. 37-24CU024147C
24. Conference with Legal Counsel – Anticipated Litigation
Initiation of litigation pursuant to Government Code Section 54956.9(d)(4)
One (1) potential case
25. Conference with Legal Counsel – Anticipated Litigation
Significant exposure to litigation pursuant to Government Code Section
54956.9(d)(2)
One (1) potential case (Claim Filed by Levent Unayral)
26. Conference with Legal Counsel – Anticipated Litigation
Significant exposure to litigation pursuant to Government Code Section
54956.9(d)(2)
One (1) potential case (Claim filed by Robert Sullivan)
27. Public Employment
Pursuant to Government Code Section 54957
Position: Assistant General Manager/Director of Administrative Services
28. Conference with Labor Negotiators
Pursuant to Government Code Section 54957.6
Agency Designated Representative: General Manager Al Lau
Unrepresented Employee: Director of Administrative Services
29. Public Employee Performance Evaluation
Pursuant to Government Code Section 54957
Title: General Counsel

ADJOURNMENT Any writings or documents provided to a majority of the Board of Directors for any item on this agenda will be made available for public inspection on the District's website at www.sfidwater.org



**MINUTES
REGULAR BOARD MEETING
OF THE SANTA FE IRRIGATION DISTRICT
BOARD OF DIRECTORS**

January 15, 2026
Santa Fe Irrigation District
5920 Linea Del Cielo
Rancho Santa Fe, CA 92067

ROLL CALL - CALL MEETING TO ORDER

President Hogan called the meeting to order at 8:30 a.m.

BOARD MEMBERS PRESENT: President Michael Hogan, Vice President Sandra Johnson, and Directors Dana Frieauf, Andy Menshek and Ken Westphal.

STAFF AND OTHERS PRESENT: General Manager Al Lau, Director of Administrative Services Seth Gates, Public Communications Officer Teresa Penunuri, Director of Water Treatment Plant Tim Bailey, System Maintenance Supervisor Dave Harris, Water Treatment Plant staff, and General Counsels Paula de Sousa and David Lloyd (remotely), Best Best & Krieger. Two members of the public were also present.

ITEMS TO BE ADDED TO THE AGENDA – None

PLEDGE OF ALLEGIANCE

Director Frieauf led the Pledge of Allegiance.

ORAL COMMUNICATIONS ON ITEMS NOT APPEARING ON THE AGENDA

Mr. Levent Unayral, a Rancho Santa Fe resident, provided public comment regarding a water leak at his property and the District's leak credit policy.

PRESENTATIONS AND AWARDS

1. Employee Recognition: Introduction of 2025 SFID Employee of the Year – Dave Harris, System Maintenance Supervisor

GM Lau introduced Mr. Harris, summarized his primary responsibilities and key accomplishments, and expressed appreciation for his service.

The Board congratulated Mr. Harris and thanked him for his contribution.

ACTION AGENDA

The following items on the Action Agenda call for discussion and action by the Board of Directors. All items are placed on the Agenda so that the Board may discuss and take action on the item if the Board is so inclined.

CONSENT ITEMS

The following listed items on the consent calendar are routine matters and there will be no discussion unless the Board of Directors removes an item. Items removed by the Board or public will be heard following approval of the remaining items in the Consent Calendar.

2. Approval of December 18, 2025, Board Meeting Minutes
3. Receive and File Monthly Finance Reports
 - a. Budget Graphs
 - b. Disbursements
 - c. Monthly Investment Transaction Report
4. Quarterly Treasurer's Report

Vice President Johnson requested to remove Item No. 2 from the Consent Items for discussion.

Upon a motion by Director Menshek and seconded by Vice President Johnson, the Board unanimously approved the Consent Items except for Item No. 2. A roll call vote was conducted as follows (5-0):

Ayes: Friehauf, Johnson, Menshek, Westphal, and Hogan
Noes: None
Abstain: None
Absent: None

Vice President Johnson requested revisions to Item No. 2, “Approval of December 18, 2025, Board Meeting Minutes”, as follows:

- Agenda Page No. 6, “Board Members Present” should read: “President Michael Hogan, Vice President Sandra Johnson, and Directors Dana Frieauf, Andy Menshek, and Ken Westphal.”
- Agenda Page No. 6, “Staff and Others Present” – the last sentence should read: “Two members of the public were also present.”
- Agenda Page No. 7, “Consent Items,” should read: “Upon a motion by Vice President Johnson and seconded by Director Frieauf, the Board unanimously approved the Consent Items except for Item No. 1b.”
- Agenda Page No. 8, first sentence, should read: “Upon a motion by Director Menshek and seconded by Director Frieauf, the Board unanimously approved Item 1b as revised.”
- Agenda Page No. 9 should read: “President Hogan reconvened the meeting at 10:29 a.m.”

Upon a motion by Vice President Johnson and seconded by Director Westphal, the Board unanimously approved Item No. 2 as revised. A roll call vote was conducted as follows (5-0):

Ayes: Frieauf, Johnson, Menshek, Westphal, and Hogan
Noes: None
Abstain: None
Absent: None

ACTION AND DISCUSSION ITEMS

5. Recommend Adopting Resolution No. 26-01, Revising the District’s Capacity Fee to Establish Potable Water Service

DAS Gates presented the item utilizing a PowerPoint presentation and responded to questions from the Board.

Upon a motion by Director Frieauf and seconded by Director Westphal, the Board unanimously approved the adoption of Resolution No. 26-01, Revising the District’s Capacity Fee to Establish Potable Water Service, including Exhibit A. A roll call vote was conducted as follows (5-0):

Ayes: Friehauf, Johnson, Menshek, Westphal, and Hogan
Noes: None
Abstain: None
Absent: None

6. Annual Update to District Investment Policy

Vice President Johnson requested a correction to remove the Committee Action from the memo, noting that the Administrative and Finance Committee meeting was canceled and no recommendation was provided.

DAS Gates presented the item and responded to questions from the Board.

Upon a motion by Vice President Johnson and seconded by Director Menshek, the Board unanimously approved the adoption of the revised Investment Policy as presented. A roll call vote was conducted as follows (5-0):

Ayes: Friehauf, Johnson, Menshek, Westphal, and Hogan
Noes: None
Abstain: None
Absent: None

7. Approval of Agreement with the City of San Diego for Annexation of Property (Highland Court) for the Provisions of Water Services

GC Lloyd presented the item, provided background, and responded to questions from the Board.

GC Lloyd informed the Board that the new agreement is scheduled for approval on July 1, 2026, and that the District will need to adopt a resolution.

Director Menshek requested the total amount of capacity fee the District could have collected from those properties.

Upon a motion by Vice President Johnson and seconded by Director Friehauf, the Board approved the execution of the agreement with the City of San Diego for annexation of property (Highland Court) for the provision of water service. A roll call vote was conducted as follows (4-1):

Ayes: Friehauf, Johnson, Westphal, and Hogan
Noes: Menshek
Abstain: None
Absent: None

8. 2026 Legislative Priorities

PCO Penunuri presented the item utilizing a PowerPoint presentation and responded to questions from the Board. The following updates were presented:

- Legislative Session 25-26
 - Key Issues – Housing and Wildfire Response
 - Low-Income Rate Assistance
 - Response to Federal Actions
 - State Deficit
 - Infrastructure/Dam Safety
 - Distribution of Grant Funding
 - Water Quality
 - Housing/Development Impacts
 - Proposition 218-related Clarifications
 - Water Affordability
 - Environmental/CEQA-related Regulations
 - Wildfire Response/Regulations
- Discussion
 - Additional Policy Areas
- Legislative Update
 - Electric Vehicle Requirements
 - Proposed Bills

Upon a motion by President Hogan, seconded by Vice President Johnson, the Board unanimously reconfirmed the previously approved advocacy priorities as presented. A roll call vote was taken as follows (5-0):

Ayes: Friehauf, Johnson, Menshek, Westphal, and Hogan
Noes: None
Abstain: None
Absent: None

9. Water Supply Update

MA Christie presented the item utilizing a PowerPoint presentation and responded to questions from the Board. The following updates were presented:

- Temperature and Precipitation Outlook
- Local Precipitation
- NOAA Outlook
- State Conditions
- Colorado River Basin Conditions as of January 15, 2026

REPORTS

10. Operations Reports

- a. R.E. Badger Filtration Plant Report
- b. Water Resources Report
- c. San Dieguito Reservoir Security Update

11. Board Reports (verbal)

- a. San Diego County Water Authority (SDCWA) Board Meeting Report

Director Friehauf reported that there was no Board meeting in December.

- b. Other Meetings/Conferences – None

DIRECTORS' COMMENTS

The Directors' comments are comments by Directors concerning District business, which may be of interest to the Board. They are placed on the Agenda to enable the individual Board members to convey information to the Board and the public. No action is to be taken on comments made by the Board members.

12. Directors' Comments

Vice President Johnson noted appreciation for the decrease in incidents at the San Dieguito Reservoir.

President Hogan mentioned that City of Encinitas Councilmember Joy Lyndes will not be seeking re-election.

13. Future Agenda Items – None

14. General Manager's Report

GM Lau reported that LAFCO SDAC election results have been released, with six of the seven incumbents returning to their seats. The only change was Mark Robak of Otay Water District, who was replaced by Lindsay Leahey of Valley Center Municipal Water District.

GM Lau further noted that staff met with representatives from UCSD's Scripps Institution of Oceanography to discuss ALERTCalifornia and potential collaboration on camera placement at the R.E. Badger Water Treatment Plant.

GM Lau also shared that staff will be meeting with the RaiseLakeHodges.org group to discuss and coordinating a future presentation from the group to the SFID Board.

15. General Counsel's Comments – None

INFORMATION ITEMS

16. 2026 SFID Meeting Calendar

This item is for the Board's information only.

CLOSED SESSION

At any time during the Regular Session, the Board may adjourn to Closed Session to consider litigation or discuss with Legal Counsel matters within the Attorney/Client Privilege, subject to the appropriate disclosures. Discussion of litigation is within the Attorney/Client Privilege and may be held in Closed Session. (Pursuant to Government Code Section 54956.9)

17. Conference with Legal Counsel – Existing Litigation

Pursuant to Government Code Section 54956.9(d)(1)

Santa Fe Irrigation District, et al. v. City of San Diego, Superior Court of California, County of San Diego, Case No. 24CU003725N

18. Conference with Legal Counsel – Existing Litigation

Pursuant to Government Code Section 54956.9(d)(1)

Studer, et al. v. Santa Fe Irrigation District, et al., Superior Court of California, County of San Diego, Case No. 37-24CU024147C

19. Conference with Legal Counsel – Anticipated Litigation

Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2)

One (1) potential case

President Hogan adjourned into Closed Session at 10:43 a.m.

President Hogan reconvened into Open Session at 11:02 a.m. and reported no reportable actions were taken in Closed Session.

ADJOURNMENT

President Hogan adjourned the meeting at 11:02 a.m.

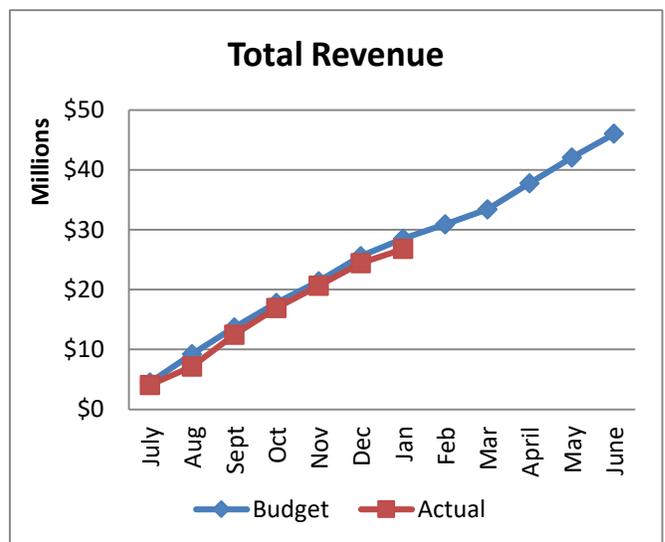
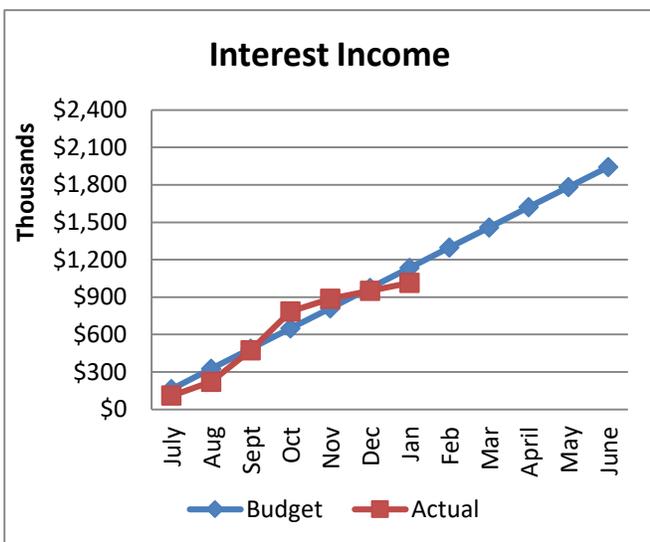
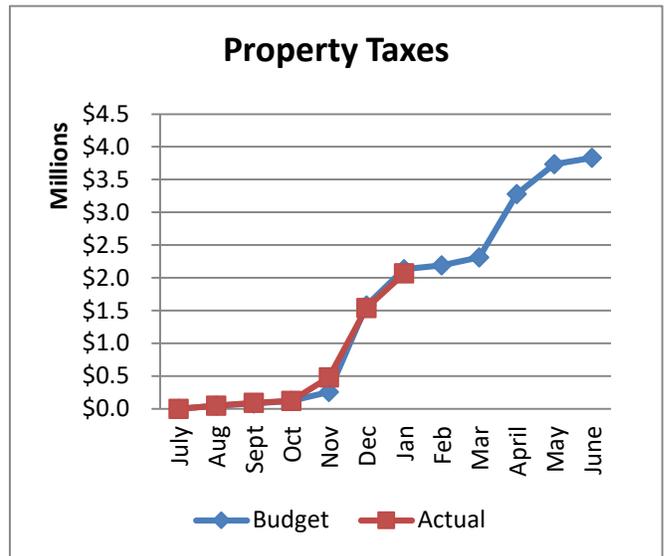
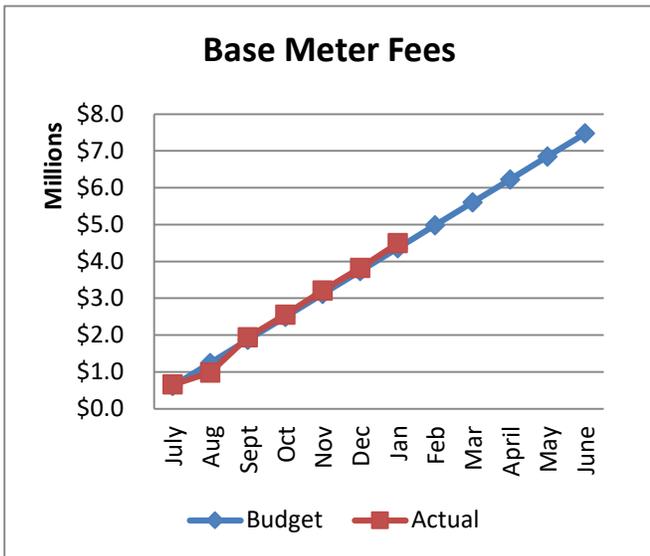
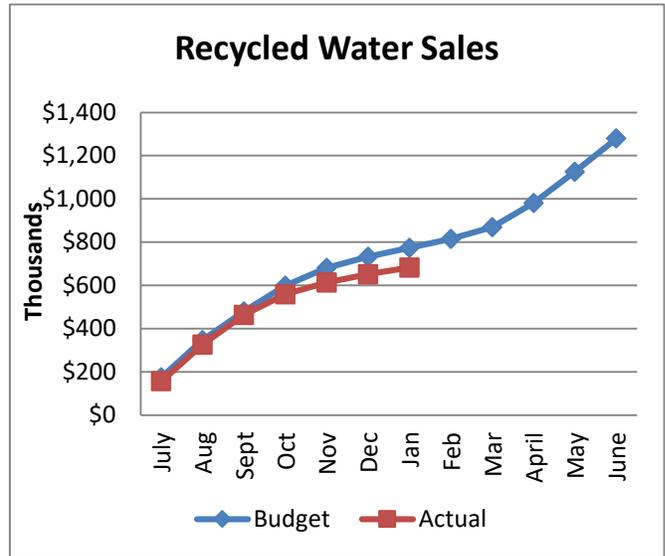
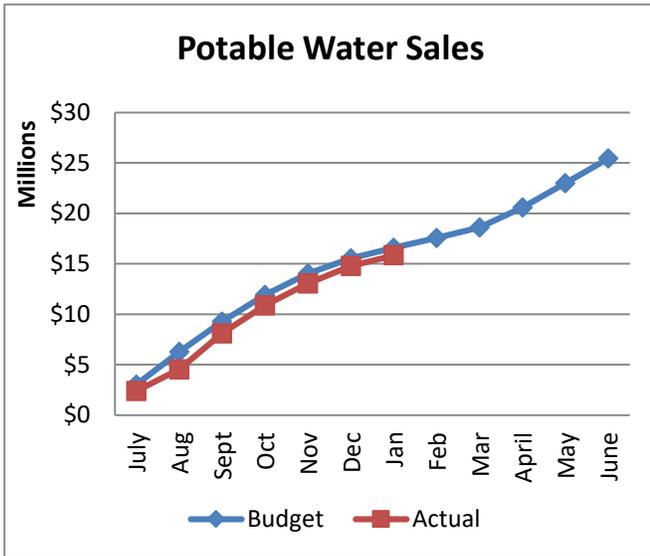
Michael T. Hogan
Board President

Albert C. Lau
Board Secretary/Treasurer

SFID Budget to Actual Performance Report

FY 2025-26 Cumulative Revenue

As of January 31, 2026

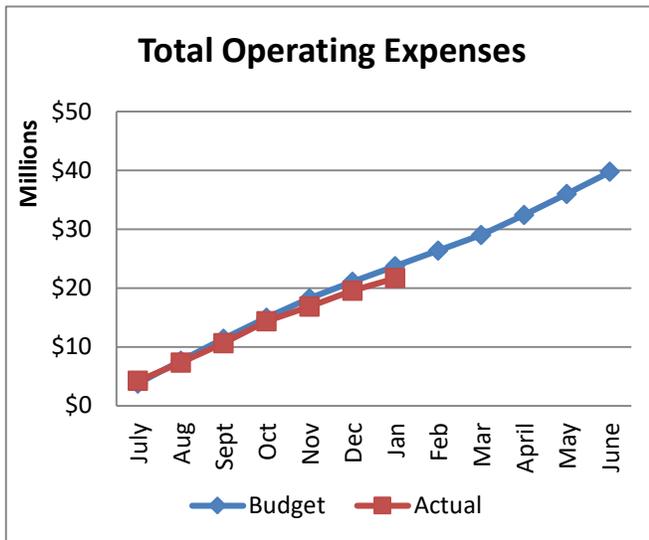
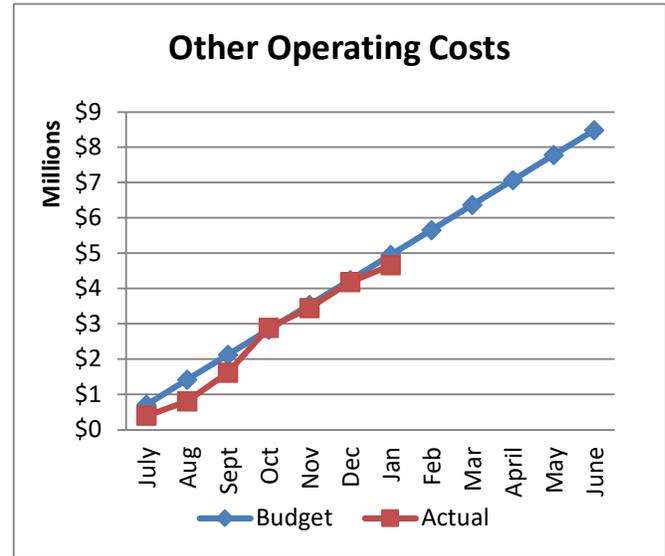
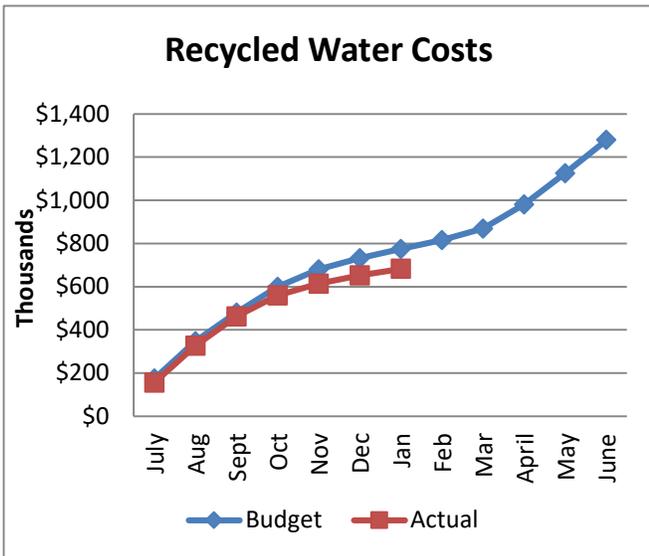
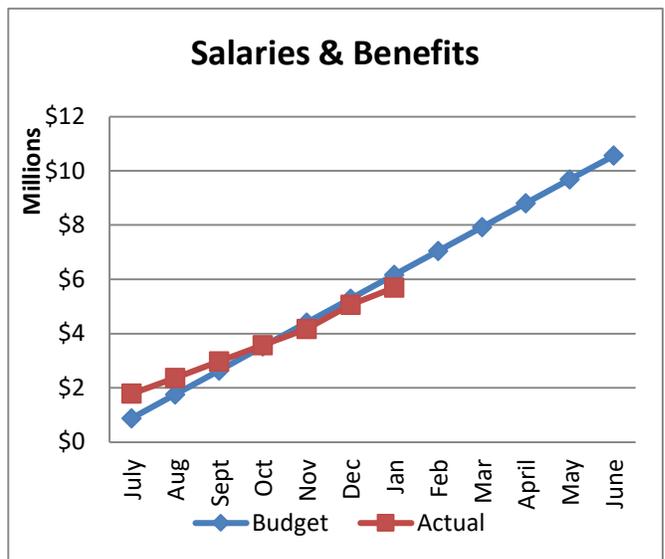
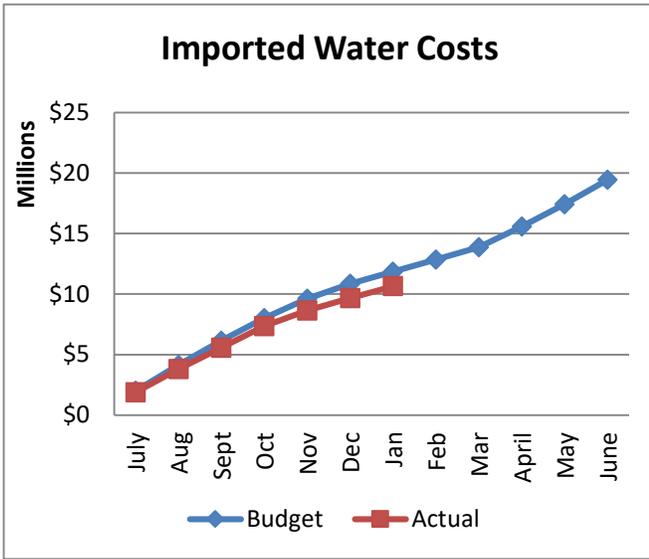


Figures shown are preliminary and subject to review, reconciliation, accrual, and audit.

SFID Budget to Actual Performance Report

FY 2025-26 Cumulative Expenses (excluding depreciation expense & debt service)

As of January 31, 2026



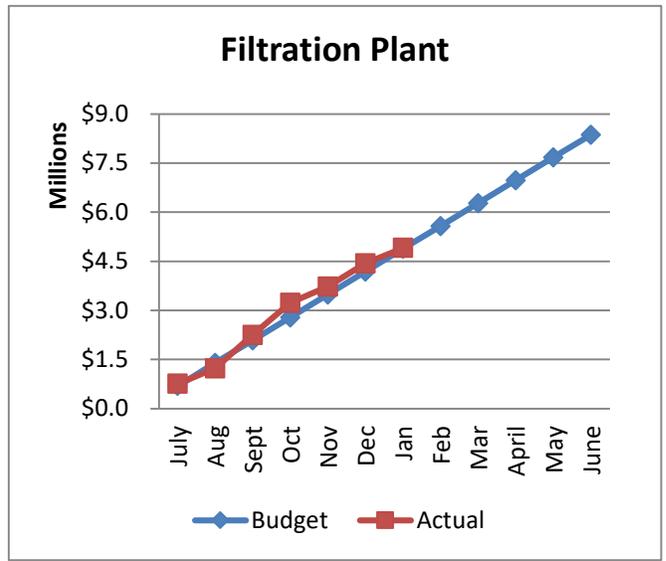
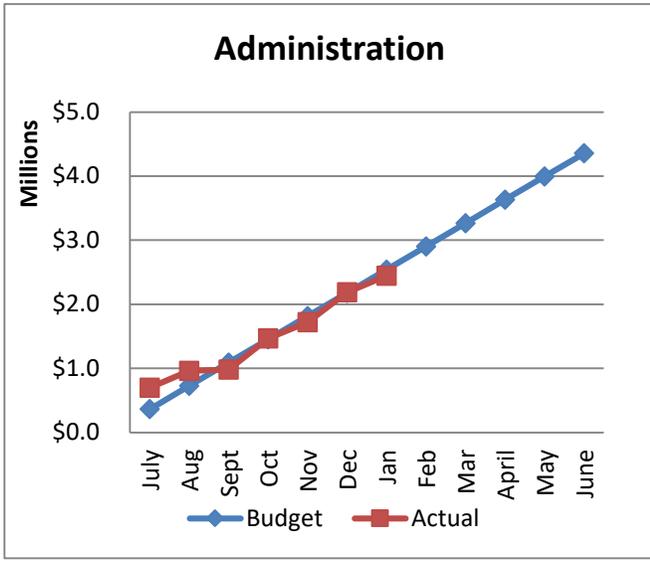
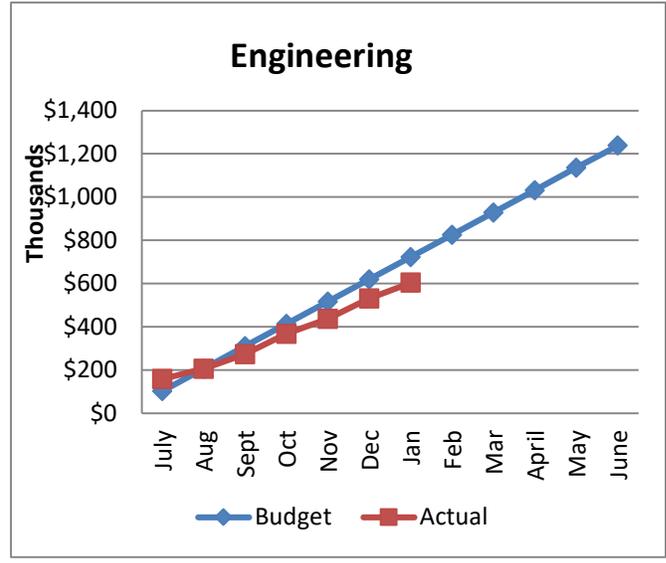
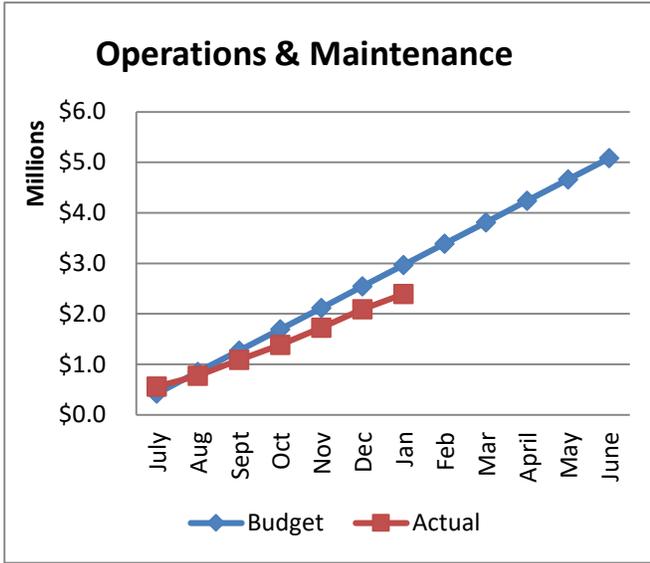
Figures shown are preliminary and subject to review, reconciliation, accrual, and audit.

SFID Budget to Actual Performance Report

FY 2025-26 Cumulative Expenses (excluding depreciation expense & debt service)

As of January 31, 2026

Operating Expenses by Department

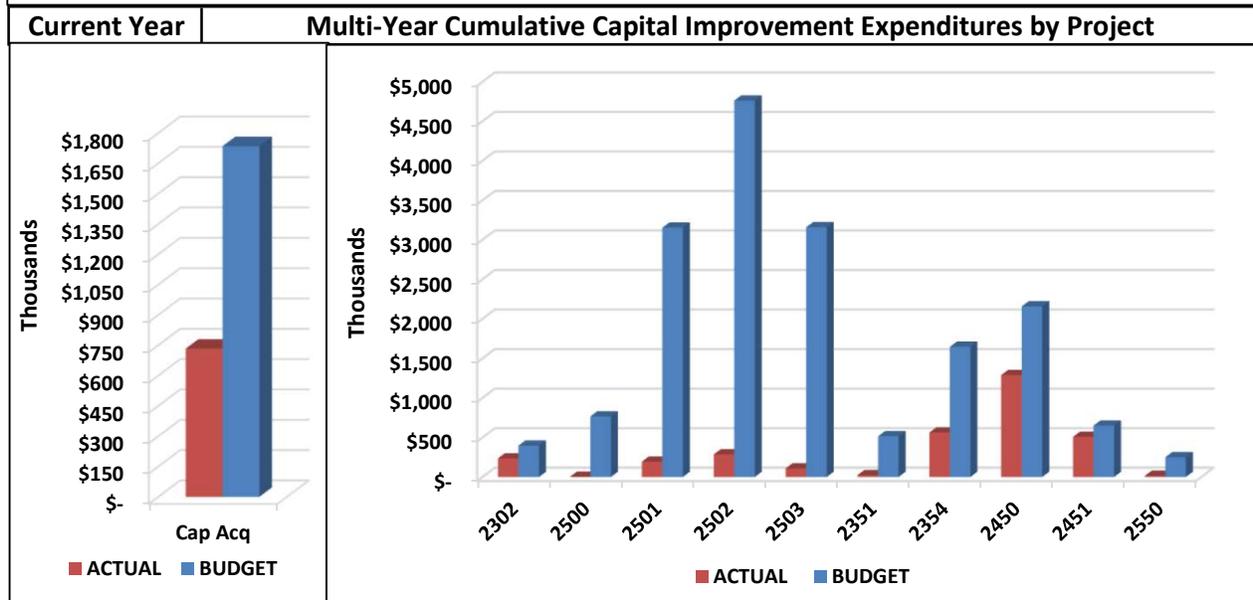
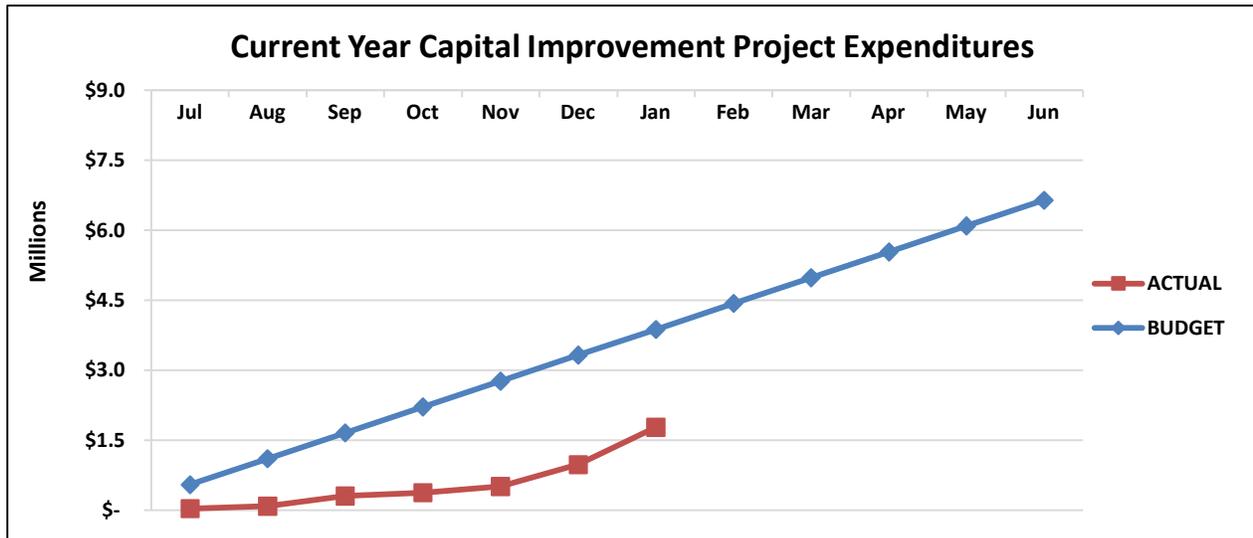


Figures shown are preliminary and subject to review, reconciliation, accrual, and audit.

SFID Budget to Actual Performance Report

FY 2025-26 Capital Projects & Acquisitions

As of January 31, 2026



| Project Legend | | | |
|----------------|---|------|---|
| No. | Description (PLANT) | No. | Description (DISTRICT) |
| 2351 | R.E. Badger Leach Field Replacement | 2302 | District Yard Small-Scale Solar Array |
| 2354 | Filter Surface Washwater Header and Associated Piping | 2500 | El Camino Real Widening - City SD |
| 2450 | Clearwell Solar | 2501 | La Granada Pipeline Replacement and PRS Elimination Project |
| 2451 | San Dieguito Dam Repair | 2502 | Larrick Reservoir and Pump Station Upgrades Project |
| 2550 | Anode Bed Replacement | 2503 | 24-inch Pipeline Realign/Replace - El Camino Real |
| No. | Description (PLANT & DISTRICT) | | |
| CA | Capital Acquisitions | | |

Figures shown are preliminary and subject to review, reconciliation, accrual, and audit.

**SANTA FE IRRIGATION DISTRICT
DISBURSEMENT LIST - JAN 2026**

| CK DATE | CK # | PAYEE | DESCRIPTION | AMOUNT |
|----------------|-------------|-------------------------------------|--|---------------|
| 01/08/2026 | 0 | ACWA / JPIA | OCT - DEC 2025 WORKERS COMPENSATION | 14,298.19 |
| 01/08/2026 | 0 | ACWA / JPIA | OCT - DEC 2025 WORKERS COMPENSATION | 70.94 |
| 01/08/2026 | 50839 | AMAZON CAPITAL SERVICES | COMPUTER SUPPLIES | 952.23 |
| 01/08/2026 | 0 | AQUA METRIC SALES CO | METERS | 6,711.17 |
| 01/08/2026 | 0 | ASPHALT & CONCRETE ENTERPRISES, INC | CONCRETE PAVING REPAIRS | 22,400.00 |
| 01/08/2026 | 0 | ASPHALT & CONCRETE ENTERPRISES, INC | CONCRETE PAVING REPAIRS | 1,936.00 |
| 01/29/2026 | 0 | ASPHALT & CONCRETE ENTERPRISES, INC | CONCRETE PAVING REPAIRS | 2,100.00 |
| 01/29/2026 | 0 | ASPHALT & CONCRETE ENTERPRISES, INC | CONCRETE PAVING REPAIRS | 22,164.00 |
| 01/08/2026 | 50840 | AT&T | COMMUNICATIONS | 323.27 |
| 01/29/2026 | 50916 | AT&T | COMMUNICATIONS | 159.65 |
| 01/27/2026 | 50890 | BEARCOM COMPANY | RADIO SERVICE CONTRACT | 263.50 |
| 01/15/2026 | 50879 | BEDCO INC | TRUCK UPFITTING | 8,757.81 |
| 01/15/2026 | 0 | BLACKBURN MFG COMPANY | MARKOUT PAINT | 413.52 |
| 01/29/2026 | 0 | BRAD'S FOREIGN & DOMESTIC | AUTO MAINTENANCE | 145.10 |
| 01/08/2026 | 0 | CALLTOWER INC | COMMUNICATIOINS | 505.14 |
| 01/29/2026 | 0 | CALPERS | HEALTH INSURANCE | -0.27 |
| 01/29/2026 | 0 | CALPERS | HEALTH INSURANCE | 5,459.28 |
| 01/08/2026 | 50841 | CANON FINANCIAL SERVICES | COPIER LEASE | 598.87 |
| 01/27/2026 | 50892 | CANON FINANCIAL SERVICES | COPIER LEASE | 678.37 |
| 01/08/2026 | 0 | CHARTER COMMUNICATIONS | COMMUNICATIONS | 1,766.20 |
| 01/08/2026 | 0 | COMPLETE OFFICE | OFFICE SUPPLIES | 670.63 |
| 01/27/2026 | 0 | CORELOGIC INFO SOLUTIONS INC | PROPERTY DETAIL REPORT - 12/01/25 - 12/31/25 | 307.47 |
| 01/15/2026 | 0 | COUNTY OF SAN DIEGO | NOV 2025 - PERMITS & INSPECTION COSTS | 370.38 |
| 01/15/2026 | 0 | COUNTY OF SAN DIEGO | NOV 2025 - PERMITS & INSPECTION COSTS | 1,972.49 |
| 01/08/2026 | 50844 | DANA FRIEHAUF | ACWA CONFERENCE PARKING - DEC 25 | 20.70 |
| 01/08/2026 | 50845 | DAVIS FARR LLP | AUDIT SERVICE | 3,166.67 |
| 01/08/2026 | 0 | DEXTER WILSON ENGINEERING INC | NOV 2025 GENERAL ENGINEERING | 1,395.00 |
| 01/29/2026 | 0 | DEXTER WILSON ENGINEERING INC | MAY/JUN 2025 GENERAL ENGINEERING | 4,170.00 |
| 01/29/2026 | 0 | DICK AMBLER TRUCKING | BULK MATERIAL TRUCKING | 1,391.08 |
| 01/29/2026 | 0 | DICK AMBLER TRUCKING | BULK MATERIAL TRUCKING | 2,100.00 |
| 01/27/2026 | 0 | DIGITECH SYSTEMS LLC | 12/01/25 - 12/31/25 - DOC IMAGING SERVICES | 195.00 |
| 01/08/2026 | 50846 | DIRECTV | COMMUNICATIONS | 105.99 |
| 01/08/2026 | 50847 | DIXIELINE LUMBER | MAINTENANCE SUPPLIES | 120.15 |
| 01/15/2026 | 0 | DUDEK | NOV 2025 GENERAL ENGINEERING | 8,665.00 |
| 01/08/2026 | 50848 | EDCO WASTE & RECYCLING SERVICE | DEC 25 - TRASH SERVICES | 903.54 |
| 01/27/2026 | 50895 | EDCO WASTE & RECYCLING SERVICE | DEC 58 - TRASH SERVICES | 3,380.52 |

**SANTA FE IRRIGATION DISTRICT
DISBURSEMENT LIST - JAN 2026**

| CK DATE | CK # | PAYEE | DESCRIPTION | AMOUNT |
|----------------|-------------|---|--|---------------|
| 01/29/2026 | | 0 FIRST CHOICE COFFEE SERVICES | COFFEE SUPPLIES - JAN 2026 | 245.28 |
| 01/15/2026 | 50881 | GOVERNMENT FINANCE OFFICERS ASSOCIATION | GFOA CONFERENCE | 1,100.00 |
| 01/29/2026 | | 0 GRAINGER | MAINTENANCE SUPPLIES | 322.78 |
| 01/08/2026 | | 0 HOCH CONSULTING | C2501 REPLACEMENT & PRS ELIMINATION OCT 2025 | 53,671.11 |
| 01/27/2026 | | 0 HOCH CONSULTING | OCEAN RANCH ESTATE PROJECT - 10/01/25 - 11/30/25 | 50,106.26 |
| 01/29/2026 | | 0 HOCH CONSULTING | C2502-1PDS/ SERVICES - 10/01/25 - 12/31/2 NOI FOR FEMA | 8,660.00 |
| 01/08/2026 | 50852 | HOME DEPOT CREDIT SERVICES | MAINTENANCE SUPPLIES | 139.00 |
| 01/08/2026 | 50852 | HOME DEPOT CREDIT SERVICES | MAINTENANCE SUPPLIES | 73.72 |
| 01/29/2026 | 50913 | HUMANA DENTAL INS CO | DENTAL INSURANCE | 112.71 |
| 01/27/2026 | 50899 | INFOSEND | DEC 2025 - PRINTING SERVICES | 2,743.07 |
| 01/08/2026 | 50854 | KENNETH WESTPHAL | PARKING & TRAVEL REIMBURSEMENTS - DEC 2025 | 185.60 |
| 01/08/2026 | | 0 KIMLY - HORN AND ASSOCIATES | ENGINEERING SERVICE 11/30/25 | 15,665.00 |
| 01/08/2026 | 50855 | LESLIE MONDRAGON - PETTY CASH | MILEAGE REIMBURSEMENT | 52.78 |
| 01/08/2026 | 50855 | LESLIE MONDRAGON - PETTY CASH | MAINTENANCE SUPPLIES | 35.98 |
| 01/08/2026 | 50855 | LESLIE MONDRAGON - PETTY CASH | MILEAGE REIMBURSEMENT | 54.13 |
| 01/29/2026 | | 0 MALLORY SAFETY & SUPPLY LLC | SAFETY SUPPLIES | 94.82 |
| 01/08/2026 | 50856 | MARCO MARTINEZ | EXPENSE REIMBURSEMENT | 25.88 |
| 01/08/2026 | 50857 | MARTIN MARIETTA MATERIALS, INC | BULK MATERIAL | 5,548.50 |
| 01/27/2026 | | 0 MARTINEZ LANDSCAPE & DESIGN | NOV 2025 - GENERAL LANDSCAPING SERVICES | 5,400.00 |
| 01/27/2026 | | 0 MATT CHLOR INC | PRESSURE TESTING | 2,490.00 |
| 01/08/2026 | 50858 | MICHAEL HOGAN | EXPENSE REIMBURSEMENT | 26.62 |
| 01/08/2026 | 50859 | MOTIVE ENERGY STORAGE SYSTEMS | ENGINEERING SERVICE 8/30/25-11/29/25 | 81,103.40 |
| 01/08/2026 | 50860 | MYASSAR NADDOUR | CUSTOMER REFUND CHECK | 650.48 |
| 01/27/2026 | 50902 | NAPA AUTO PARTS | AUTO PARTS | 83.98 |
| 01/27/2026 | 50902 | NAPA AUTO PARTS | AUTO PARTS | 459.00 |
| 01/08/2026 | 50877 | NAW LIVING TRUST | CUSTOMER REFUND CHECK | 1,405.44 |
| 01/27/2026 | | 0 NFINIT | INTERNET SERVICES - FEB 2026 | 1,421.71 |
| 01/27/2026 | 50903 | OCCU-MED LTD | HAZMAT ANNUAL | 240.00 |
| 01/08/2026 | 50861 | ONESOURCE DISTRIBUTORS INC | SIGNAGE | 1,799.64 |
| 01/08/2026 | 50861 | ONESOURCE DISTRIBUTORS INC | EMPLOYEE OF THE YEAR SIGNAGE | 172.43 |
| 01/29/2026 | | 0 PACIFIC COAST BOLT, LLC | MAINTENANCE SUPPLIES | 12,167.92 |
| 01/08/2026 | 50862 | PACIFIC PIPELINE SUPPLY | MAINTENANCE SUPPLIES | 699.28 |
| 01/15/2026 | 50884 | PACIFIC PIPELINE SUPPLY | MAINTENANCE SUPPLIES | 4,430.08 |
| 01/15/2026 | 50884 | PACIFIC PIPELINE SUPPLY | MAINTENANCE SUPPLIES | 18,759.63 |
| 01/08/2026 | | 0 PARKHOUSE TIRE INC | TIRES | 2,653.01 |
| 01/29/2026 | | 0 PAYNE PEST MANAGEMENT | JAN 26 - PEST CONTROL SERVICE | 125.00 |

**SANTA FE IRRIGATION DISTRICT
DISBURSEMENT LIST - JAN 2026**

| CK DATE | CK # | PAYEE | DESCRIPTION | AMOUNT |
|----------------|-------------|--|---|---------------|
| 01/29/2026 | 50920 | PLANT-TEK INC | TREE SERVICE | -8.00 |
| 01/29/2026 | 50920 | PLANT-TEK INC | TREE SERVICE | 650.00 |
| 01/29/2026 | 0 | PRECISION MOBILE DETAILING | VECHICLE CLEANING SERVICE - JAN 26 | 608.56 |
| 01/27/2026 | 50904 | PROFESSIONAL EXCHANGE SERVICE | DEC 2025 - ANSWERING SERVICE | 180.00 |
| 01/15/2026 | 50885 | R E BADGER FILTRATION PLANT | DEC 2025 - PLANT OPERATIONS | 321,514.01 |
| 01/27/2026 | 0 | RACE COMMUNICATIONS | JAN 2026 - COMMUNICATIONS | 803.71 |
| 01/29/2026 | 50921 | RANCHO SANTA FE FIRE PROT DIST | FUEL & FACILITIES MAINTENANCE - 12/01/25 - 12/31/25 | 3,715.80 |
| 01/08/2026 | 0 | RANCHO SANTA FE SECURITY SYS | SECURITY SERVICE | 156.00 |
| 01/27/2026 | 0 | RANCHO SANTA FE SECURITY SYS | JAN 2026 SECURITY SERVICE | 64.00 |
| 01/27/2026 | 0 | READY LINE FLEET SERVICE | VEHICLE MAINTENANCE | 555.00 |
| 01/29/2026 | 0 | RINCON DEL DIABLO MWD | CALENDARS | 243.60 |
| 01/08/2026 | 50863 | ROBERT HALF | PART TIME HELP - WEEK ENDING 12/26/25 | 518.18 |
| 01/29/2026 | 0 | ROBERT HALF | PART TIME HELP - WEEK ENDING 01/02/26 | 1,554.54 |
| 01/27/2026 | 50906 | SAN DIEGO COUNTY RECORDER | RECORDERS FEE | 279.00 |
| 01/27/2026 | 50907 | SAN DIEGO COUNTY VECTOR CONTROL PROGRAM | 07/01/25 - 06/30/26 - MOSQUITO & VECTOR DISEASE CONTROL | 114.33 |
| 01/08/2026 | 50864 | SAN DIEGO GAS & ELECTRIC | 11/06/25 - 12/05/25 - ELECTRICAL SERVICES | 3,624.13 |
| 01/08/2026 | 50864 | SAN DIEGO GAS & ELECTRIC | 11/06/25 - 12/05/25 - ELECTRICAL SERVICES | 2,686.89 |
| 01/27/2026 | 50908 | SAN DIEGO GAS & ELECTRIC | ELECTRICAL SERVICES - 12/09/25 - 01/08/26 | 77.05 |
| 01/27/2026 | 50909 | SAN DIEGO UNION TRIBUNE | PUBLIC HEARING NOTICES | 982.38 |
| 01/15/2026 | 0 | SAN ELIJO JOINT POWERS AUTH | DEC 2025 - RECYCLED WATER EXPENSE | 38,320.73 |
| 01/08/2026 | 50869 | SETH GATES | GFOA CONFERENCE EXPENSE REIMBURSEMENT | 431.60 |
| 01/27/2026 | 50910 | SOLV BUSINESS SOLUTIONS | TAX FORMS | 74.04 |
| 01/29/2026 | 0 | SONSRAY MACHINERY LLC | MAINTENANCE SUPPLIES | 223.13 |
| 01/15/2026 | 50889 | STATE WATER RESOURCES CNTL BRD-DWOC | CERTIFICATION RENEWAL | 105.00 |
| 01/29/2026 | 50923 | STATE WATER RESOURCES CNTL BRD-DWOC | CERTIFICATION RENEWAL | 60.00 |
| 01/08/2026 | 50870 | SUNBELT RENTALS, INC | EQUIPMENT RENTAL | 357.01 |
| 01/08/2026 | 50870 | SUNBELT RENTALS, INC | EQUIPMENT RENTAL | 357.01 |
| 01/08/2026 | 0 | SUPERIOR BUILDING MAINTENANCE, LLC | JAN 2026 JANITORIAL SERVICE | 2,613.00 |
| 01/27/2026 | 0 | T S INDUSTRIAL SUPPLY | MAINTENANCE SUPPLIES | 54.03 |
| 01/29/2026 | 0 | T S INDUSTRIAL SUPPLY | MAINTENANCE SUPPLIES | 497.71 |
| 01/29/2026 | 50924 | TASC | FLEXIBLE SPENDING ADMIN FEES | 947.95 |
| 01/29/2026 | 50924 | TASC | FLEXIBLE SPENDING ADMIN FEES | 853.16 |
| 01/27/2026 | 0 | TERRAVERDE ENERGY LLC | NOV 2025 ENGINEERING SERVICE | 1,952.50 |
| 01/08/2026 | 0 | UNDERGROUND SERVICE ALERT OF SOUTHERN CA | JAN 2026 NEW TICKETS CHARGES | 292.87 |
| 01/15/2026 | 50888 | UNITED SITE SERVICES | PORTABLE RESTROOM RENTAL - 12/18/25 - 1/14/26 | 1,061.25 |
| 01/08/2026 | 0 | UNITED WAY OF SAN DIEGO CO | EMPLOYEE PLEDGES - #1780 (OCT 25 - DEC 25) | 21.00 |

**SANTA FE IRRIGATION DISTRICT
DISBURSEMENT LIST - JAN 2026**

| CK DATE | CK # | PAYEE | DESCRIPTION | AMOUNT |
|----------------------------|-------------|----------------------|---|-------------------|
| 01/08/2026 | 50872 | US BANK | MEETING SUPPLIES | 2,402.05 |
| 01/08/2026 | 50872 | US BANK | OTHER CONTRACT SERVICES | 1,788.18 |
| 01/08/2026 | 50872 | US BANK | VEHICLES | 64.22 |
| 01/08/2026 | 50873 | VERIZON WIRELESS | COMMUNICATIONS | 1,375.08 |
| 01/08/2026 | 50873 | VERIZON WIRELESS | COMMUNICATIONS | 236.40 |
| 01/08/2026 | 50873 | VERIZON WIRELESS | COMMUNICATIONS | 860.83 |
| 01/29/2026 | 50927 | VERIZON WIRELESS | COMMUNICATIONS | 2,334.40 |
| 01/29/2026 | 50927 | VERIZON WIRELESS | COMMUNICATIONS | 235.69 |
| 01/29/2026 | 50927 | VERIZON WIRELESS | COMMUNICATIONS | 817.62 |
| 01/29/2026 | 50930 | WOODARD & CURRAN INC | 2025 URBAN WATER MANAGEMENT PLAN - THRU 12/2025 | 8,801.25 |
| TOTAL DISBURSEMENTS | | | | 797,018.72 |
| 01/30/2026 | 0 | ABRAHAM GONZALES | HEALTH PREMIUM REIMBURSEMENT | 194.83 |
| 01/30/2026 | 0 | CAROL J. CALLEN | HEALTH PREMIUM REIMBURSEMENT | 503.50 |
| 01/30/2026 | 0 | COR SHAFFER | HEALTH PREMIUM REIMBURSEMENT | 626.00 |
| 01/30/2026 | 0 | CRAIG E SMITH | HEALTH PREMIUM REIMBURSEMENT | 1,169.00 |
| 01/30/2026 | 0 | DALIA GUTIERREZ | HEALTH PREMIUM REIMBURSEMENT | 503.50 |
| 01/30/2026 | 0 | DAMIAN GARCIA | HEALTH PREMIUM REIMBURSEMENT | 1,701.94 |
| 01/30/2026 | 0 | DANA JOHNSON | HEALTH PREMIUM REIMBURSEMENT | 800.58 |
| 01/30/2026 | 0 | DAVID DVORAK | HEALTH PREMIUM REIMBURSEMENT | 1,169.00 |
| 01/30/2026 | 0 | DAVID EDDLEMAN | HEALTH PREMIUM REIMBURSEMENT | 319.29 |
| 01/30/2026 | 0 | DONALD DVORAK | HEALTH PREMIUM REIMBURSEMENT | 1,169.00 |
| 01/30/2026 | 0 | ERIC CHRISTIANSEN | HEALTH PREMIUM REIMBURSEMENT | 1,701.94 |
| 01/30/2026 | 0 | GAYLE H MICK | HEALTH PREMIUM REIMBURSEMENT | 551.66 |
| 01/30/2026 | 0 | GUILLERMO PRECIADO | HEALTH PREMIUM REIMBURSEMENT | 1,701.94 |
| 01/30/2026 | 0 | JACK R CASEY | HEALTH PREMIUM REIMBURSEMENT | 800.58 |
| 01/30/2026 | 0 | JANICE NIEMANN | HEALTH PREMIUM REIMBURSEMENT | 503.50 |
| 01/30/2026 | 0 | JEANNE DEEVER | HEALTH PREMIUM REIMBURSEMENT | 993.61 |
| 01/30/2026 | 0 | JEFFREY EHRMAN | HEALTH PREMIUM REIMBURSEMENT | 1,701.94 |
| 01/30/2026 | 0 | JEFFREY HILL | HEALTH PREMIUM REIMBURSEMENT | 1,929.74 |
| 01/30/2026 | 0 | JOHN HENDRICKS | HEALTH PREMIUM REIMBURSEMENT | 1,182.52 |
| 01/30/2026 | 0 | JOSE LOPEZ | HEALTH PREMIUM REIMBURSEMENT | 551.66 |
| 01/30/2026 | 0 | JOSE MARTINEZ | HEALTH PREMIUM REIMBURSEMENT | 800.58 |
| 01/30/2026 | 0 | JOSEPH FERRIS | HEALTH PREMIUM REIMBURSEMENT | 1,929.74 |

**SANTA FE IRRIGATION DISTRICT
DISBURSEMENT LIST - JAN 2026**

| CK DATE | CK # | PAYEE | DESCRIPTION | AMOUNT |
|--|-------------|------------------|------------------------------|---------------------|
| 01/30/2026 | 0 | KERRI EDWARDS | HEALTH PREMIUM REIMBURSEMENT | 1,773.87 |
| 01/30/2026 | 0 | LINDA KEEHAN | HEALTH PREMIUM REIMBURSEMENT | 1,169.00 |
| 01/30/2026 | 0 | MATTHEW SPRINT | HEALTH PREMIUM REIMBURSEMENT | 2,261.12 |
| 01/30/2026 | 0 | MICHAEL BANKS | HEALTH PREMIUM REIMBURSEMENT | 1,169.00 |
| 01/30/2026 | 0 | MICHAEL HAMMACK | HEALTH PREMIUM REIMBURSEMENT | 551.66 |
| 01/30/2026 | 0 | MICHAEL J BARDIN | HEALTH PREMIUM REIMBURSEMENT | 800.58 |
| 01/30/2026 | 0 | NICOLE CLOYES | HEALTH PREMIUM REIMBURSEMENT | 503.50 |
| 01/30/2026 | 0 | PATRICIA SPRINT | HEALTH PREMIUM REIMBURSEMENT | 319.29 |
| 01/30/2026 | 0 | PATRICK NELSON | HEALTH PREMIUM REIMBURSEMENT | 319.29 |
| 01/30/2026 | 0 | PAUL DUCKWORTH | HEALTH PREMIUM REIMBURSEMENT | 1,913.79 |
| 01/30/2026 | 0 | STEVEN GRACIANO | HEALTH PREMIUM REIMBURSEMENT | 309.66 |
| TOTAL HEALTH PREMIUM REIMBURSEMENTS | | | | \$ 33,596.81 |

**SANTA FE IRRIGATION DISTRICT
JOINT FACILITIES DISBURSEMENT LIST - JAN 2026**

| CK DATE | CK # | PAYEE | DESCRIPTION | AMOUNT |
|----------------|-------------|---------------------------------|--------------------------------------|---------------|
| 01/08/2026 | | 0 ACWA / JPIA | OCT - DEC 2025 WORKERS COMPENSATION | 11,418.29 |
| 01/08/2026 | 50837 | AECOM | SAN DIEGUITO DAM SURVEILLANCE REPORT | 4,804.64 |
| 01/08/2026 | 50838 | AHRENS MECHANICAL | PROFESSIONAL ENGINEERING | 275,852.33 |
| 01/08/2026 | 50839 | AMAZON CAPITAL SERVICES | COMPUTER HARDWARE | 574.89 |
| 01/08/2026 | 50839 | AMAZON CAPITAL SERVICES | OFFICE SUPPLIES | 620.29 |
| 01/15/2026 | 50878 | AMERICAN SECURITY GROUP | GATE MAINTENANCE | 12,379.79 |
| 01/27/2026 | | 0 ANTHRACITE FILTER MEDIA CO | MAINTENANCE SUPPLIES | 18,399.94 |
| 01/08/2026 | 50840 | AT&T | COMMUNICATIONS | 1,144.98 |
| 01/29/2026 | 50916 | AT&T | COMMUNICATIONS | 812.35 |
| 01/29/2026 | | 0 BROWN & BIGELOW | UNIFORMS | 280.56 |
| 01/08/2026 | | 0 CALLTOWER INC | COMMUNICATIONS | 505.15 |
| 01/29/2026 | | 0 CALPERS | HEALTH INSURANCE | 1,713.39 |
| 01/27/2026 | 50891 | CALTROL INC | SAFETY EQUIPMENT | 3,306.69 |
| 01/08/2026 | 50841 | CANON FINANCIAL SERVICES | COPIER LEASE | 598.87 |
| 01/27/2026 | 50892 | CANON FINANCIAL SERVICES | COPIER LEASE | 678.38 |
| 01/08/2026 | 50842 | CDW GOVERNMENT INC | MAINTENANCE SUPPLIES | 100.73 |
| 01/27/2026 | | 0 CFM SAN DIEGO | LAB SUPLIES | 912.23 |
| 01/08/2026 | | 0 CHARTER COMMUNICATIONS | COMMUNICATIONS | 265.77 |
| 01/08/2026 | | 0 CHARTER COMMUNICATIONS | COMMUNICATIONS | 1,275.67 |
| 01/08/2026 | | 0 COMPLETE OFFICE | OFFICE SUPPLIES | 1,354.80 |
| 01/29/2026 | | 0 CONTROLLED ENTRY SPECIALISTS | GATE MAINTENANCE | 210.00 |
| 01/08/2026 | 50843 | COUNTY OF SAN DIEGO - APCD | YEARLY DISTRICT FEES | 753.00 |
| 01/29/2026 | 50917 | D & H WATER SYSTEMS | EQUIPMENT SERVICE | 10,059.72 |
| 01/08/2026 | 50845 | DAVIS FARR LLP | AUDIT SERVICE | 1,583.33 |
| 01/27/2026 | 50893 | DIAMOND ENVIRONMENTAL SERVICES | SEPTIC PUMPING | 780.00 |
| 01/08/2026 | 50846 | DIRECTV | COMMUNICATIONS | 292.23 |
| 01/27/2026 | 50894 | DISCOUNT TIRE | TIRES | 295.75 |
| 01/08/2026 | 50847 | DIXIELINE LUMBER | MAINTENANCE SUPPLIES | 108.73 |
| 01/15/2026 | | 0 DUDEK | NOV 2025 ENGINEERING SERVICE | 4,645.00 |
| 01/08/2026 | 50848 | EDCO WASTE & RECYCLING SERVICE | DEC 25 - TRASH SERVICES | 225.36 |
| 01/27/2026 | 50895 | EDCO WASTE & RECYCLING SERVICE | DEC 25 - TRASH SERVICE | 596.12 |
| 01/27/2026 | 50896 | EIP HOLDINGS II, LLC | JAN 2026 BLACK MOUNTAIN RENTAL | 459.00 |
| 01/15/2026 | 50880 | EUROFINS EATON ANALYTICAL INC | LAB ANALYSIS | 521.43 |
| 01/27/2026 | 50897 | EUROFINS EATON ANALYTICAL INC | LAB ANALYSIS | 3,535.77 |
| 01/15/2026 | | 0 EVOQUA WATER TECHNOLOGIES LLC | QUARTERLY SERVICE | 27.00 |
| 01/29/2026 | | 0 EVOQUA WATER TECHNOLOGIES LLC | QUARTERLY SERVICE | 663.00 |
| 01/08/2026 | 50849 | FEDEX | DELIVERY SERVICE | 173.35 |
| 01/08/2026 | 50849 | FEDEX | DELIVERY SERVICE | 924.51 |
| 01/27/2026 | 50898 | FEDEX | DELIVERY SERVICE | 449.22 |

**SANTA FE IRRIGATION DISTRICT
JOINT FACILITIES DISBURSEMENT LIST - JAN 2026**

| CK DATE | CK # | PAYEE | DESCRIPTION | AMOUNT |
|----------------|-------------|--------------------------------|---|---------------|
| 01/29/2026 | 50918 | FEDEX | DELIVERY SERVICE | 398.87 |
| 01/08/2026 | 50850 | FIREHAWK CORPORATION | SAFETY EQUIPMENT | 580.43 |
| 01/08/2026 | 0 | FISHER SCIENTIFIC COMPANY, LLC | LAB SUPPLIES | 1,378.39 |
| 01/15/2026 | 0 | FISHER SCIENTIFIC COMPANY, LLC | LAB SUPPLIES | 464.97 |
| 01/27/2026 | 0 | FISHER SCIENTIFIC COMPANY, LLC | LAB SUPPLIES | 581.69 |
| 01/27/2026 | 0 | FISHER SCIENTIFIC COMPANY, LLC | LAB SUPPLIES | 445.01 |
| 01/29/2026 | 0 | FISHER SCIENTIFIC COMPANY, LLC | LAB SUPPLIES | 318.44 |
| 01/27/2026 | 0 | GRAINGER | MAINTENANCE SUPPLIES | 480.17 |
| 01/29/2026 | 0 | GRAINGER | MAINTENANCE SUPPLIES | 215.13 |
| 01/08/2026 | 50851 | HACH COMPANY | LAB SUPPLIES | 4,147.00 |
| 01/08/2026 | 50851 | HACH COMPANY | LAB SUPPLIES | 475.07 |
| 01/29/2026 | 0 | HOCH CONSULTING | OCT 2025 ENGINEERING SERVICE | 27,290.00 |
| 01/08/2026 | 50853 | HOME DEPOT CREDIT SERVICES | MAINTENANCE SUPPLIES | 539.34 |
| 01/08/2026 | 0 | INTERNATIONAL DIOXCIDE INC | TECHNICAL SERVICE | 2,400.00 |
| 01/15/2026 | 50882 | KLEINFELDER | C2451 SAN DIEGUITO DAM LEAK - THRU 11/30/25 | 481.79 |
| 01/08/2026 | 50855 | LESLIE MONDRAGON - PETTY CASH | EMPLOYEE RECOGNITION EXPENSE REIMBURSEMENT | 61.84 |
| 01/08/2026 | 50855 | LESLIE MONDRAGON - PETTY CASH | MILEAGE REIMBURSEMENT | 26.18 |
| 01/27/2026 | 0 | LINDE GAS & EQUIPMENT INC | CYLINDER RENTAL | 139.99 |
| 01/29/2026 | 0 | MALLORY SAFETY & SUPPLY LLC | SAFTEY SUPPLIES | 2,386.77 |
| 01/08/2026 | 50856 | MARCO MARTINEZ | EMPLOYEE RECOGNITION EXPENSE REIMBURSEMENT | 51.75 |
| 01/15/2026 | 50883 | MCMaster-CARR SUPPLY CO | MAINTENANCE SUPPLIES | 489.64 |
| 01/27/2026 | 50900 | MCMaster-CARR SUPPLY CO | MAINTENANCE SUPPLIES | 116.13 |
| 01/27/2026 | 50900 | MCMaster-CARR SUPPLY CO | MAINTENANCE SUPPLIES | 15.78 |
| 01/29/2026 | 50919 | MCMaster-CARR SUPPLY CO | MAINTENANCE SUPPLIES | 550.40 |
| 01/08/2026 | 0 | MISSION LINEN & UNIFORM SVC | DEC 2025 RENTALS | 377.07 |
| 01/27/2026 | 50901 | MOTIVE ENERGY STORAGE SYSTEMS | C2450 CLEARWELL SOLAR-8/30/25-11/29/25 | 695,951.00 |
| 01/27/2026 | 0 | PACIFIC SAFETY CENTER | SAFETY TRAINING | 460.00 |
| 01/27/2026 | 0 | PAYNE PEST MANAGEMENT | DEC 2025 - PEST CONTROL | 266.00 |
| 01/27/2026 | 0 | PORTOLA SYSTEMS | COMPUTER SOFTWARE | 63,662.42 |
| 01/27/2026 | 0 | PORTOLA SYSTEMS | COMPUTER SOFTWARE | 61,206.19 |
| 01/29/2026 | 0 | PRECISION MOBILE DETAILING | VEHICLE CLEANING - JAN 2026 | 334.56 |
| 01/29/2026 | 0 | RAIN FOR RENT | PUMP & GENERATOR RENTAL - 12/10/25 - 01/06/26 | 8,967.19 |
| 01/29/2026 | 50921 | RANCHO SANTA FE FIRE PROT DIST | FUEL & FACILITIES MAINTENANCE - 12/01/25 - 12/31/25 | 727.42 |
| 01/27/2026 | 0 | RANCHO SANTA FE SECURITY SYS | JAN 2026 SECURITY SERVICE | 700.00 |
| 01/29/2026 | 0 | READY LINE FLEET SERVICE | FLEET# 32 - 90 DAY INSPECTION | 440.00 |
| 01/27/2026 | 50905 | REPUBLIC SERVICES | Dewatered Solids 20 Yd. Container Trucking and DEC 25 | 10,845.31 |
| 01/08/2026 | 50863 | ROBERT HALF | TAMMY NILSEN - PART TIME - WEEKENDING 12/26/25 | 259.10 |
| 01/29/2026 | 0 | ROBERT HALF | TAMMY NILSEN - PART TIME - WEEK-ENDING - 12/12/25 | 777.30 |
| 01/08/2026 | 50864 | SAN DIEGO GAS & ELECTRIC | 11/06/25 - 12/05/25 - ELECTRICAL SERVICES | 1,272.35 |

**SANTA FE IRRIGATION DISTRICT
JOINT FACILITIES DISBURSEMENT LIST - JAN 2026**

| CK DATE | CK # | PAYEE | DESCRIPTION | AMOUNT |
|----------------|-------------|------------------------------------|--|---------------|
| 01/08/2026 | 50864 | SAN DIEGO GAS & ELECTRIC | 11/06/25 - 12/05/25 - ELECTRICAL SERVICES | 131.30 |
| 01/08/2026 | 50865 | SAN DIEGO GAS & ELECTRIC | 11/12/25 - 12/11/25 - ELECTRICAL SERVICES | 21,005.51 |
| 01/15/2026 | 50886 | SAN DIEGO GAS & ELECTRIC | DEC 2025 COGENERATION FACILITIES CHARGES | 117.94 |
| 01/27/2026 | 50908 | SAN DIEGO GAS & ELECTRIC | 12/01/25 - 12/31/25 ELECTRICAL SERVICES | 14,826.64 |
| 01/27/2026 | 50908 | SAN DIEGO GAS & ELECTRIC | 12/06/25 - 01/07/26 ELECTRICAL SERVICES | 17,861.59 |
| 01/29/2026 | 50922 | SAN DIEGO GAS & ELECTRIC | 12/12/25 - 01/13/26 - ELECTRICAL SERVICES | 20,804.92 |
| 01/08/2026 | 50866 | SAN DIEGO MECHANICAL ENERGY | HVAC SERVICE | 720.00 |
| 01/08/2026 | 50867 | SAN DIEGO UNION TRIBUNE | NOV 2025 BID POSTING | 5,434.94 |
| 01/08/2026 | 50868 | SANTA FE IRRIGATION DISTRICT | FY2025-26 2ND QTR ALLOCATION OF EXPENSES TO REB | 44,753.00 |
| 01/15/2026 | 0 | SMART GUARDIAN SECURITY, INC | OCT 2025 SDR SECURITY SERVICE | 8,928.00 |
| 01/27/2026 | 0 | SMART GUARDIAN SECURITY, INC | DEC 2025 SDR SECURITY SERVICE | 8,928.00 |
| 01/15/2026 | 50887 | SPOK INC | MESSAGING SERVICES - DEC 2025 | 92.39 |
| 01/08/2026 | 0 | SUPERIOR BUILDING MAINTENANCE, LLC | JAN 2026 JANITORIAL SERVICES | 1,169.00 |
| 01/29/2026 | 50924 | TASC | FLEXIBLE SPENDING ADMIN FEES | 94.80 |
| 01/29/2026 | 50924 | TASC | FLEXIBLE SPENDING ADMIN FEES | 568.77 |
| 01/27/2026 | 0 | TERRAVERDE ENERGY LLC | C2450 ENGINEERING SERVICE THRU 12/01/25 - 12/31/25 | 2,730.00 |
| 01/27/2026 | 0 | TFORCE LOGISTICS | DELIVERY SERVICE | 327.61 |
| 01/29/2026 | 50925 | TRUSSELL TECHNOLOGIES INC. | ENGINEERING SERVICES THRU 12/01/25 - 12/31/25 | 4,202.50 |
| 01/08/2026 | 50871 | UNITED SITE SERVICES | PORTABLE RESTROOM SERVICES - 12/12/25 - 01/08/26 | 1,209.54 |
| 01/29/2026 | 50926 | UNITED SITE SERVICES | PORTABLE RESTROOM SERVICES - 01/09/26 - 02/05/26 | 832.62 |
| 01/08/2026 | 50872 | US BANK | EMPLOYEE RECOGNITION | 1,743.31 |
| 01/08/2026 | 50872 | US BANK | TRAINING | 601.93 |
| 01/08/2026 | 50873 | VERIZON WIRELESS | COMMUNICATIONS | 3,984.12 |
| 01/29/2026 | 50927 | VERIZON WIRELESS | COMMUNICATIONS | 429.96 |
| 01/08/2026 | 0 | VISTA FENCE CO INC. | SDR FENCE REPLACEMENT | 41,418.00 |
| 01/08/2026 | 50874 | VWR INTERNATIONAL | LAB SUPPLIES | 267.55 |
| 01/27/2026 | 50911 | VWR INTERNATIONAL | LAB SUPPLIES | 3,333.73 |
| 01/29/2026 | 50928 | VWR INTERNATIONAL | LAB SUPPLIES | 625.41 |
| 01/08/2026 | 50875 | WASTE MGMT CORP | DEC 2025 - TRASH SERVICES | 1,930.70 |
| 01/27/2026 | 0 | WELLINGTON LABORATORIES LLC | LAB SUPPLIES | 1,175.00 |
| 01/29/2026 | 0 | WELLINGTON LABORATORIES LLC | LAB SUPPLIES | 1,675.00 |
| 01/29/2026 | 50929 | WESTAIR GASES & EQUIPMENT INC | CYLINDER RENTAL | 302.83 |

TOTAL JOINT FACILITIES DISBURSEMENTS \$ 1,465,809.56

| | | | | |
|------------|---|----------------|------------------------------|--------|
| 01/30/2026 | 0 | COR SHAFFER | HEALTH PREMIUM REIMBURSEMENT | 626.00 |
| 01/30/2026 | 0 | EUGENIA NEWLIN | HEALTH PREMIUM REIMBURSEMENT | 194.83 |
| 01/30/2026 | 0 | FRED GUSE | HEALTH PREMIUM REIMBURSEMENT | 800.58 |

**SANTA FE IRRIGATION DISTRICT
 JOINT FACILITIES DISBURSEMENT LIST - JAN 2026**

| CK DATE | CK # | PAYEE | DESCRIPTION | AMOUNT |
|--|-------------|-------------------|------------------------------|---------------------|
| 01/30/2026 | 0 | HARRY K BUCKLEY | HEALTH PREMIUM REIMBURSEMENT | 1,737.34 |
| 01/30/2026 | 0 | JAMES GINGRICH | HEALTH PREMIUM REIMBURSEMENT | 2,701.52 |
| 01/30/2026 | 0 | JANET RYAN | HEALTH PREMIUM REIMBURSEMENT | 503.50 |
| 01/30/2026 | 0 | MARILYN BILLINGS | HEALTH PREMIUM REIMBURSEMENT | 319.29 |
| 01/30/2026 | 0 | MICHAEL G ANDREWS | HEALTH PREMIUM REIMBURSEMENT | 1,773.87 |
| 01/30/2026 | 0 | ROGER SUTOR | HEALTH PREMIUM REIMBURSEMENT | 1,169.00 |
| 01/30/2026 | 0 | TIMOTHY TIMMONS | HEALTH PREMIUM REIMBURSEMENT | 1,169.00 |
| 01/30/2026 | 0 | TOMMY BOOKER | HEALTH PREMIUM REIMBURSEMENT | 2,102.99 |
| TOTAL HEALTH PREMIUM REIMBURSEMENTS | | | | \$ 13,097.92 |

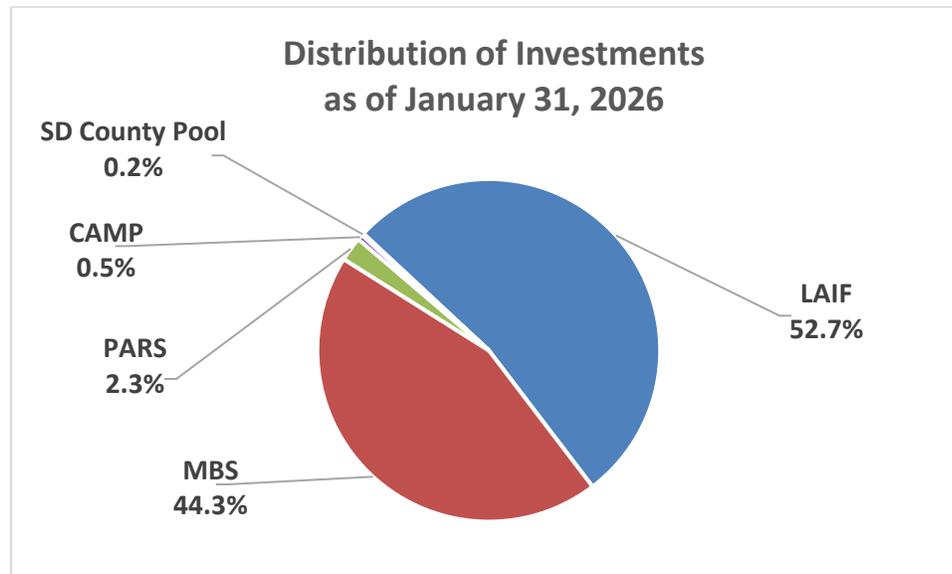
Investment Transaction Report for January 2026

The following is a list of the month's investment activity

| Security/Investment Pool | Settlement Date | Activity | Yield to Maturity | Maturity Date | Principal Amount |
|--------------------------|-----------------|-------------|-------------------|---------------|------------------|
| LAIF | 1/15/26 | \$500,000 | | | \$500,000 |
| LAIF | 1/27/26 | \$1,650,000 | | | \$1,650,000 |
| Cash on Hand | 1/31/26 | (\$982,866) | | | (\$982,866) |
| | | | | | |
| | | | | | |
| Net Activity | | | | | \$1,167,134 |

Investment Funds*

| | <u>As of 12/31/25</u> | <u>As of 1/31/26</u> |
|--|-----------------------|----------------------|
| Local Agency Investment Fund (LAIF) | \$25,831,546 | \$28,033,325 |
| Multi-Bank Securities (MBS) | 23,772,714 | 23,628,728 |
| Public Agency Retirement Services (PARS) | 1,242,272 | 1,245,201 |
| California Asset Management Program (CAMP) | 264,097 | 264,958 |
| San Diego County Treasurer's Pool | 109,334 | 109,730 |
| Cash on Hand | 1,207,107 | 224,241 |
| Total | \$52,409,070 | \$53,506,183 |



*May include accrued interest not available currently for withdrawal – based on book value

*Please see attached list of MBS Holdings

Multi-Bank Securities

January 31, 2026

| Issuer | Product Type | Settle | Maturity | Rate | MarketValuation | CUSIP |
|----------------------|---------------------|---------------|-----------------|-------------|------------------------|--------------|
| UNITED STATES TREAS | Treasury | 9/26/2024 | 9/15/2026 | 4.63% | \$1,820,660.90 | 91282CHY0 |
| AXOS BK SAN DIEGO | DTC CD | 10/2/2024 | 10/2/2026 | 3.75% | \$248,950.20 | 05465DBT4 |
| ALL IN FED CR UN | DTC CD | 10/4/2024 | 10/5/2026 | 3.70% | \$248,843.13 | 01664MAM8 |
| ALLY BK SANDY UTAH | DTC CD | 10/3/2024 | 10/5/2026 | 3.70% | \$244,884.85 | 02007G3U5 |
| UNIVERSITY ILL CMNTY | DTC CD | 10/4/2024 | 10/5/2026 | 3.75% | \$248,925.30 | 914359AC8 |
| UNITED STATES TREAS | Treasury | 9/26/2024 | 3/15/2027 | 4.25% | \$1,833,304.20 | 91282CKE0 |
| TEXAS EXCHANGE BK | DTC CD | 9/27/2024 | 3/26/2027 | 3.65% | \$248,571.72 | 88241TTB6 |
| BANKERS BK WEST | DTC CD | 10/7/2024 | 7/7/2027 | 3.65% | \$248,484.57 | 06610TFL4 |
| CONNEXUS CR UN | DTC CD | 9/3/2025 | 9/3/2027 | 4.00% | \$243,724.14 | 20825WEK2 |
| BNY MELLON N A INSTL | DTC CD | 9/27/2024 | 9/27/2027 | 3.45% | \$243,601.05 | 05584CRS7 |
| MERRICK BK SOUTH | DTC CD | 9/30/2024 | 9/30/2027 | 3.60% | \$248,215.65 | 59013KR32 |
| UNITED STATES TREAS | Treasury | 9/26/2024 | 9/30/2027 | 4.13% | \$1,789,664.42 | 91282CFM8 |
| LUANA SVGS BK IOWA | DTC CD | 8/13/2025 | 8/14/2028 | 3.70% | \$244,240.50 | 549104L39 |
| MORGAN STANLEY BK N | DTC CD | 8/13/2025 | 8/14/2028 | 3.85% | \$245,117.60 | 61778ECY5 |
| SALLIE MAE BK SALT | DTC CD | 8/13/2025 | 8/14/2028 | 3.85% | \$245,117.60 | 795451EA7 |
| VALLEY NATL BK | DTC CD | 8/12/2025 | 8/14/2028 | 3.75% | \$244,532.05 | 919853RB9 |
| BMW BK NORTH AMER | DTC CD | 8/15/2025 | 8/15/2028 | 3.85% | \$245,068.60 | 05612LFN7 |
| IDABEL NATL BK OKLA | DTC CD | 8/15/2025 | 8/15/2028 | 3.70% | \$248,253.00 | 451088BZ0 |
| MALAGA BK FSB PALOS | DTC CD | 8/15/2025 | 8/15/2028 | 3.75% | \$248,554.29 | 56102ACA2 |
| MILESTONE BK SALT | DTC CD | 8/15/2025 | 8/15/2028 | 3.75% | \$244,485.50 | 59934MDT2 |
| FIRST PREMIER BK | DTC CD | 8/20/2025 | 8/21/2028 | 3.75% | \$244,527.15 | 33610RWU3 |
| GOLDMAN SACHS BK USA | DTC CD | 8/19/2025 | 8/21/2028 | 3.80% | \$244,821.15 | 38150V4Q9 |
| HOPE FED CR UN | DTC CD | 8/21/2025 | 8/21/2028 | 3.85% | \$245,068.60 | 43942MAN2 |
| INSTITUTION FOR SVGS | DTC CD | 8/25/2025 | 8/25/2028 | 3.70% | \$248,245.53 | 45780PDA0 |
| UNITED STATES TREAS | Treasury | 11/25/2024 | 10/31/2029 | 4.13% | \$7,808,247.00 | 91282CLR0 |
| BANK MONTREAL | Corporate | 10/15/2025 | 10/15/2030 | 4.30% | \$4,510,254.00 | 06376FEC9 |
| ROYAL BK CDA GLOBAL | Corporate | 10/17/2025 | 10/17/2030 | 4.25% | \$694,365.00 | 78014RM31 |

\$23,628,727.70



The mission of Santa Fe Irrigation District is to meet the water supply needs of all its customers — safely, sustainably, reliably, and cost-effectively.

BOARD REPORT

TO: Board of Directors

FROM: Albert C. Lau, General Manager

INITIATED BY: Marissa Potter, Director of Engineering Services

DATE: February 19, 2026

SUBJECT: Approval of an Encroachment Agreement for 117 Plaza Street, Solana Beach (APN 298-010-45-00; Pillbox Tavern)

Strategic Focus Area:

Goal 2: Customer Service Focus and Communication

Recommendation:

It is the Staff recommendation that Board of Directors:

1. Approve an Encroachment Permit across District Public Water Infrastructure for Pillbox Tavern’s (APN 298-010-45-00) proposed outdoor dining deck (Deck); and
2. Discuss and take other action as appropriate.

Alternatives:

Not allow encroachment agreement and provide directions to staff.

Discussion:

On November 12, 2025, Santa Fe Irrigation District (District) received a Dig-Alert ticket for 117 Plaza Street (Pillbox Tavern) located in the City of Solana Beach (City). During the onsite mark out of District facilities, District staff was informed, by the Contractor, that the Owner of Pillbox Tavern (Owner) was proposing an outdoor dining deck structure (Deck), within the park lot, as shown in Attachment A. District staff received no prior notification of the proposed development; however, based on field



discussions, the Pillbox Tavern received approval to construct within the right-of-way by the City. The District has a 10-inch PVC water main and four water laterals and services within the area of the proposed Deck. Once the pipeline and services were field identified, the District staff reached out to the City and property Owner to limit construction due to the potential impact to the critical infrastructure.

In December 2025, the engineer of work, for the proposed Deck, submitted plan check fees and final plans to the District. However, the Owner proceeded to construct the Deck without additional follow up with District staff or the City. The City assisted the District by halting construction until the Owner received an encroachment permit for the construction across and near the existing infrastructure. In late December 2025/January 2026, the District received the deposit for the District Encroachment Permit, the requested property title report for APN 298-010-45-00 and other appurtenant documents.

With the locations of the existing encroachments identified, District staff reviewed the existing encroachments and have determined that the depths and locations of the existing encroachments will not adversely impact the District’s water services during normal operation but may impact the District’s ability to quickly perform maintenance or emergency repairs. Therefore, in the draft District Encroachment Permit, District staff have included, in the encroachment permit the necessary indemnification for damage that may have occurred during construction and the prompt removal of the Deck encroachment, if and when the District is in need of access to the water facilities in the case of emergency or maintenance, at no cost to the District.

The Owner will be required to provide a legal description and survey exhibit of the metes and bounds of the Deck encroachment, sign and notarize the District Encroachment Permit documents, and pay any outstanding fees, prior to recordation. The draft District Encroachment Permit has been reviewed by General Counsel and is included as Attachment B.

District staff recommends the Water Resources Committee recommend the Board of Directors grant the Owner of 117 Plaza Drive, Solana Beach (APN 298-010-45-00) a District Encroachment Permit for the Pillbox Tavern Deck encroachment.

Committee Action:

The Water Resources Committee reviewed this item at its February 5, 2026, meeting, concurred with staff's recommendations, and directed staff to move the item forward for full Board consideration at their regular February meeting as a Consent item.

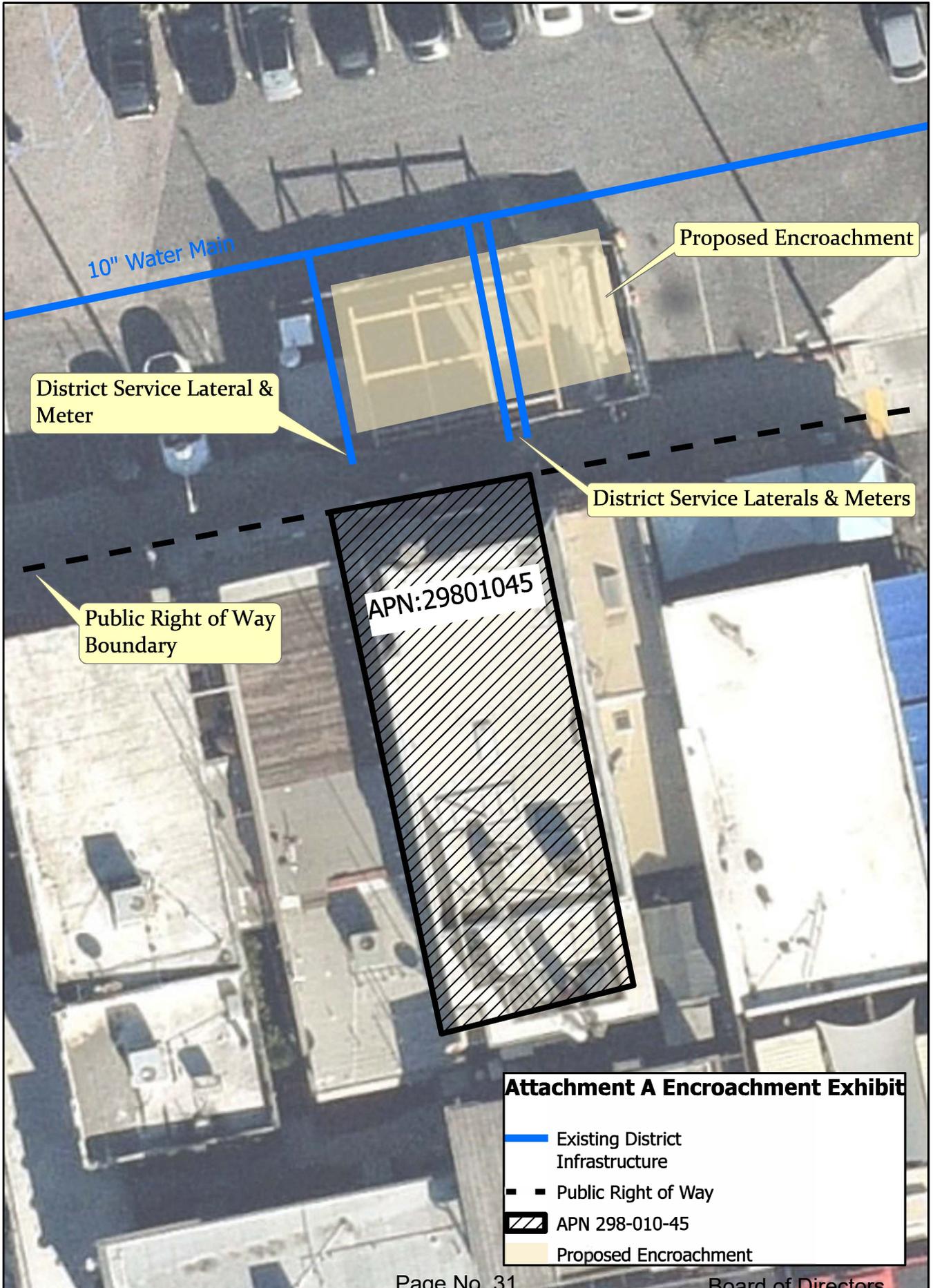
Fiscal Impact:

In accordance with the Administrative Code, the property owner deposited \$2,698 for costs associated with the plan check and the encroachment permit. All District reviews and coordination are on a time and material basis. Any costs over those collected will be reconciled and total fees will be collected prior to recordation of the encroachment permit.

Attachment A: Encroachment Exhibit

Attachment B: Draft District Encroachment Permit

Encroachment Exhibit



ATTACHMENT B

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

Santa Fe Irrigation District
Post Office Box 409
Rancho Santa Fe, CA 92067

DOCUMENTARY TRANSFER TAX: \$0
INITIALS _____
THIS DOCUMENT BEING RECORDED
FOR THE BENEFIT OF A PUBLIC AGENCY
(PER GOV. CODE, § 6109)

APN: 298-010-45-00

ENCROACHMENT PERMIT

This Encroachment Permit (“Permit”) is entered on _____, 2026, by and between the Santa Fe Irrigation District (“SFID”), a public agency in the State of California, and Grant L. Fletcher, Trustee of the JKC Trust dated August 25, 2008 (“Permittees”).

RECITALS

A. Permittees are the Owners of real property, described as:

The North 70 feet of Lot 7 in Block 16 of Solana Beach, in the City of Solana Beach, County of San Diego, State of California, according to Map thereof No. 1749, filed in the Office of the County Recorder of San Diego County, March 5, 1923, (APN 298-010-45-00), commonly known as 117 Plaza Street, City of Solana Beach (“Property”).

B. A public right-of-way fronts the Property to the north (“Right-of-Way”).

C. Pursuant to its statutory franchise rights under Water Code section 22431, SFID owns and maintains certain facilities within the Right-of-Way, including, but not limited to, three (3) 1-inch public water laterals, three (3) 0.75-inch public water meters, a 10-inch water main pipe, fittings, and appurtenances.

D. Permittees desire that SFID allow improvements on and within the Right-of-Way. The improvements requested by Permittees are referred to as “Encroachments,” and are described herein and located as shown in **Exhibit A**, attached hereto and incorporated herein.

AGREEMENT

SFID consents to allowing Permittees to encroach into and upon the Right-of-Way solely as described under the terms of this Permit and subject to the following conditions:

1. **Description of Encroachments.** Permittees will comply with the plans attached hereto as **Exhibits __, __, and __**, any special provisions which may be attached to this Permit, and all SFID resolutions, standards, and specifications, including, but not limited to, those set forth in SFID's Administrative Code. Permittees' use will not exceed the Encroachments described in this Permit or otherwise impact SFID's use of the Right-of-Way. Permittees will protect any appurtenant facilities to the Right-of-Way, including, but not limited to, water service pipelines, meter boxes, and valves. Any Encroachments exceeding those described in this Permit are contrary to the terms of this Permit and will constitute a default, entitling SFID to terminate this Permit at SFID's sole and exclusive discretion. Permittee will provide at least 48 hours' notice to SFID prior to commencing any work on the Encroachments, and coordinate in good faith with SFID so that SFID can attend the work as it is conducted. If Permittees fail to notify SFID as provided herein, SFID may terminate this Permit.
2. **Termination.** This Permit shall be valid from the date of full execution. All conditions shall remain in effect for the duration of the Permit, except the hold harmless/indemnity provisions, which shall survive expiration of this Permit. SFID may terminate this Permit at any time in its sole and exclusive discretion by written notice of termination given ten (10) days prior to the date of termination.
3. **Removal of Improvements.** All costs associated with clearing the Right-of-Way either at the inception or termination of this Permit, including paving, fencing, or walls, if any, shall be the sole responsibility and cost of Permittees. Upon termination, Permittees shall immediately remove all Encroachments and otherwise restore the premises or structures to a condition satisfactory to SFID within 30 days of termination. Should Permittees fail to restore the premises or structures, SFID may make repairs or have said repairs made, and Permittees will be invoiced and shall reimburse SFID upon receipt of said invoice for all costs incurred.
4. **Hold Harmless/Indemnity.** SFID shall not be held liable for any damage to Permittees' property, SFID property, or third-party properties that may result from the installation, maintenance, or use of the Encroachments permitted by this Permit. Any and all damages are the responsibility of Permittees. Permittees shall indemnify, defend, and hold harmless SFID, its officers, Directors, employees, and agents ("Indemnitees") from any and all losses, costs, attorneys' fees, expenses, claims, liabilities, actions, or damages, including liability for injuries to any persons or damage to property arising at any time during and/or arising out of or in any way connected with Permittees' activities under the terms of this Permit, unless solely caused by the gross negligence or willful misconduct of SFID, its officers, Directors, employees, or agents. As an express and material term of SFID's issuance of this Permit, Permittees agree to defend, at their sole expense and with counsel of SFID's choosing, the Indemnitees from and against any and all claims and actions arising out of or related to the Encroachments and/or this Permit. Permittees' duty to defend shall apply immediately upon demand from the Indemnitees for any injury or death to persons or damage to property occasioned by reason of or arising out of the acts or omissions of Indemnitees and/or the acts or omissions of Permittees, their agents, employees, contractors, subcontractors, tenants, and/or any other person or entity

performing work authorized by this Permit. SFID shall not be responsible for monitoring the Permittees' compliance with any laws or regulations. If the Permittees perform any work contrary to laws or regulations, the Permittees shall bear all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such work.

5. **Costs and Damages.** Permittees shall reimburse SFID for all costs incurred and damages suffered by SFID by reason of Permittees' encroachment upon, and use of, the Right-of-Way.
6. **Covenant Running with the Land.** Permittees' duties and obligations are a covenant running with Permittees' land and shall be binding upon and inure to the benefit of successors in interest of the respective parties.
7. **Maintenance.** The Encroachments, including but not limited to paving or other surfacing materials installed across the Right-of-Way, shall be maintained in a safe and sanitary condition at the sole cost, risk, and responsibility of Permittees. The parties acknowledge that from time to time, SFID may need to excavate and perform work within the Right-of-Way. Any replacement or repair of damage to the Encroachments, including, but not limited to, paving or other surfacing materials in the Right-of-Way, caused by either Permittees' or SFID's operations, excavation, repair, maintenance, or construction requirements, and/or SFID's exercise of its rights, shall be the sole responsibility of the Permittees and at the sole cost and expense of the Permittees.
8. **No Waiver.** Any failure by SFID to strictly enforce any one or more terms of this Permit shall not constitute a waiver of SFID's right to enforce such terms in the future.
9. **Amendment.** This Permit may only be amended in writing and if executed by both parties.
10. **Notice.** Notices under this Permit shall be given by first class mail, to the following:

SFID:

Santa Fe Irrigation District
Post Office Box 409
Rancho Santa Fe, CA 92067
Attn.: Marissa Potter, Director of
Engineering Services

Permittees:

Grant L. Fletcher
601 West Circle Drive
Solana Beach, CA 92075

Written notice under this Permit shall be deemed delivered three (3) days after mailing.

11. **Effect of Invalid Section.** If any section or part of this Permit is determined to be unenforceable or invalid, that section or part shall be stricken from this Permit and the remainder may be enforced according to its terms.

12. **Entire Agreement** This Permit constitutes the entire agreement between the parties and supersedes any prior or contemporaneous agreements, oral or written, regarding the subject matter contained in this Permit.
13. **Assignment.** Permittees may not assign this Permit without the written consent of SFID.
14. **Attorney Fees.** In the event of any controversy, claim or dispute arising out of or relating to this Permit or the violation of any covenant contained herein, the prevailing party shall be entitled to receive from the losing party reasonable expenses, including attorneys' fees and costs.
15. **Additional Conditions.** SFID or its designated representative may, either at the time of the issuance of this Permit or at any time thereafter, prescribe such additional conditions as it may deem necessary for the protection of the public property or for the prevention of undue interference with traffic or to assure public safety.

IN WITNESS WHEREOF, the parties hereto have executed this Encroachment Permit on this _____, day of _____, 2026.

SANTA FE IRRIGATION DISTRICT

PERMITTEES

Signature

Albert C. Lau, General Manager

Signature

Grant L. Fletcher

Print Name

Print Name

Date

Date

(ALL SIGNATURES TO BE NOTARIZED)



The mission of Santa Fe Irrigation District is to meet the water supply needs of all its customers — safely, sustainably, reliably, and cost-effectively.

BOARD REPORT

TO: Board of Directors

FROM: Albert C. Lau, P. E.

INITIATED BY: Chris Bozir, Director of Distribution Services

DATE: February 19, 2026

SUBJECT: Authorize the General Manager to Execute a Purchase Order for the Replacement of (1) Light Duty Work Truck

Strategic Focus Area:

GOAL 3. Cost-Effective. Resilient and Reliable Infrastructure and Operations

Recommendation:

It is the Staff recommendation that the Board of Directors:

1. Authorize the General Manager to execute a purchase order for one (1) F150-Lightning Extended Range, ZEV work truck.



Alternatives:

Take other actions as appropriate.

Background:

CARB's Advanced Clean Fleets (ACF) Regulation requires State & Local Government Agencies to purchase zero-emissions medium and heavy-duty vehicles as part of their new vehicle purchases, phasing out traditional combustion vehicles. To prepare the District for compliance with the new ACF Regulation and ensure operational resiliency, the District thoroughly evaluated the District's Fleet and developed a procurement road map to meet the evolving regulations.

Based on the evaluation of the current fleet, ACF regulation requirements and to maintain cost effective resilient operations, the Board of Directors approved the purchase of two additional medium duty emergency response trucks at its October 19, 2023, meeting. This was prior to January 1, 2024, the effective date of the ACF regulation. Replacement of the District's most critical utility crew trucks also occurred prior to the effective regulation. In addition, to these most recent investments, a proactive fleet replacement program has positioned SFID in a resilient and reliable operational posture.

CARB's requirements are being challenged by public utilities across the state citing concerns with operational reliability, emergency response, charging infrastructure and cost implications. Requests for increased flexibility and exemptions for fleets have been heard by CARB.

CARB'S Advanced Clean Fleets Regulation (ACF)

Effective January 1, 2024, public agencies had two implementation options to add ZEVs to their fleets, which applies to Class 2b and above, medium and heavy-duty vehicles having a gross vehicle weight rating (GVWR) greater than 8,500 pounds.

- Compliance Option 1(Default Option): After January 1, 2024, 50% of the total number of medium and heavy-duty vehicle additions or replacements to the fleet in each calendar year must be ZEVs. After January 1, 2027, 100% of all new vehicles purchased must be ZEVs. **UPDATE: CARB recently extended the 100% purchase requirement to 2030, in response to AB 1594.**
- Compliance Option 2: Milestone Option establishes a commitment to convert fleet by target dates specified by the Air Resources Board. Requires early replacement of fleets with ZEV's targeting a specific percentage based on vehicle size and model year.

The District is currently subject to the default compliance option, which requires 50% of new fleet purchases and replacements, specifically medium and heavy-duty vehicles, be ZEV's. Recent amendments by CARB, in response to AB 1594, extended the 50% ZEV purchase requirement by three (3) years, delaying the 100% ZEV purchase requirement to 2030. Complete amendments are expected to be effective before January 2027.

Discussion:

SFID's approach to compliance with CARB'S Advanced Clean Fleets Regulation (ACF)

Staff's goal has been to make the most informed decisions to comply with the regulations while maintaining operational resiliency, flexibility and fiscal responsibility to the rate payers.

To prepare the District for compliance with the new Advanced Clean Fleets (ACF) Regulation and to maintain operational resiliency, the District entered into a consulting services agreement with TerraVerde Energy (TerraVerde) in 2023 to evaluate the District's Fleet and develop a procurement road map to meet the ACF regulation. TerraVerde is Association of California Water Agencies' (ACWA) Preferred Provider for fleet electrification consulting services.

Previous investments in the District's Fleet provide fewer upcoming replacements in the forceable future. As the State requires fleets to replace medium and heavy-duty trucks with electric fleets, charging infrastructure would be needed at the District Facilities to support operations and maintenance. The facility needs assessment report will provide several options to implement this infrastructure. Charging infrastructure will be a significant investment for the District, when the time presents itself. When the installation of this equipment is necessary staff should pursue available incentives that may be available at the time of installation.

It is anticipated that charging infrastructure to support operations and ZEV fleet requirements should be implemented no later than 2034. The District has continued to evaluate fleet needs, cost and potential efficiencies of ZEV's when replacing the light duty units. Currently, light duty units are not subject to the Advance Clean Fleet Rule. The implementation of light duty EV's may require charging infrastructure to be installed sooner, this will be evaluated.

As required under the regulation, staff submitted the District's first compliance report in March 2024. The report includes a comprehensive list of the existing medium and heavy-duty fleet owned and operated by the District and Joint Facilities.

SFID Fleet Update

As mentioned, the Board's investments in regular replacement of fleet and equipment support SFID's operational resiliency and efficiencies. The next medium/heavy duty procurement was approved for this fiscal budget year (FY26), an additional Class-5 dump truck for the District Fleet. Following this procurement the next medium/heavy fleet purchase is anticipated to be budgeted in FY29, this may change as needs continue to be evaluated.

The FY26 CAP includes a total of \$90,000 for the purchase of (1) additional 3-yard (Class-5) dump truck. Staff continue to track and monitor changes to the Advanced Clean Fleet regulations as well as the commercial vehicle market conditions. CARB's "Streamlined Purchase Exemption List" which was required to be published by CARB in 2025 did not include a dump bed truck configuration, as originally indicated in the final ACF regulation order.

A ZEV Class-5 dump bed which meets the District's needs is not available for procurement. A purchase exemption for a gas or diesel Class-5 truck was not granted by CARB. CARB commented that Class-6 ZEV's are available through Battle Motors or Lion Electric, however, these trucks exceed the GVWR that SFID operates requiring Class A Commercial Driver's License (CDL), and the manufacture's reliability is unknown. Currently all SFID fleet are under 26,000 pounds and can be operated with a Class C Drivers License.

As a more cost effective and operationally resilient approach, the District identified a half ton truck requiring replacement in the coming fiscal year. Unit #14 is a 2015 model Chevrolet 1500 pickup truck with over 120k miles that has experienced increased maintenance costs and down time. The procurement of the F150 ZEV Lightning this calendar year, specifically the extended range battery model which qualifies as a ZEV purchase under CARB's rule due to its gross vehicle weight rating, to replace Unit #14 provides the District with the ability to purchase a 3-yard Class -5 dump bed truck in FY27, within the 2026 calendar year for the CARB compliance cycle. Staff recommend rebudgeting the dump truck to FY27, using the FY26 vehicle procurement funds to purchase an F150 Lightning extended range model.

In December, Ford announced the immediate end to the F-150 Lightning production line. This means that the current units available to the district for purchase are from remaining dealer inventories.

Committee Action:

The Water Resources Committee reviewed this item at their February 5, 2026, meeting, concurred with the staff’s recommendations and directed staff to move the item forward for full Board consideration at their regular February meeting as a Consent item.

Fiscal Impact:

A detail of bids received from local Ford dealers for the replace of Unit#14 is outlined in the table below (quotes were based on the similar vehicle specs). Staff recommends the Board authorize the General Manger to execute purchase order with a Local Ford Dealer not to exceed \$75,000 dollars for the purchase. The selected dealer will be based on availability of a unit following approval of the procurement by the Board. This is due limited inventory of the extended range model; there has been a noticeable increase in demand for this model since Ford ended the production line for the Lightning ZEV.

| Summary of Vehicle Quotes | | |
|--|-------------------|-------------------|
| F-150 Ford Lightning-Extended Range Package #8550 GVWR | | |
| Supplier | Bid Result | Total Cost |
| National Auto Fleet Group | No Availability | N/A |
| Kearny Mesa Ford, San Diego Ca- Commercial Fleet | No Availability | N/A |
| Ken Grody Ford, Carlsbad Ca-Fleet Department | Responsive | \$ 67,591.58 |
| El Cajon Ford, El Cajon Ca- Commercial Fleet | Responsive | \$ 69,294.95 |
| Encinitas Ford, Encinitas Ca- Commercial Fleet | Responsive | \$ 72,539.60 |

The recommended acquisition for (1) F-150 Ford Lightning Extended Range Work Truck is \$67,951.58 from Ken Grody Ford. This cost includes delivery, dealer and license fees, state and local sales tax. In the event the low bidder, Ken Grody Ford, sells the available unit prior to the District receiving approval from the Board and receiving a purchase order, staff recommend proceeding with a purchase order to next lowest responsive bidder on the table above. The retired truck, Unit#14, will be disposed of via public auction services and sale deposited into the District’s general fund. The estimated resale of the existing truck at auction is approximately \$6,000. Upon delivery, minor upfitting will be required for roadside safety lighting and lockable tool compartments.

Cost for the installation of charging infrastructure for future ZEV Fleet, to be determined.

Attachment A: Quote from Ken Grody Ford

ATTACHMENT A

Quote Prepared for Chris @ Santa Fe Irrigation Dist.

Vehicle Description

VIN 1FT6W3LU5SW G29214

2025 F-150 LIGHTNING 4X4 CREWCAB FLASH
123KWH EXT BAT-SINGLE CHGR
SINGLE-SPEED AUTOMATIC TRANSMISSION

Exterior
OXFORD WHITE
Interior
SLATE ACTIVE X TRIMMED SEATS

Standard Equipment INCLUDED AT NO EXTRA CHARGE

EXTERIOR

- . DOOR HANDLES - BODY COLOR
- . HEADLAMPS - AUTOLAMP
- . LED PROJECTOR W/ DYNAMIC
- . LOCKING REMOVABLE TAILGATE
- . MIRRORS - HTD, PWR GLASS/
- . PICKUP BOX TIE DOWN HOOKS

INTERIOR

- . PWR FRT PASS
- . 1TOUCH UP/DOWN DR/PASS WIN
- . A/C W/DUAL CLIMATE CONTROL
- . AUTO-DIM REARVIEW MIRROR
- . ILLUMINATED ENTRY
- . COMPASS, TRIP COMPUTER
- . POWERPOINT - 2 120V

FUNCTIONAL

- . ADAPTIVE CRUISE CONTROL
- . BLIS W/CROSS-TRAFFIC ALERT
- . EVASIVE STEERING ASSIST
- . FORWARD SENSING SYSTEM
- . LANE-KEEPING SYSTEM
- . SYNC@4A W/EVR & 15.5" SCRIN
- . WIRELESS APPLE CARPLAY®

SAFETY/SECURITY

- . AIRBAGS - FRONT SEAT
- . AIRBAGS - SAFETY CANOPY®
- . PERIMETER ALARM

WARRANTY

- . 5YR/60,000 POWERTRAIN
- . 5YR/60,000 SAFETY
- . 8YR/100,000 ELECTRIC

- . BOX LIGHTING-LED
- . HEADLAMPS - AUTO HIGH BEAM (ON/OFF)
- . BENDING HEADLAMPS
- . MEGA POWER FRUNK
- . MANUAL-FOLD/TURN SIGNALS
- . POWER UP/DOWN FRONT HOOD
- . 10-WAY PWR DRV & MULTI-ADJ
- . 12" DIGITAL INSTRMNT CLSTR
- . 60/40 FOLD-UP REAR BENCH
- . ACTIVEX WRAPPED STR WHEEL
- . HEATED STEERING WHEEL
- . MESSAGE CTR: OUTSIDE TEMP,
- . PEDALS - POWER ADJUSTABLE
- . REAR-WINDOW DEFROSTER
- . 360-DEGREE CAMERA
- . B&O SOUND SYSTEM, 8 SPKR
- . CLASS IV TRAILER HITCH
- . FORDPASS® CONNECT
- . INTELL ACCESS W/PUSH START
- . PRE-COLLISION ASSIST W/AEB
- . TOW TECHNOLOGY PKG
- . AND ANDROID AUTO
- . ADVANCETRAC WITH RSC®
- . MOUNTED SIDE IMPACT
- . LED CTR HIGH MNT STOP LAMP
- . SOS POST-CRASH ALERT SYS
- . 3YR/36,000 BUMPER / BUMPER
- . 5YR/60,000 ROADSIDE ASSIST
- . RESTRAINT SYS
- . VEHICLE COMPONENTS

Price Information

STANDARD VEHICLE PRICE

MSRP

\$69,995

Optional Equipment

- 2025 MODEL YEAR
- OXFORD WHITE
- SLATE ACTIVE X TRIMMED
- .20" ALLOY DARK CARBONIZED GRA
- .ZERO EMISSIONS VEHICLE
- 123KWH EXT BAT-SINGLE CHGR
- SINGLE-SPEED TRANSMISSION
- .275/60R20 BSW ALL-SEASON
- ELECTRIC DRIVE REGULAR AXLE
- 8550# GVWR PACKAGE
- JOB #2 ORDER
- FRONT LICENSE PLATE BRACKET
- BLUECRUISE EQUIP: 90DAY TRIAL
- 18" SPARE WHEEL AND TIRE
- TAILGATE STEP AND WORK SURFACE
- MOBILE POWER CORD (120V/240V)
- SecuriCode® Wireless Keyless E

175

430

600

225

TOTAL VEHICLE & OPTIONS
DESTINATION & DELIVERY

71,425
2,195

TRUCK MSRP

\$73,620

Ken Grody Ford Pricing & Incentives as of 1/21/26

| | |
|-----------------|---------------|
| KG Fleet Price: | \$73,620.00 * |
| Fleet Discount | -\$11,000.00 |
| Doc Fee: | \$110.00 |
| DMV Fees: | EXEMPT |
| Sales Tax 7.75% | \$4,861.58 |

Your Cash Price: \$67,591.58

*Plus tax, license, & document fee **On approved credit. Vehicle availability, price, rates, and rebates subject to change without notice.

Kyle Kainz 760-827-6176 Direct Line
Fleet Manager 760-438-3261 Fax
kyle.kainz@kengrodyford.com 760-410-6970 Cell

KEN GRODY FORD
FLEET DEPARTMENT



The mission of Santa Fe Irrigation District is to meet the water supply needs of all its customers — safely, sustainably, reliably, and cost-effectively.

BOARD REPORT

TO: Board of Directors

FROM: Albert C. Lau, P. E.

INITIATED BY: Timothy Bailey, Director of Water Treatment

DATE: February 19, 2026

SUBJECT: Authorize the General Manager to Execute Purchase Order with Xylem for the Purchase of an In-Kind Replacement of Online Total Organic Carbon Analyzer

Strategic Focus Area:

GOAL 3. Cost-Effective, Resilient and Reliable Infrastructure and Operations

Recommendation:

It is the Staff recommendation that the Board of Directors:

1. Authorize the General Manager to Execute a Purchase Order with Xylem/ YSI for the purchase of a replacement on-line TOC analyzer for \$43,562.00.

Alternatives:

Continue to monitor TOC removal efficiencies via benchtop laboratory analyzer.

Background:

In 2006, the State of California began requiring water systems to use the Enhanced Coagulation performance standards to remove disinfection byproduct precursors in

order to comply with the first iteration of the Disinfection Byproduct Rule. This requirement prescribes the minimum amount of Total Organic Carbon (TOC) that must be removed from the process before disinfection can occur. The required removal varies based upon the raw water alkalinity and raw water TOC. Maximizing the removal of organic carbon prior to disinfection effectively lowers the formation potential of disinfection byproducts, thereby limiting public exposure to these regulated contaminants.

Shortly after this regulation came into existence, the Joint Facilities staff purchased a benchtop TOC analyzer which, among other tasks, is used to monitor compliance with the Enhanced Coagulation standard. This analyzer cut response time to process changes, as they relate to TOC removal, from 1 week to 1 day, keeping the Joint Facilities process consistently in line with these new requirements. In 2015, the Joint Facilities further refined the TOC monitoring program by purchasing an on-line TOC analyzer that would give near real-time data.

In the 10 years of operation, this on-line analyzer has provided valuable data that helps to streamline the monitoring of TOC removal, assisted in maintaining compliance with disinfection byproduct regulations, and has saved significant staff time over the benchtop laboratory option. Since 2023, the online analyzer has required additional maintenance and repair leading to significant down time, and in early 2025 after learning that it would no longer be supported, this analyzer was permanently taken off-line. Since this time, compliance with the Enhanced Coagulation rule has been maintained using the benchtop laboratory unit.

Discussion:

The on-line TOC analyzer at the Joint Facilities utilized a specific configuration that matched the analytical method of the benchtop laboratory unit and allows for multiple streams to be analyzed sequentially. This ability to switch streams on a rotating basis enables data from the influent stream to be compared to data from the effluent stream, which is then used to calculate the percent removal, and therefore compliance, in SCADA. Staff has spent considerable time searching for online TOC units that meet the specific requirements of application at the Joint facilities. Specifically, coupling the concentration range of our source water blends with the ability to switch streams for analysis, while also matching the analytical methodology of our benchtop laboratory unit is a priority. Staff requested quotes from three manufacturers of online TOC analyzers which are summarized below.

| Company | Price |
|----------------|--------------|
| Xylem/ YSI | \$43,562.00 |
| Shimadzu | \$73,570.85 |
| HACH | - |

The old unit that was taken offline in 2025 was made by OI Analytical, which has since merged with YSI Inc. and Xylem Utility Solutions. A similar unit that meets the needs

of the Joint Facilities is now produced by YSI under the Xylem brand. Staff is recommending the Board approve the purchase of this Xylem/ YSI online TOC analyzer for the Joint Facilities.

Committee Action:

The Water Resources Committee reviewed this item at their February 5, 2026, meeting, concurred with the staff’s recommendations and directed staff to move the item forward for full Board consideration at their regular February meeting as a Consent item.

Fiscal Impact:

The FY26 Capital Acquisition Budget (CAB) includes \$50,000.00 for the purchase of a replacement online TOC analyzer. The quote from Xylem/ YSI came in under the CAB budgeted amount at \$43,562.00. Staff is requesting that the General Manager be authorized to execute a sole source Purchase Order with Xylem/ YSI, for the purchase of a replacement online TOC analyzer.

| Supplier | FY26 CAB | Quote Price |
|-----------------|-----------------|--------------------|
| Xylem/ YSI | \$50,000.00 | \$43,562.00 |

The cost of this project will be shared between Santa Fe Irrigation District and the San Dieguito Water District at a rate of 55% and 45% respectively as illustrated below.

| Agency | Percent Share | Cost |
|---------------|----------------------|--------------------|
| SFID | 55% | \$23,959.10 |
| SDWD | 45% | \$19,602.90 |
| | Total | \$43,562.00 |



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BOARD REPORT

TO: Board of Directors

FROM: Albert C. Lau, P. E.

INITIATED BY: Celina McDowell, Board Secretary

DATE: February 19, 2026

SUBJECT: Annual Review of Directors Compensation

Strategic Focus Area:

GOAL 2: Customer Service Focus and Communication

Recommendation:

There is no Staff recommendation. The Committee may recommend the Board of Directors modify the Per Diem paid to Directors.

Discussion:

The District's Administrative Code requires the Board of Directors to conduct an annual review of the per diem compensation level for Board members as part of the budget development process. Currently, Directors receive \$175 per day for attendance at meetings of the Board or its committees, as well as \$175 per day for service rendered as a Director, including attendance at authorized meetings, conferences, and related activities. Compensation is limited to a maximum of ten days per month. This rate was increased from \$150 to \$175 per meeting by Board Resolution No. 25-03 in March 2025.

If the Board wishes to consider any changes to the per diem compensation level, a Public Hearing must be scheduled and noticed for that same date to allow for public comment. Following the required Public Hearing, adoption of a Resolution of the Board of Directors is necessary to modify Board member compensation.

This item has been agendaized for this Committee's review and discussion, prior to being presented for full Board consideration.

Background:

Water Code Sections 20200 through 20207 allows Irrigation Districts to establish compensation received by Directors for sitting on the Board or acting under its orders. An increase or decrease in Director compensation requires the scheduling and noticing of a Public Hearing to consider such action. The Water Code provides for a maximum increase of 5% per calendar year following the operative date of the last adjustment. Pursuant to Water Code Section 20204, a resolution establishing Director compensation would become effective sixty days from the date of its adoption.

Government Code Section 53208 et seq. authorizes cities, counties, special districts, school districts, and other political subdivisions of the State to provide health and welfare benefits to members of their governing boards. These provisions also prohibit such benefits from exceeding those provided to the agency's non-safety employees. Health care coverage for all Board members was amended and eliminated with the adoption of Board Resolution No. 25-04 in March 2025.

Committee Action:

The Executive Committee reviewed this item at their February 11, 2026, meeting, recommended no changes to compensation, and directed staff to move the item forward for full Board consideration at their regular February meeting as a Consent item.

Fiscal Impact:

There is no direct fiscal impact associated with the annual review of Board member compensation. In FY25, total annual expenditures for Board member per diem compensation, health benefits and miscellaneous expenses were \$26,816.00, compared to \$35,707.55 in FY24 and \$25,626.89 in FY23.

Attachment A: Survey of Member Agencies

ATTACHMENT A

BOARD OF DIRECTORS 2026 PER DIEM SURVEY

| DISTRICT | Per Diem (as of February 2024) | Per Diem (as of January 2026) |
|--|-----------------------------------|----------------------------------|
| Carlsbad MWD | \$ 100.00 | No response |
| Eastern MWD | \$ 258.00 | \$ 267.00 |
| Elsinore Valley MWD | \$ 244.13 | No response |
| Encina Wastewater Authority | \$ 242.62 | \$ 252.00 |
| Fallbrook PUD | \$ 134.00 | \$ 134.00 |
| Helix Water District | \$ 225.00 | \$ 225.00 |
| Lakeside Water District | \$ 125.00 | No response |
| Leucadia Wastewater | \$ 200.00 | \$ 200.00 |
| Olivenhain MWD | \$ 150.00 | \$ 150.00 |
| Otay Water District | \$ 165.00 | No response |
| Padre Dam MWD | \$ 160.00 | \$ 165.00 |
| Rainbow MWD | \$ 150.00 | \$ 150.00 |
| Ramona MWD | \$ 100.00 | \$ 100.00 |
| Rancho California Water District | \$ 200.00 | No response |
| Rincon Del Diablo MWD | \$ 160.00 | No response |
| SDCWA Directors *Officers compensation \$180.00 | \$ 150.00 | \$ 150.00 |
| San Dieguito Water District | \$ 100.00 | No response |
| Santa Fe Irrigation District | \$ 150.00 | \$ 175.00 |
| Sweetwater Authority | \$ 200.00 | \$ 200.00 |
| Vallecitos Water District | \$ 200.00 | \$ 200.00 |
| Valley Center MWD | \$ 100.00 | No response |
| Vista Irrigation District | \$ 200.00 | \$ 210.00 |
| Western Municipal Water District | \$ 300.00 | \$ 300.00 |
| Yuima MWD | \$ 100.00 | \$ 100.00 |



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BOARD REPORT

TO: Board of Directors

FROM: Albert C. Lau, P. E.

INITIATED BY: Seth Gates, Director of Administrative Services

DATE: February 19, 2026

SUBJECT: Review and Discuss FY26 Mid-Year Budget Projections and Approve \$157,000 in Total Appropriation Requests

Strategic Focus Area:

GOAL 5. Sustainable and Effectively Managed Finances

Recommendation:

It is the Staff recommendation that the Board of Directors:

1. Review and discuss FY26 Mid-Year Budget projections; and
2. Approve a \$127,000 appropriation increase in the District capital acquisition budget; and
3. Approve a \$30,000 appropriation increase in the Joint Facilities capital acquisition budget; and
4. Discuss and take other action as appropriate.

Alternatives:

Request Staff return with additional information.

Background:

A Mid-Year analysis of the Santa Fe Irrigation District FY26 Budget can be summarized as follows. All stated variances are from budgeted levels unless otherwise stated (rounded to the nearest ten thousand if under \$1M, and to the nearest one-hundred thousand if over \$1M). Some numbers may not foot due to this rounding.

Water Overview:

- Local water utilization from Lake Hodges is projected to be 1,272 acre-feet (AF). With the FY26 Budget including no local water based on the uncertainty of yield due to Lake Hodges restrictions; this provides a financial benefit to the District (and an offset to the forecasted reduction in sales). The projected FY26 yield is a decrease of 81 acre-feet (AF) from the actual yield in FY25 of 1,353 AF of local water.
- In December 2025 and January 2026, San Diego County received higher-than-average rainfall, reducing potable and recycled water consumption as compared to the same month in the year prior. The FY26 Mid-Year Budget assumes that the remainder of the fiscal year will be wetter than normal, with water consumption similar to that experienced in FY23/FY24.
- Potable water purchases (untreated and treated water) are projected to total 8,027 AF, which is 1,288 AF less than budgeted levels of 9,315 AF, with a corresponding decrease in water purchase expenditures.
- Total potable water sales are estimated to be 8,973 AF, which is a decrease of 27 AF from the budgeted 9,000 AF with a corresponding decrease in water sales revenue.
- Recycled water purchases and sales are projected to total 580 AF, which is 45 AF less than the FY26 budget of 625 AF.

Revenues: Total operating and non-operating revenues are projected to be below budgeted levels by approximately \$770,000, primarily due to the following:

- Potable water sales are anticipated to be approximately \$670,000 lower than budgeted levels;
- Recycled water sales are anticipated to be approximately \$80,000 lower than budgeted levels;
- Fixed charges are anticipated to be approximately \$50,000 lower than budgeted levels;
- Reimbursements from San Dieguito Water District (SDWD) for local water, operating, and capital expenditures are projected to be approximately \$110,000 above budget, driven by increases in operating reimbursements and the projected reimbursement for past and current local water operations and maintenance expenses (note: the amount included for reimbursement has not

been reconciled by District Staff, and will change based on if / when information to achieve a reconciliation is provided by City Staff), offset by a reduction in capital expenditure reimbursement;

- Other sources of revenue (property tax, interest income, capacity charges, miscellaneous) are projected to be below budgeted levels by approximately \$80,000.

Expenditures: Total operating expenditures are projected to be below budget by approximately \$3.8 million, and capital expenditures by \$2.0 million, for a combined \$5.9 million lower than budget, primarily due to the following:

- Water purchases are estimated to be approximately \$4.3 million lower due primarily to local water yield and pre-payment on San Diego County Water Authority (SDCWA) fixed charges;
- Personnel expenditures are estimated to be approximately \$30,000 below budget, primarily due to vacancy savings, offset by increases in healthcare costs, pay-go retiree healthcare, and 457 matching for employee retention;
- Total non-personnel expenditures are projected to be approximately \$90,000 lower due primarily to projected budgetary savings in the Administrative and Operations & Maintenance departments;
- Capital improvement / acquisition expenditures are forecasted to be approximately \$1.9 million lower than budgeted levels.

Reserves:

- Based on the FY26 Mid-Year projections, overall District fund balance is anticipated to increase by \$3.1 million above FY25 year-end figures;
- Utilizing November 2025 Board approved reserve levels of \$30.5 million, net undesignated funds are anticipated to be approximately \$12.8 million;
- Reserve funding levels for the Lake Hodges Fund will be discussed on this same agenda at Administrative & Finance Committee, and Staff recommended modification(s) to this fund's designated levels are not included in these figures.

Discussion:

In Staff's review of District results for the operating and capital budgets for the first six months of FY26 and projected results for the rest of the fiscal year, overall revenue and expenditure levels are projected to be marginally below the FY25 Budget. Major variances and specific areas of District interest are highlighted below, while a FY26 Mid-Year sources / uses statement is included as Attachment A for reference.

Revenues

Potable Water Sales & Fixed Charges

The FY26 Mid-Year projection for variable water sales is \$24.8 million, which is \$670,000 below budgeted levels, due primarily to an update in how District customers are using water in each respective single-family residential tier as compared to estimated, in addition to a 27AF reduction in water sales from budgeted levels.

Fixed charge revenue projections total \$7.4 million, which is approximately \$50,000 lower than budgeted levels due primarily to the current meter inventory.

Recycled Water Sales

The FY26 Mid-Year projection for recycled water sales is \$1.2 million, which is \$82,000 below budgeted levels, due primarily a 45AF reduction in water sales from budgeted levels due to lower demand from a wet beginning of FY26 and a continued projection of lower-than-budgeted demand.

The breakout of estimated water sales is as follows:

| Description | FY 2025 | FY 2026 | | \$ Change | % Change | \$ Change | % Change |
|--------------------------------|---------------|--------------|--------------|-----------------------|-----------------------|-------------------------|-------------------------|
| | Actual | Budget | Projected | FY25Act. - FY26 Proj. | FY25Act. - FY26 Proj. | FY26 Budg. - FY26 Proj. | FY26 Budg. - FY26 Proj. |
| Water Sales (Acre Feet) | | | | | | | |
| Potable Water | 9,519 | 9,000 | 8,973 | (546) | -5.7% | (27) | -0.3% |
| Recycled Water | 620 | 625 | 580 | (41) | -6.6% | (45) | -7.3% |
| Total Water Sales | 10,139 | 9,625 | 9,552 | (587) | -5.8% | (73) | -0.8% |

SDWD Reimbursements

SDWD reimburses the District for their proportional share of operating and capital expenditures at the R.E. Badger Plant and other Joint Facilities. The FY26 Budget included approximately \$3.2 million in operating reimbursements, with no local water expenditure payments to the City of San Diego. The FY26 Mid-Year projection for reimbursements totals, including local water expenditures, are \$3.5 million, an increase of approximately \$320,000. This increase is primarily attributable to the anticipated expenditure of \$675,000 in reimbursements paid to the City of San Diego for prior and current O&M on the Lake Hodges Dam. SDWD’s proportionate share of any local water payments total 42.67%, or approximately \$280,000. Reimbursements for O&M for Joint Facilities operating expenditures are apportioned to the District and SDWD based on their respective finished potable water flows taken from the R.E. Badger Treatment Plant at year-end.

The estimated SDWD O&M reimbursement for FY26 is \$3.2 million, which is approximately \$31,000 higher than budgeted levels due to an increase in Joint Facilities operating expenditures (discussed in further detail in this memorandum). The FY26 Budget assumed a 38% share for SDWD, though in years with above-average rainfall, the District's proportionate share of potable water declines due primarily to a reduction in irrigation demands of single-family residential (SFR) customers, with a corresponding increase in SDWD's share of water. SDWD's customer characteristics for potable water consumption is less variable than the District's in years with greater rainfall due to less estate-sized SFR parcels that have less variable irrigation demands. SDWD's proportionate share of operating expenditures in FY23/FY24, which had above-average rainfall, average 38.5%; while FY25, which was a drier year, SDWD's proportionate share was 37.2%. The amount of rainfall in the remainder of FY26 will not only drive water sales for the District, local water yield, and their respective revenues / expenditures, but also the proportionate share of Joint Facilities expenditures.

Additionally, SDWD reimburses the District for capital acquisition and capital improvement projects per their contractual sharing percentage based on the asset type. SDWD capital reimbursements in the FY26 Budget totaled approximately \$1.8 million, while the FY26 Mid-Year projection is \$1.6 million, a reduction of approximately \$210,000 due to a delay in Joint Facilities capital spending. Additionally, the District projected to receive reimbursements from the State and Local Cybersecurity Grant Program (SLCGP) of \$185,000 in the FY26 Budget. Based on actual reimbursements to date of approximately \$235,000 and the District having submitted its final reimbursement request, the FY26 Mid-Year projection includes the full reimbursement of the grant amount of \$250,000. SDWD receives 45% of this grant, and a larger reimbursement in FY26 than projected reduces SDWD's capital contribution by approximately \$29,000 (\$65,000 in total additional grant reimbursements in FY26, multiplied by their 45% sharing, already factored into SDWD's \$1.6 million reimbursement projection).

Additional Revenues

Total District revenues beyond potable water sales, fixed charges, and SDWD reimbursements total approximately \$6.7 million in the FY26 Budget (miscellaneous operating and non-operating revenues, property tax, interest income, and capacity fees) and are expected to be lower than budgeted levels by approximately \$140,000 to \$6.5 million based on revised projections. This reduction in revenues is mainly attributable to the following approximate variances from budgeted levels:

- \$25,000 increase in miscellaneous operating revenues due to higher-than-projected reimbursements for operating activities within the District;
- \$10,000 increase in interest revenues due primarily due to a higher-than-projected average investment balance from the projected increase in District funds for future ratepayer benefit;

- \$160,000 decrease in property tax revenues as home sales in the region, which drive supplemental revenues received by the District when assessed values are reset at current levels during the sale, have not kept pace with projected levels due to the continuing high interest rates for mortgages;
- \$20,000 decrease in miscellaneous non-operating revenues primarily due to the District no longer renting its SFR home at the Larrick reservoir.

Expenditures

Fixed and Variable Potable Water Purchases

The FY26 Mid-Year projection for variable water purchases is \$12.8 million, which is approximately \$2.2 million lower than budgeted levels. This variance is due to the projected increase in local water availability. The FY26 Budget estimated the need for 9,315 AF of potable water purchased from SDCWA (treated and untreated) to serve demand; however, the FY26 Mid-Year projects the need will be 8,027 AF of potable water – a reduction of 1,288 AF. This reduction is primarily due to an estimated yield of 1,272 AF of local water. Additionally, fixed charges are projected to total \$2.4 million, a reduction of \$2.1 million from FY26 Budget levels. The District pre-paid all of CY25 fixed charges to SDCWA in December 2024 for a 4% reduction in the total amount payable, or approximately \$170,000. The terms of this pre-payment agreement allowed SDCWA to cancel this pre-payment at any point during CY25 if interest rate conditions were to materially change (this was up to SDCWA discretion, and SDCWA would refund the District for the proportionate share of pre-paid fixed charges not yet due up to the point of cancellation). Due to this uncertainty, District Staff budgeted the full amount of fixed charges payable in FY26 to provide the budget authority during the year if SDCWA were to enact this provision. These savings from budget levels were anticipated in FY26, and with CY25 having been completed and SDCWA (and SDCWA not offering this program again in CY26) not having enacted this provision, this budgetary authority is not needed and the full \$170,000 in savings were realized by the District.

Recycled Water Purchases

Recycled water purchases in the FY26 Mid-Year match the current sales project. The FY26 Mid-Year projection for purchases (including San Elijo JPA's update to their recycled water purchase rate of \$2,185 per AF, a 10% increase from CY25 rates) total \$1.2 million, or approximately \$80,000 below budget levels due to the reduction in recycled water demand in addition to their 10% increase in CY26 being lower than the estimated CY26 change of 14% incorporated into the FY26 Budget.

The breakout of water sources for the FY26 Budget and FY26 Mid-Year projection is as follows:

| Description | FY 2025 | FY 2026 | | \$ Change | % Change | \$ Change | % Change |
|----------------------------------|---------------|--------------|--------------|--------------------------|--------------------------|----------------------------|----------------------------|
| | Actual | Budget | Projected | FY25Act. - FY26 Proj. | FY25Act. - FY26 Proj. | FY26 Budg. - FY26 Proj. | FY26 Budg. - FY26 Proj. |
| Water Sources (Acre Feet) | | | | | | | |
| SDCWA Untreated | 7,563 | 8,615 | 7,321 | (242) | -3.2% | (1,294) | -15.0% |
| SDCWA Treated | 603 | 700 | 706 | 103 | 17.1% | 6 | 0.9% |
| Local | 1,352 | - | 1,272 | (80) | -6.0% | 1,272 | - |
| Recycled | 620 | 625 | 580 | (40) | -6.5% | (45) | -7.3% |
| Total Water Portfolio | 10,138 | 9,940 | 9,878 | (260) | -2.6% | (62) | -0.6% |

Personnel and Department Expenditures

Salary and benefits for the District are projected to be approximately \$170,000 lower than the FY26 Budget due to Staff working to fill positions, with vacancy savings partially offset by overtime and other expenditures. Fringe expenditures are projected to be approximately \$135,000 higher than FY26 Budget levels due primarily to an increase of approximately \$136,000 in retiree healthcare payments in addition to an approximate \$76,000 increase in other personnel expenditures. These increases were offset by a reduction of \$77,000 in CalPERS contributions and healthcare expenditures (combined), due to vacant positions. The following is a departmental breakdown of all personnel expenditures.

| Description | FY25 | FY 2026 | | \$ Change | % Change | \$ Change | % Change |
|---|----------------------|----------------------|----------------------|--------------------------|--------------------------|-------------------------------|-------------------------------|
| | Actual | Budget | Projected | FY25Act. - FY26 Proj. | FY25Act. - FY26 Proj. | FY26 Budg. - FY26 Proj. | FY26 Budg. - FY26 Proj. |
| Salaries & Benefits: | | | | | | | |
| District Administration | \$ 3,343,175 | \$ 3,307,014 | \$ 3,392,114 | \$ 48,939 | 1.5% | \$ 85,100 | 2.6% |
| Salaries | 2,058,494 | 2,000,315 | 2,027,797 | (30,696) | -1.5% | 27,482 | 1.4% |
| Retirement - CalPERS | 930,376 | 930,880 | 957,138 | 26,762 | 2.9% | 26,259 | 2.8% |
| Healthcare (Medical / Dental) | 266,750 | 293,747 | 297,733 | 30,983 | 11.6% | 3,987 | 1.4% |
| Other | 87,555 | 82,072 | 109,445 | 21,890 | 25.0% | 27,372 | 33.4% |
| District Engineering | 843,159 | 939,133 | 1,050,612 | 207,452 | 24.6% | 111,479 | 11.9% |
| Salaries | 493,872 | 564,891 | 632,201 | 138,329 | 28.0% | 67,310 | 11.9% |
| Retirement - CalPERS | 265,711 | 267,282 | 298,172 | 32,461 | 12.2% | 30,890 | 11.6% |
| Healthcare (Medical / Dental) | 66,701 | 83,670 | 87,602 | 20,900 | 31.3% | 3,931 | 4.7% |
| Other | 16,875 | 23,290 | 32,637 | 15,762 | 93.4% | 9,347 | 40.1% |
| District Operations | 2,703,175 | 2,991,211 | 2,734,001 | 30,825 | 1.1% | (257,210) | -8.6% |
| Salaries | 1,506,945 | 1,730,279 | 1,553,813 | 46,867 | 3.1% | (176,466) | -10.2% |
| Retirement - CalPERS | 766,468 | 815,370 | 741,880 | (24,588) | -3.2% | (73,491) | -9.0% |
| Healthcare (Medical / Dental) | 303,407 | 374,224 | 342,385 | 38,978 | 12.8% | (31,839) | -8.5% |
| Other | 126,355 | 71,338 | 95,923 | (30,432) | -24.1% | 24,586 | 34.5% |
| Joint Facilities Operations | 1,927,595 | 1,856,149 | 1,896,783 | (30,813) | -1.6% | 40,633 | 2.2% |
| Salaries | 1,203,275 | 1,097,597 | 1,117,366 | (85,908) | -7.1% | 19,769 | 1.8% |
| Retirement - CalPERS | 506,762 | 528,930 | 544,579 | 37,817 | 7.5% | 15,649 | 3.0% |
| Healthcare (Medical / Dental) | 155,506 | 184,369 | 176,708 | 21,203 | 13.6% | (7,661) | -4.2% |
| Other | 62,053 | 45,253 | 58,129 | (3,924) | -6.3% | 12,876 | 28.5% |
| Joint Facilities Maintenance | 836,825 | 863,694 | 746,190 | (90,635) | -10.8% | (117,504) | -13.6% |
| Salaries | 496,628 | 500,045 | 418,300 | (78,328) | -15.8% | (81,746) | -16.3% |
| Retirement - CalPERS | 232,082 | 248,398 | 215,662 | (16,419) | -7.1% | (32,736) | -13.2% |
| Healthcare (Medical / Dental) | 85,219 | 94,634 | 92,197 | 6,978 | 8.2% | (2,438) | -2.6% |
| Other | 22,897 | 20,616 | 20,031 | (2,866) | -12.5% | (585) | -2.8% |
| Joint Facilities Laboratory | 187,746 | 198,956 | 200,909 | 13,163 | 7.0% | 1,953 | 1.0% |
| Salaries | 103,448 | 111,556 | 111,286 | 7,838 | 7.6% | (270) | -0.2% |
| Retirement - CalPERS | 49,879 | 50,289 | 51,286 | 1,406 | 2.8% | 996 | 2.0% |
| Healthcare (Medical / Dental) | 28,807 | 32,512 | 32,307 | 3,500 | 12.1% | (205) | -0.6% |
| Other | 5,612 | 4,599 | 6,031 | 418 | 7.5% | 1,432 | 31.1% |
| Joint Facilities Administration | 350,047 | 402,355 | 369,696 | 19,649 | 5.6% | (32,660) | -8.1% |
| Salaries | 202,510 | 237,356 | 213,404 | 10,895 | 5.4% | (23,952) | -10.1% |
| Retirement - CalPERS | 108,245 | 121,860 | 113,054 | 4,809 | 4.4% | (8,806) | -7.2% |
| Healthcare (Medical / Dental) | 28,807 | 33,354 | 32,258 | 3,451 | 12.0% | (1,096) | -3.3% |
| Other | 10,486 | 9,786 | 10,980 | 494 | 4.7% | 1,194 | 12.2% |
| Subtotal Operating Salaries & Benefits | \$ 10,191,723 | \$ 10,558,513 | \$ 10,390,303 | \$ 198,580 | 1.9% | \$ (168,210) | -1.6% |
| Retiree Health Care Program | | | | | | | |
| Annual OPEB Trust Contribution / Pay-Go | | | | | | | |
| District | 450,499 | 359,420 | 473,024 | 22,525 | 5.0% | 113,604 | 31.6% |
| Plant | 177,160 | 163,944 | 186,018 | 8,858 | 5.0% | 22,073 | 13.5% |
| Subtotal Retiree Healthcare Program | \$ 627,659 | \$ 523,364 | \$ 659,042 | \$ 31,383 | 5.0% | \$ 135,678 | 25.9% |
| Total Personnel Expenses | \$ 10,819,382 | \$ 11,081,877 | \$ 11,049,345 | \$ 229,963 | 2.1% | \$ (32,532) | -0.3% |

Items of note in the previous table include the District's Engineering Department overall personnel expenditures exceeding FY26 Budget levels by approximately \$111,000. This increase is due to temporary assistance being provided by a CalPERS annuitant to augment staffing levels during employee leave in addition to providing continuing assistance due to increased developmental activity in the District. Additionally, most departments are projected to have a higher-than-budgeted level of "other" personnel expenditures. This increase is due to Staff's oversight in the FY26

Budget development process of not including the current Memorandum of Understanding's (MOU) requirement for 457 matching as an employee retention incentive. The FY26 Mid-Year projection for the MOU's retention incentive (for employees that are not in the classic pension tier) totals approximately \$70,000, which was not included in the FY26 Budget appropriations. Despite this oversight, the District has sufficient budgetary appropriations to cover this expenditure and no appropriation request for this is included in this action.

Departmental non-personnel expenditure projections are outlined as follows:

Administrative Expenditures

The Administrative Department expenditures are projected to have approximately \$40,000 or 2.8% budgetary savings as compared to the FY26 Budget. This variation is due to an approximate \$28,000 reduction in information technology (IT) services, as District IT Staff have made a concerted effort to right-size the appropriate technology footprint and services provided. Staff have significantly bolstered IT security in FY25/FY26 (including multi-factor authentication, internet protocol (IP) address access identification / blocking, and access assignments based on role, among others) while eliminating services that no longer provide this enhanced level of security or are duplicative. This ongoing review has created these projected savings from budgeted levels. Additionally, the Administrative Department is projecting approximately \$50,000 in budgetary savings from contract services and office supplies. These savings are due to less-than-anticipated need for consultant services (i.e. Staff completed study for user and capacity fees) in addition to redeploying existing furnishings for new employees instead of purchasing new.

Engineering Expenditures

The Administrative Department expenditures are projected to have approximately \$19,000 or 6.5% budgetary savings as compared to the FY26 Budget. This savings is primarily due to lower than anticipated renewal fees for ESRI GIS in addition to a lower expenditure rate on training and seminars for Staff due to the aforementioned employee leave.

Operations and Maintenance Expenditures

Operations and Maintenance Department expenditures are projected to have approximately \$85,000 or 4.4% budgetary savings as compared to the FY26 Budget. This is attributable to savings in various operating areas in the department. In the FY26 Budget, the Operations and Maintenance Department's overall budget was increased to accommodate rising prices from inflation and tariffs, increasing developmental activity within the District, and large contractual services going out to bid with yet unknown outcomes (primarily traffic control and paving services, which account for over 40% of their construction budget). Based on the current activity level in the District, the current contracts in place, and current prices being paid for hard goods (pipes, meters, tools, etc.), there is anticipated savings of approximately

\$97,000 in system operations / facilities maintenance / construction. This is partially offset by an increase of approximately \$31,000 in meter services due to the price of Sensus meters increasing due to tariffs and to have sufficient stock on hand. Additionally, there is anticipated savings of approximately \$20,000 in safety related expenditures in FY26. The District is committed to ensuring a pro-actively safe working environment, and these expenditure savings are primarily related to accumulated hazardous materials that were disposed in FY25 and whose expenditure in FY26 is not anticipated to be required due to these previously incurred costs (though are anticipated in FY27 to properly dispose of accumulated items in FY26/FY27).

Joint Facilities Expenditures

Joint Facilities expenditures are projected to be approximately \$2,000 below FY26 Budget levels or 0% (excluding local water). This variance is a compilation of several projections, however, items of note including the following. Expenditures on electricity for movement of local water (Cielo pump station and San Dieguito Reservoir (SDR) pump station) and associated repairs, was projected to be approximately \$245,000, which was based on no local water use & just maintenance and upkeep on these assets. However, as previously outlined, total local water use is projected to be 1,272 AF, which will incur electrical costs to move the water to SDR and to the filtration plant. The projection for electricity expenditures and maintenance for these facilities is approximately \$642,000, which is an approximate increase of \$396,000 above budget levels.

Chemical expenditures for water treatment are projected to total \$1.1 million in FY26, which is approximately \$53,000 or 4.7% lower than FY26 Budget levels. This projected variance is due to a higher level of orders for chlorine and caustic soda at the end of FY25 (with higher levels of actual expenditures in that year), which created a larger inventory of these chemicals to utilize during the first portion of FY26. This expenditure timing that created budgetary savings was offset by a projected increase in chemical utilization due to local water utilization.

The remainder of Joint Facilities expenditure projections have only changed marginally. However, there are several individual increases and decreases within the Department that will be re-evaluated during the FY26 Budget development.

Local Water Expenditures

The District did not budget any reimbursements to the City of San Diego for past, ongoing, or future O&M for Lake Hodges Dam and are disputing the billings that the District has been invoiced for the emergency repairs on the existing dam and the design costs of the future dam. These Joint Facilities expenditures are shared between the District and SDWD at local water expenditure sharing rates of 57.23% and 42.67%, respectively. The amount that is currently estimated in the FY26 Mid-Year budget report for reimbursement is \$675,000 for past and current O&M, which is shared at \$386,977 and \$288,023 between the District and SDWD, respectively. SDWD currently has \$550,000 (without accumulated interest) on deposit with the

District for these expenditures. The SDWD local water reimbursement shown in this report of \$288,023 will be taken from this amount on deposit with the District and will not be charged on their yearly invoice and will be recognized as revenue to the District. The actual amount proposed by Staff to be paid to the City of San Diego will be discussed with the District's Administrative & Finance Committee and / or the Board of Directors in closed or open session (dependent on counsel input) and in consultation with SDWD prior to Staff initiating this payment.

Capital Budget

Capital Acquisition Budget

The Capital Budget consists of two elements: the Capital Acquisition Program (CAP) and the Capital Improvement Program (CIP). The District's CAP funds the purchase and procurement of equipment that has a value of \$7,500 or greater and has a useful life of more than twelve months. CAP purchases are funded from the Capital Improvement Reserve account and are generally a result of equipment replacement or upgrades. The CIP funds refurbishment and replacement of the District's infrastructure (as expansion CIP projects are infrequent due to the District being majority built-out). The District currently funds the CIP on a pay-as-you-go basis. The CAP summary for FY26 is as follows:

**Capital Acquisition Budget Detail
Fiscal Year 2026**

| | SFID % | FY26 Total Budget* | FY26 Mid-Yr | \$ Change | % Change |
|--|----------------|---------------------|---------------------|-------------------|----------------|
| District Administration / Operations | | | | | |
| Fire Safety PPE/Emergency Response Equipment | 100.00% | \$ 15,000 | \$ 13,347 | \$ (1,653) | -11.0% |
| Emergency Water Trailer | 100.00% | 40,000 | 40,000 | - | 0.0% |
| Water Service Emergency Highline Materials | 100.00% | 15,000 | 15,000 | - | 0.0% |
| Cement Mixing Trailer Replace | 100.00% | 30,000 | 28,496 | (1,504) | -5.0% |
| 3 Yard Dump Bed Truck | 100.00% | 90,000 | - | (90,000) | -100.0% |
| Phase 1 PLC Upgrades for remote PRS | 100.00% | 35,000 | 32,917 | (2,083) | -6.0% |
| Yard Material Bins Covers/Drainage | 100.00% | 50,000 | 50,000 | - | 0.0% |
| Unit #11 Stakebed Body Refresh | 100.00% | 20,000 | 20,558 | 558 | 2.8% |
| Phase I AMI (10yr) Meter / Register Replacements | 100.00% | 215,000 | 215,000 | - | 0.0% |
| 440 Glenmont House Roof Repairs | 100.00% | 55,000 | - | (55,000) | -100.0% |
| Larrick Reservoir Warehouse Paint/Stucco/Wood Repairs | 100.00% | 40,000 | 40,000 | - | 0.0% |
| Admin Building Master Switch Replacement | 100.00% | 52,000 | 34,556 | (17,444) | -33.5% |
| Unit 2 / 3 F-250 Super Duty | 100.00% | - | 141,613 | 141,613 | - |
| Admin Building Emergency Generator Repairs | 100.00% | - | 10,510 | 10,510 | - |
| Replacement of 1/2 Ton Unit 14 for PZEV | 100.00% | - | 75,000 | 75,000 | - |
| Total District Administration / Operations | | \$ 657,000 | \$ 716,997 | \$ 59,997 | 9.1% |
| Joint Facilities | | | | | |
| PLC for Chemical Feed Continued Updates | 55.00% | \$ 40,000 | \$ 38,161 | \$ (1,839) | -4.6% |
| TOC Analyzer Replacement | 55.00% | 50,000 | 50,000 | - | 0.0% |
| Master Backwash Actuator Replacement | 55.00% | 40,000 | 34,374 | (5,626) | -14.1% |
| Polymer Premix / Injection Unit | 55.00% | 150,000 | 139,418 | (10,582) | -7.1% |
| Flashmix Pump Replacement | 55.00% | 25,000 | 17,361 | (7,639) | -30.6% |
| Caustic Tank Replacement | 55.00% | 160,000 | 142,741 | (17,259) | -10.8% |
| Chlorine Analyzers (3) | 55.00% | 55,000 | 19,068 | (35,932) | -65.3% |
| Security Monitor Addition | 55.00% | 8,000 | - | (8,000) | -100.0% |
| Automated 30" Bypass valve | 57.33% | 75,000 | 75,000 | - | 0.0% |
| Kitchen Repairs / Updates | 55.00% | 50,000 | 50,000 | - | 0.0% |
| San Dieguito Reservoir Fencing Repairs / Camera Installation | 55.00% | 75,000 | 120,426 | 45,426 | 60.6% |
| SCADA Server Replacements | 55.00% | 216,000 | 216,000 | - | 0.0% |
| RE Badger Master Switch Replacement | | - | 22,091 | 22,091 | - |
| Cielo Pump Station Seal Replacement | | - | 17,954 | 17,954 | - |
| Anthracite Filter Media Replacement / Addition | | - | 18,400 | 18,400 | - |
| Replacement of Equalization Pond Gate Valve | | - | 27,303 | 27,303 | - |
| Security Camera Software Replacement | | | 30,000 | 30,000 | - |
| Total Joint Facilities | | \$ 944,000 | \$ 1,018,297 | \$ 74,297 | 7.9% |
| TOTAL SFID / SDWD Capital Acquisitions | | \$ 1,601,000 | \$ 1,735,294 | \$ 134,294 | 8.4% |

* Represents entire budget, including SFID / SDWD share. SDWD reimbursements for CAP are included as non-operating revenues.

The combined District and Joint Facilities CAP FY26 budget is \$1,601,000, with a current projected total anticipated spend in FY26 of \$1,735,294, which is \$134,294 above budget levels. Total spending for Joint Facilities is anticipated to be \$1,018,297 (\$74,297 above budget levels) which will be shared \$562,290 for the District and \$456,007 for SDWD). Total spending for the District is anticipated to be \$716,997 (\$59,997 above budget levels).

Some CAP District projects of note are the 3 yard dump bed truck, the addition of unit 2/3 F-250 Super Duty, and a replacement of unit 14 (½ ton truck) with an electric vehicle is the continuation of the District's strategy for replacement of aged vehicles with electric vehicles when available or their replacement prior to more stringent California Air Resource Control Board (CARB) requirements. The 3 yard dump is being postponed due to the District's difficulty in procuring a CARB compliant vehicle, and Staff are attempting to secure a waiver or develop an alternative strategy for procurement, while the replacement of units 2 and 3 are to replace these units prior to CARB regulations (and are high mileage and / or high wear vehicles), and the replacement of unit 14 with an electric vehicle is to begin the assessment of electric vehicle use in the operation and maintenance department. These vehicle procurements have a combined impact of approximately \$127,000 above budget levels. Though Staff has the budgetary authority under the District's Budget Policy to transfer appropriations to cover these variations, **Staff is requesting the Board of Directors to approve an appropriations request for the FY26 District CAP of \$127,000 to ensure that sufficient budget exists in addition to providing greater transparency on these items.**

Some CAP Joint Facilities projects of note are: there are four separate projects that have been completed due to an updated cost sharing between the District and Joint Facilities or due to emergency repairs. The R.E. Badger master switch replacement project was originally budgeted in the District only. However, after discussions, this master switch (which enables intra and internet access) serves both the District and Joint Facilities and was split according to the employee count in each area. The Cielo Pump Station / anthracite filter media / equalization pond gate valve projects were all emergency repairs that exceed the District's \$7,500 threshold for capitalization per the District's Capitalization Policy. The San Dieguito Reservoir fencing and security improvements were above budget levels by \$45,426, which was based on Board of Directors' direction for securing the site with new fencing and other assets to prevent / detect intrusion. Finally, the security monitor addition was completed with less budget than anticipated, and these expenditures totaled less than the District's capitalization threshold and were therefore expensed from the operating budget.

District Staff (and the Board of Directors) take physical security at the R.E. Badger Treatment Plant and associated Joint Facilities very seriously. In recent years, security has been expanded at San Dieguito Reservoir, enhanced access entry requirements at all facilities, and the addition of multiple cameras that oversee all these assets, among others. These cameras are monitored by the treatment operator(s) on duty 24/7/365 through multiple methods; but accomplished primarily through multiple monitors that are installed at the treatment operator station. These cameras are coordinated with a complex software system that provides the feed to this monitoring station and continuously records all cameras. This software has become outdated and has been problematic in always maintaining proper continuity, requiring intervention from the IT department to ensure continuous coverage at all monitoring stations. To rectify this problem and allow the IT department to re-focus their efforts, Staff is recommending that a new software system be procured for an estimated \$30,000. **To allow for sufficient budget in the current fiscal year, Staff**

is requesting an appropriation adjustment of \$30,000 for the FY26 Joint Facilities CAP to ensure the ability to execute this project on a timely basis and for greater transparency.

Capital Improvement Program Budget

The CIP is split into two groupings: 1.) District projects, and 2.) Joint Facilities projects. The summary of District and Joint Facilities projected expenditures for FY26 are as follows. These updated capital spending estimates will be incorporated into the new asset management master plan document that will be completed and discussed with SDWD in January and with the District’s Board of Directors in spring. The following are the currently active CIP projects and their updated information based on their status as of January 2026.

Capital Improvement Budget Summary
Fiscal Year 2026

| PROJECT NUMBER | PROJECT NAME / DESCRIPTION | PROJECT STATUS | SFID % | TOTAL ESTIMATED COST* | FY26 BUDGET EXPENDITURE PROJECTION | FY26 MID-YEAR EXPENDITURE PROJECTION |
|---|---|----------------------|---------|-----------------------|------------------------------------|--------------------------------------|
| DISTRICT ONLY | | | | | | |
| 2302 | District Yard Small-Scale Solar Array | Construction | 100.00% | \$ 396,803 | \$ 150,000 | \$ 325,000 |
| TBD | El Camino Real Widening - City SD | Construction | 100.00% | 766,000 | 100,000 | - |
| 2501 | La Granada Pipeline Replacement and PRS Elimination Project | Design/Construction | 100.00% | 3,151,800 | 1,000,000 | 230,000 |
| 2502 | Larrick Reservoir and Pump Station Upgrades Project | Design/Construction | 100.00% | 4,761,306 | 1,500,000 | 600,000 |
| TBD | 24-inch Pipeline Realign/Replace - El Camino Real and Santa Luisa | Design/Construction | 100.00% | 3,157,283 | 750,000 | 440,000 |
| GENERAL DISTRICT CIP SUBTOTAL | | | | \$ 12,233,192 | \$ 3,500,000 | \$ 1,595,000 |
| JOINT FACILITIES (SFID & SDWD) | | | | | | |
| 2451 | San Dieguito Dam Repair | Cosntruction | 57.33% | 865,000 | 250,000 | 580,000 |
| 2450 | Clearwell Solar | Construction | 55.00% | 2,156,250 | 1,916,250 | 1,916,250 |
| 2351 | R.E. Badger Leach Field Replacement | Feasibility / Design | 55.00% | 514,500 | 479,500 | - |
| 2550 | Anode Bed Replacement | Construction | 55.00% | 250,000 | 200,000 | 100,000 |
| 2354 | Filter Surface Washwater Header and Associated Piping | Construction | 55.00% | 1,645,760 | 300,000 | 275,000 |
| JOINT FACILITIES CIP SUBTOTAL | | | | \$ 13,440,589 | \$ 3,145,750 | \$ 2,871,250 |
| CIP PROGRAM TOTAL | | | | \$ 25,673,781 | \$ 6,645,750 | \$ 4,466,250 |

The FY26 Budget included five District-only capital projects. Expenditures on the District’s solar array (located atop the mobile trailers) are progressing, and completion is anticipated in FY26. The El Camino project is managed by the City of San Diego, with the District reimbursing for expenditures; and is now anticipated to occur in FY27 and beyond (previously FY26 start but delayed due to City of San Diego timelines). The La Granada project is moving forward with planning and design, with bids being solicited in FY26 and construction anticipated to begin in FY27. The design of the Larrick project has undergone initial concept, with the District planning on holding a public forum in March to solicit public input on the project, with final design and construction anticipated to begin in FY27/FY28. Finally, the El Camino Real and Santa Luisa project is anticipated to continue design in FY26, with the majority of expenditures in future fiscal years.

Most Joint Facilities project expenditures are moving forward on a timely basis, with the solar project, leach field replacement, and anode bed replacement anticipating to be completed or majority completed this fiscal year. One item of note is for the leach field replacement. District Staff evaluated multiple options for this program, including connecting to Olivenhain Municipal Water District’s sewer force main adjacent to the R.E. Badger Treatment Plant and rehabilitation of the existing leach field. However, connection to the force main was determined to be too costly with capacity fees and all other required construction costs, while the rehabilitation of the current leach field was deemed not feasible based on soil type and inability to ensure proper drainage. Based on this and in consultation with Joint Facilities Staff, it was determined that the current methodology of holding these flows in a tank on-site and pumping them out annually (at a cost of approximately \$10,000 per year) was the more efficient and financially prudent alternative. The project moving forward will be to replace the current storage tank with a new tank that can retain these flows, which will continue to be pumped out on an annual basis. It is yet to be determined whether this revised project will be a CIP or CAP project in the FY27 Budget proposal.

Reserves

FY25 year-end cash and investments totaled \$40.1 million. In November 2025, the Board designated \$27.0 million to the District’s established reserves, leaving approximately \$30.5 million in total reserves (rate stabilization, operating, capital, and Lake Hodges), leaving approximately \$9.7 million in funds for future ratepayer benefit.

Reserve Policy Funding

| Reserve Fund | Target | Current |
|-----------------------------------|--------------------------|---------------|
| Capital Improvement & Replacement | Minimum | \$ 8,940,000 |
| Rate Stabilization | 20% Variable Water Sales | \$ 5,090,897 |
| Operating | 60 Days | \$ 6,021,841 |
| Lake Hodges Fund | Board Determined | \$ 10,400,000 |
| Actual Total Designated Reserves | | \$ 30,452,738 |

Based on these FY26 Mid-Year projections, total net positive cash change is projected to be \$3.1 million, leaving a projected FY26 year-end cash balance of approximately \$43.2 million (assuming the same level of accounts payables & receivables). Assuming the same \$30.5 million in designated reserves (there is a concurrent action on this agenda that recommends a modification to the Lake Hodges Fund, which is **not** considered in these figures), this leaves an updated balance for future ratepayer benefit of approximately \$12.8 million.

Fund Balance Impacts from FY26 Mid-Year Budget Projections

| | | Projected | FY 25 EOY | |
|------------------------------------|--------------|----------------------|---------------|-----------------|
| Beginning Cash Balance | A | \$ 40,135,533 | | |
| Operating Income | | \$ 37,545,457 | | |
| Non-Operating Income | | 7,741,714 | | |
| Sub-Total | B | \$ 45,287,171 | | |
| Operating Expense* | | \$ 35,986,319 | | |
| Capital Expense | | 6,201,544 | | |
| Sub-Total | C | \$ 42,187,863 | | |
| Net Cash Impact | D=B-C | \$ 3,099,308 | | Variance |
| Ending Cash Balance | A-D | \$ 43,234,841 | \$ 40,135,533 | \$ 3,099,308 |
| Total Designated Reserves | | \$ 30,452,738 | \$ 30,452,738 | |
| Funds for Future Ratepayer Benefit | | \$ 12,782,103 | \$ 9,682,795 | \$ 3,099,308 |

* Does not include depreciation / amortization as a non-cash expense

Key Performance Indicators

As included in the FY26 Budget as a guide for District / department performance on completion of the Strategic Plan objectives, please see a key performance indicator update (KPI) in Attachment B.

Committee Action:

At their February 10, 2026, meeting, the Administrative and Finance Committee reviewed this item and agreed with Staff recommendation to have the Board of Director's approve a total of \$157,000 in appropriation requests for the District / Joint Facilities Capital Acquisition Budget.

Fiscal Impact:

Staff have sufficient budget and authority (under the District's Budget Policy) to transfer \$274,000 in budgetary savings from the operations & maintenance budget in FY26 to provide the authority for these three separate CAP additions. However, Staff is requesting this approval to provide clarity to the Board of Directors, ratepayers, and other interested parties. Based on this, there is no budgetary or fiscal impact from this item.

Attachment A: FY26 Mid-Year Sources & Uses and Accompanying Detailed Schedules of Revenues / Expenditures / Joint Facilities Cost Sharing

Attachment B: FY26 Budget Key Performance Indicators Update

ATTACHMENT A

Santa Fe Irrigation District Fiscal Year 2026 Mid-Year Budget Summary Sources of Funds

| TOTAL REVENUES | FY 2025 | FY 2026 | | \$ Change | % Change | \$ Change | % Change |
|---|----------------------|----------------------|----------------------|--------------------------|--------------------------|----------------------------|----------------------------|
| | Actual | Budget | Projected | FY25Act. - FY26 Proj. | FY25Act. - FY26 Proj. | FY26 Budg. - FY26 Proj. | FY26 Budg. - FY26 Proj. |
| Potable Water Sales | \$ 24,869,446 | \$ 25,454,487 | \$ 24,789,163 | \$ (80,283) | -0.3% | \$ (665,324) | -2.6% |
| Recycled Water Sales | 1,140,748 | 1,279,673 | 1,198,486 | 57,738 | 5.1% | (81,187) | -6.3% |
| Fixed Charges | 6,961,221 | 7,472,186 | 7,422,910 | 461,689 | 6.6% | (49,277) | -0.7% |
| SDWD Local Water Reimbursement | - | - | 288,023 | 288,023 | - | 288,023 | - |
| SDWD Treatment Reimbursement | 2,864,969 | 3,171,413 | 3,202,265 | 337,296 | 11.8% | 30,852 | 1.0% |
| Misc Operating Revenue | 689,019 | 620,000 | 644,611 | (44,408) | -6.4% | 24,611 | 4.0% |
| Total Operating Revenue | \$ 36,525,403 | \$ 37,997,759 | \$ 37,545,457 | \$ 1,020,054 | 2.8% | \$ (452,303) | -1.2% |
| NON-OPERATING REVENUES | | | | | | | |
| Capacity Charges | \$ 473,641 | \$ 90,000 | \$ 90,000 | \$ (383,641) | -81.0% | \$ - | 0.0% |
| Interest Income | 2,285,890 | 1,944,230 | 1,956,673 | (329,217) | -14.4% | 12,443 | 0.6% |
| Property Tax | 3,546,075 | 3,831,379 | 3,670,501 | 124,426 | 3.5% | (160,878) | -4.2% |
| State / Federal Grants | - | 185,000 | 250,000 | 250,000 | - | 65,000 | 35.1% |
| SDWD Capital Reimbursement | 561,241 | 1,832,815 | 1,622,055 | 1,060,814 | 189.0% | (210,760) | -11.5% |
| Misc Non-Operating Revenue | 296,510 | 172,200 | 152,485 | (144,025) | -48.6% | (19,715) | -11.4% |
| Total Non-Operating Revenue | \$ 7,163,357 | \$ 8,055,624 | \$ 7,741,714 | \$ 578,357 | 8.1% | \$ (313,910) | -3.9% |
| TOTAL REVENUE | \$ 43,688,760 | \$ 46,053,384 | \$ 45,287,171 | \$ 1,598,411 | 3.7% | \$ (766,213) | -1.7% |
| OTHER SOURCES OF FUNDS | | | | | | | |
| Budget Balancing (Not Change in Reserves) | \$ - | \$ 5,097,647 | \$ 692 | 692 | - | (5,096,955) | -100.0% |
| TOTAL FUNDS AVAILABLE | \$ 43,688,760 | \$ 51,151,031 | \$ 45,287,863 | \$ 1,599,103 | 3.7% | \$ (5,863,168) | -11.5% |

Note: Totals may not foot due to rounding.

Santa Fe Irrigation District
Fiscal Year 2026 Mid-Year Budget Summary
Uses of Funds

| TOTAL EXPENSES | FY 2025 | FY 2026 | | \$ Change | % Change | \$ Change | % Change |
|--|----------------------|----------------------|----------------------|--------------------------|--------------------------|----------------------------|----------------------------|
| | Actual | Budget | Projected | FY25Act. - FY26 Proj. | FY25Act. - FY26 Proj. | FY26 Budg. - FY26 Proj. | FY26 Budg. - FY26 Proj. |
| Water Expenses: | | | | | | | |
| Imported Water Purchases | \$ 15,727,697 | \$ 19,453,453 | \$ 15,159,871 | \$ (567,826) | -3.6% | \$ (4,293,582) | -22.1% |
| Local Water Costs | | - | 675,000 | 675,000 | - | 675,000 | - |
| Recycled Water Purchases | 1,150,793 | 1,279,673 | 1,198,486 | 47,693 | 4.1% | (81,187) | -6.3% |
| Personnel Expenses | | | | | | | |
| Salaries | 5,831,868 | 6,242,039 | 6,074,168 | 242,300 | 4.2% | (167,872) | -2.7% |
| Retirement - CalPERS | 2,859,523 | 2,963,010 | 2,921,771 | 62,248 | 2.2% | (41,239) | -1.4% |
| Healthcare (Medical / Dental) | 935,196 | 1,096,510 | 1,061,189 | 125,993 | 13.5% | (35,321) | -3.2% |
| Retiree Healthcare | 627,659 | 523,364 | 659,042 | 31,383 | 5.0% | 135,678 | 25.9% |
| Other Personnel Expenses | 331,833 | 256,954 | 333,176 | 1,343 | 0.4% | 76,222 | 29.7% |
| <i>Sub-Total Personnel Fringe Expenses</i> | <i>\$ 4,754,210</i> | <i>\$ 4,839,837</i> | <i>\$ 4,975,177</i> | <i>\$ 220,967</i> | <i>4.6%</i> | <i>\$ 135,340</i> | <i>2.8%</i> |
| Non-Personnel Expenses | | | | | | | |
| Administration Expense | 1,359,744 | 1,433,256 | 1,392,488 | 32,743 | 2.4% | (40,768) | -2.8% |
| Engineering Expense | 109,578 | 287,500 | 268,923 | 159,345 | 145.4% | (18,577) | -6.5% |
| Operations & Maintenance | 1,794,856 | 1,947,500 | 1,862,083 | 67,227 | 3.7% | (85,417) | -4.4% |
| Joint Facilities | 4,461,106 | 4,321,022 | 4,380,123 | (80,983) | -1.8% | 59,101 | 1.4% |
| <i>Sub-Total Operating Expenses</i> | <i>\$ 7,725,284</i> | <i>\$ 7,989,278</i> | <i>\$ 7,903,617</i> | <i>\$ 178,333</i> | <i>2.3%</i> | <i>\$ (85,661)</i> | <i>-1.1%</i> |
| Capital Contribution / Depreciation | 3,082,769 | 3,100,000 | 3,100,000 | 17,231 | 0.6% | - | 0.0% |
| Total Operating Expenses | \$ 38,272,622 | \$ 42,904,281 | \$ 39,086,319 | \$ 813,697 | 2.1% | \$ (3,817,962) | -8.9% |
| CAPITAL EXPENSES | | | | | | | |
| Capital Acquisitions | \$ 1,201,620 | \$ 1,601,000 | \$ 1,735,294 | \$ 533,674 | 44.4% | \$ 134,294 | 8.4% |
| Capital Improvements | 3,627,806 | 6,645,750 | 4,466,250 | 838,444 | 23.1% | (2,179,500) | -32.8% |
| Total Capital Expenses | \$ 4,829,426 | \$ 8,246,750 | \$ 6,201,544 | \$ 1,372,118 | 28.4% | \$ (2,045,206) | -24.8% |
| TOTAL EXPENSES | \$ 43,102,048 | \$ 51,151,031 | \$ 45,287,863 | \$ 2,185,815 | 5.1% | \$ (5,863,168) | -11.5% |
| OTHER USES OF FUNDS | | | | | | | |
| Budget Balancing (Not Change in Reserves) | 586,712 | - | - | (586,712) | -100.0% | - | - |
| TOTAL USES OF FUNDS | \$ 43,688,760 | \$ 51,151,031 | \$ 45,287,863 | \$ 1,599,103 | 3.7% | \$ (5,863,168) | -11.5% |

Note: Totals may not foot due to rounding.

Water Summary
Fiscal Year 2026 Mid - Year Budget Analysis

| Description | FY 2025 | FY 2026 | | \$ Change | | % Change | |
|----------------------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| | Actual | Budget | Projected | FY25Act. - FY26 Proj. | FY25Act. - FY26 Proj. | FY26 Budg. - FY26 Proj. | FY26 Budg. - FY26 Proj. |
| Water Sources (Acre Feet) | | | | | | | |
| SDCWA Untreated | 7,563 | 8,615 | 7,321 | (242) | -3.2% | (1,294) | -15.0% |
| SDCWA Treated | 603 | 700 | 706 | 103 | 17.1% | 6 | 0.9% |
| Local | 1,352 | - | 1,272 | (80) | -6.0% | 1,272 | - |
| Recycled | 620 | 625 | 580 | (40) | -6.5% | (45) | -7.3% |
| Total Water Sources | 10,138 | 9,940 | 9,878 | (260) | -2.6% | (62) | -0.6% |
| Water Sales (Acre Feet) | | | | | | | |
| Potable Water | 9,519 | 9,000 | 8,973 | (546) | -5.7% | (27) | -0.3% |
| Recycled Water | 620 | 625 | 580 | (41) | -6.6% | (45) | -7.3% |
| Total Water Sales | 10,139 | 9,625 | 9,552 | (587) | -5.8% | (73) | -0.8% |
| Water Purchases (\$'s) | | | | | | | |
| Variable Potable Water | \$ 11,950,791 | \$ 14,967,632 | \$ 12,746,125 | \$ 795,334 | 6.7% | \$ (2,221,507) | -14.8% |
| Fixed Potable Water | 3,765,306 | 4,485,821 | 2,413,746 | (1,351,560) | -35.9% | (2,072,075) | -46.2% |
| Variable Recycled Water | 1,150,793 | 1,279,673 | 1,198,486 | 47,693 | 4.1% | (81,187) | -6.3% |
| Total Water Purchases | \$ 16,866,890 | \$ 20,733,126 | \$ 16,358,357 | \$ (508,533) | -3.0% | \$ (4,374,769) | -21.1% |

Personnel Expense Summary
Fiscal Year 2026 Mid - Year Budget Analysis

| Description | FY25 | FY 2026 | | \$ Change | % Change | \$ Change | % Change |
|---|----------------------|----------------------|----------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| | Actual | Budget | Projected | FY25Act. - FY26 Proj. | FY25Act. - FY26 Proj. | FY26 Budg. - FY26 Proj. | FY26 Budg. - FY26 Proj. |
| Salaries & Benefits: | | | | | | | |
| District Administration | \$ 3,343,175 | \$ 3,307,014 | \$ 3,392,114 | \$ 48,939 | 1.5% | \$ 85,100 | 2.6% |
| Salaries | 2,058,494 | 2,000,315 | 2,027,797 | (30,696) | -1.5% | 27,482 | 1.4% |
| Retirement - CalPERS | 930,376 | 930,880 | 957,138 | 26,762 | 2.9% | 26,259 | 2.8% |
| Healthcare (Medical / Dental) | 266,750 | 293,747 | 297,733 | 30,983 | 11.6% | 3,987 | 1.4% |
| Other | 87,555 | 82,072 | 109,445 | 21,890 | 25.0% | 27,372 | 33.4% |
| District Engineering | 843,159 | 939,133 | 1,050,612 | 207,452 | 24.6% | 111,479 | 11.9% |
| Salaries | 493,872 | 564,891 | 632,201 | 138,329 | 28.0% | 67,310 | 11.9% |
| Retirement - CalPERS | 265,711 | 267,282 | 298,172 | 32,461 | 12.2% | 30,890 | 11.6% |
| Healthcare (Medical / Dental) | 66,701 | 83,670 | 87,602 | 20,900 | 31.3% | 3,931 | 4.7% |
| Other | 16,875 | 23,290 | 32,637 | 15,762 | 93.4% | 9,347 | 40.1% |
| District Operations | 2,703,175 | 2,991,211 | 2,734,001 | 30,825 | 1.1% | (257,210) | -8.6% |
| Salaries | 1,506,945 | 1,730,279 | 1,553,813 | 46,867 | 3.1% | (176,466) | -10.2% |
| Retirement - CalPERS | 766,468 | 815,370 | 741,880 | (24,588) | -3.2% | (73,491) | -9.0% |
| Healthcare (Medical / Dental) | 303,407 | 374,224 | 342,385 | 38,978 | 12.8% | (31,839) | -8.5% |
| Other | 126,355 | 71,338 | 95,923 | (30,432) | -24.1% | 24,586 | 34.5% |
| Joint Facilities Operations | 1,927,595 | 1,856,149 | 1,896,783 | (30,813) | -1.6% | 40,633 | 2.2% |
| Salaries | 1,203,275 | 1,097,597 | 1,117,366 | (85,908) | -7.1% | 19,769 | 1.8% |
| Retirement - CalPERS | 506,762 | 528,930 | 544,579 | 37,817 | 7.5% | 15,649 | 3.0% |
| Healthcare (Medical / Dental) | 155,506 | 184,369 | 176,708 | 21,203 | 13.6% | (7,661) | -4.2% |
| Other | 62,053 | 45,253 | 58,129 | (3,924) | -6.3% | 12,876 | 28.5% |
| Joint Facilities Maintenance | 836,825 | 863,694 | 746,190 | (90,635) | -10.8% | (117,504) | -13.6% |
| Salaries | 496,628 | 500,045 | 418,300 | (78,328) | -15.8% | (81,746) | -16.3% |
| Retirement - CalPERS | 232,082 | 248,398 | 215,662 | (16,419) | -7.1% | (32,736) | -13.2% |
| Healthcare (Medical / Dental) | 85,219 | 94,634 | 92,197 | 6,978 | 8.2% | (2,438) | -2.6% |
| Other | 22,897 | 20,616 | 20,031 | (2,866) | -12.5% | (585) | -2.8% |
| Joint Facilities Laboratory | 187,746 | 198,956 | 200,909 | 13,163 | 7.0% | 1,953 | 1.0% |
| Salaries | 103,448 | 111,556 | 111,286 | 7,838 | 7.6% | (270) | -0.2% |
| Retirement - CalPERS | 49,879 | 50,289 | 51,286 | 1,406 | 2.8% | 996 | 2.0% |
| Healthcare (Medical / Dental) | 28,807 | 32,512 | 32,307 | 3,500 | 12.1% | (205) | -0.6% |
| Other | 5,612 | 4,599 | 6,031 | 418 | 7.5% | 1,432 | 31.1% |
| Joint Facilities Administration | 350,047 | 402,355 | 369,696 | 19,649 | 5.6% | (32,660) | -8.1% |
| Salaries | 202,510 | 237,356 | 213,404 | 10,895 | 5.4% | (23,952) | -10.1% |
| Retirement - CalPERS | 108,245 | 121,860 | 113,054 | 4,809 | 4.4% | (8,806) | -7.2% |
| Healthcare (Medical / Dental) | 28,807 | 33,354 | 32,258 | 3,451 | 12.0% | (1,096) | -3.3% |
| Other | 10,486 | 9,786 | 10,980 | 494 | 4.7% | 1,194 | 12.2% |
| Subtotal Operating Salaries & Benefits | \$ 10,191,723 | \$ 10,558,513 | \$ 10,390,303 | \$ 198,580 | 1.9% | \$ (168,210) | -1.6% |
| Retiree Health Care Program | | | | | | | |
| Annual OPEB Trust Contribution / Pay-Go | | | | | | | |
| District | 450,499 | 359,420 | 473,024 | 22,525 | 5.0% | 113,604 | 31.6% |
| Plant | 177,160 | 163,944 | 186,018 | 8,858 | 5.0% | 22,073 | 13.5% |
| Subtotal Retiree Healthcare Program | \$ 627,659 | \$ 523,364 | \$ 659,042 | \$ 31,383 | 5.0% | \$ 135,678 | 25.9% |
| Total Personnel Expenses | \$ 10,819,382 | \$ 11,081,877 | \$ 11,049,345 | \$ 229,963 | 2.1% | \$ (32,532) | -0.3% |

Administration Expense Summary
Fiscal Year 2026 Mid - Year Budget Analysis

| Description | FY 2025 | FY 2026 | | \$ Change | | % Change | |
|-------------------------------------|---------------------|---------------------|---------------------|--------------------------|--------------------------|----------------------------|----------------------------|
| | Actual | Budget | Projected | FY25Act. - FY26 Proj. | FY25Act. - FY26 Proj. | FY26 Budg. - FY26 Proj. | FY26 Budg. - FY26 Proj. |
| Labor Expenses: | | | | | | | |
| Salaries & Benefits | \$ 3,343,175 | \$ 3,307,014 | \$ 3,509,145 | \$ 165,970 | 5.0% | \$ 202,130 | 6.1% |
| District Retiree Health Care | 450,499 | 359,420 | 473,024 | 22,525 | 5.0% | 113,604 | 31.6% |
| Interdepartmental Allocations | (612,279) | (525,000) | (625,000) | (12,721) | 2.1% | (100,000) | 19.0% |
| Net Personnel Expenditures | <u>\$ 3,181,395</u> | <u>\$ 3,141,434</u> | <u>\$ 3,357,169</u> | <u>\$ 175,774</u> | <u>5.5%</u> | <u>\$ 215,735</u> | <u>6.9%</u> |
| Non-Labor Expenses: | | | | | | | |
| Board Support | \$ 37,387 | \$ 28,756 | \$ 35,368 | \$ (2,019) | -5.4% | \$ 6,612 | 23.0% |
| Property & Liability Insurance | 164,419 | 175,000 | 194,045 | 29,625 | 18.0% | 19,045 | 10.9% |
| Office Supplies | 68,275 | 72,000 | 60,224 | (8,051) | -11.8% | (11,776) | -16.4% |
| Information Technology | 318,438 | 386,500 | 358,144 | 39,706 | 12.5% | (28,356) | -7.3% |
| Other Office Expense | 112,789 | 135,000 | 149,796 | 37,007 | 32.8% | 14,796 | 11.0% |
| Contract Services / Conservation | 616,773 | 590,000 | 552,138 | (64,635) | -10.5% | (37,862) | -6.4% |
| Training & Development | 41,663 | 46,000 | 42,773 | 1,110 | 2.7% | (3,227) | -7.0% |
| Total Non-Labor | <u>\$ 1,359,744</u> | <u>\$ 1,433,256</u> | <u>\$ 1,392,488</u> | <u>\$ 32,743</u> | <u>2.4%</u> | <u>\$ (40,768)</u> | <u>-2.8%</u> |
| Expenses Before Depreciation | <u>\$ 4,541,139</u> | <u>\$ 4,574,690</u> | <u>\$ 4,749,656</u> | <u>\$ 208,517</u> | <u>4.6%</u> | <u>\$ 174,966</u> | <u>3.8%</u> |
| Total Depreciation & Amortization | \$ 3,082,769 | \$ 3,100,000 | \$ 3,100,000 | \$ 17,231 | 0.6% | \$ - | 0.0% |
| Total Net Expenses | <u>\$ 7,623,908</u> | <u>\$ 7,674,690</u> | <u>\$ 7,849,656</u> | <u>\$ 225,748</u> | <u>3.0%</u> | <u>\$ 174,966</u> | <u>2.3%</u> |

Engineering & Planning Expense Summary
Fiscal Year 2026 Mid - Year Budget Analysis

| Description | FY 2025 | FY 2026 | | \$ Change | % Change | \$ Change | % Change |
|--------------------------------|-------------------|---------------------|---------------------|--------------------------|--------------------------|----------------------------|----------------------------|
| | Actual | Budget | Projected | FY25Act. - FY26 Proj. | FY25Act. - FY26 Proj. | FY26 Budg. - FY26 Proj. | FY26 Budg. - FY26 Proj. |
| Labor Expenses: | | | | | | | |
| Salaries & Benefits | \$ 843,159 | \$ 939,133 | \$ 1,050,612 | \$ 207,452 | 24.6% | \$ 111,479 | 11.9% |
| Non-Labor Expenses: | | | | | | | |
| Drafting & Mapping | 3,115 | 4,000 | 3,527 | 412 | 13.2% | (473) | -11.8% |
| Engineering Services | 54,576 | 240,000 | 232,500 | 177,924 | 326.0% | (7,500) | -3.1% |
| Other Expenses | 51,886 | 43,500 | 32,896 | (18,991) | -36.6% | (10,604) | -24.4% |
| Total Non-Labor | \$ 109,578 | \$ 287,500 | \$ 268,923 | \$ 159,345 | 145.4% | \$ (18,577) | -6.5% |
| Total Expenses | \$ 952,737 | \$ 1,226,633 | \$ 1,319,535 | \$ 366,798 | 38.5% | \$ 92,902 | 7.6% |

**Operations & Maintenance Expense Summary
Fiscal Year 2026 Mid - Year Budget Analysis**

| Description | FY 2025 | FY 2026 | | \$ Change | % Change | \$ Change | % Change |
|--------------------------------|---------------------|---------------------|---------------------|--------------------------|--------------------------|----------------------------|-------------------------------|
| | Actual | Budget | Projected | FY25Act. - FY26 Proj. | FY25Act. - FY26 Proj. | FY26 Budg. - FY26 Proj. | FY26 Budg. - FY26 Proj. |
| Labor Expenses: | | | | | | | |
| Salaries & Benefits | \$ 2,703,175 | \$ 2,991,211 | \$ 2,734,001 | \$ 30,825 | 1.1% | \$ (257,210) | -8.6% |
| Non-Labor Expenses: | | | | | | | |
| System Operations | 269,703 | 283,000 | 269,706 | 3 | 0.0% | (13,294) | -4.7% |
| Facilities Maintenance | 361,330 | 421,000 | 388,249 | 26,919 | 7.5% | (32,751) | -7.8% |
| Construction | 1,051,453 | 1,138,000 | 1,087,313 | 35,860 | 3.4% | (50,687) | -4.5% |
| Meter & Backflow Services | 66,445 | 48,000 | 79,427 | 12,983 | 19.5% | 31,427 | 65.5% |
| Safety | 45,926 | 57,500 | 37,388 | (8,538) | -18.6% | (20,112) | -35.0% |
| Total Non-Labor | \$ 1,794,856 | \$ 1,947,500 | \$ 1,862,083 | \$ 67,227 | 3.7% | \$ (85,417) | -4.4% |
| Total Expenses | \$ 4,498,031 | \$ 4,938,711 | \$ 4,596,084 | \$ 98,052 | 2.2% | \$ (342,627) | -6.9% |

Joint Facilities Cost Allocation
Fiscal Year 2026 Mid-Year Budget Analysis

| Description | FY2025 | FY 2026 | FY 2026 | \$ Change | % Change | \$ Change | % Change | FY 2026 Mid-Year Allocated Cost | | Percentage | |
|---|---------------------|---------------------|---------------------|-----------------------|-----------------------|-------------------------|-------------------------|---------------------------------|---------------------|---------------|---------------|
| | Actual | Budget | Projection | FY25Act. - FY26 Proj. | FY25Act. - FY26 Proj. | FY26 Budg. - FY26 Proj. | FY26 Budg. - FY26 Proj. | SDWD | SFID | SDWD | SFID |
| Operations & Maintenance | | | | | | | | | | | |
| Local Water Costs & Reimbursements | \$ 11,600 | \$ 0 | \$ 675,000 | \$ 663,400 | 5719.0% | \$ 675,000 | - | \$ 288,023 | \$ 386,978 | 42.67% | 57.33% |
| Operating Costs | | | | | | | | | | | |
| Salaries & Wages / Benefits | \$ 3,302,214 | \$ 3,321,155 | \$ 3,213,577 | \$ (88,637) | -2.7% | \$ (107,578) | -3.2% | \$ 1,221,159 | \$ 1,992,418 | 38.00% | 62.00% |
| Retiree Healthcare | 177,160 | 163,944 | 186,018 | 8,858 | 5.0% | 22,073 | 13.5% | 70,687 | 115,331 | 38.00% | 62.00% |
| District Staffing for Joint Facilities Work (SDWD Only) | 227,768 | 212,800 | 237,500 | 9,732 | 4.3% | 24,700 | 11.6% | 237,500 | - | 100.00% | 0.00% |
| <i>Sub-Total Personnel Expenditures</i> | <u>3,707,141</u> | <u>3,697,899</u> | <u>3,637,095</u> | <u>(70,047)</u> | <u>-1.9%</u> | <u>(60,805)</u> | <u>-1.6%</u> | <u>1,529,346</u> | <u>2,107,749</u> | <u>42.05%</u> | <u>57.95%</u> |
| Water Transportation | 685,295 | 246,000 | 641,913 | (43,382) | -6.3% | 395,913 | 160.9% | 273,904 | 368,009 | 42.67% | 57.33% |
| Operations | 1,595,569 | 1,544,000 | 1,499,126 | (96,443) | -6.0% | (44,874) | -2.9% | 569,668 | 929,458 | 38.00% | 62.00% |
| Maintenance | 668,319 | 855,750 | 669,737 | 1,418 | 0.2% | (186,013) | -21.7% | 254,500 | 415,237 | 38.00% | 62.00% |
| Laboratories | 172,899 | 255,500 | 188,343 | 15,444 | 8.9% | (67,157) | -26.3% | 71,570 | 116,773 | 38.00% | 62.00% |
| Administrative / Engineering | 715,146 | 1,419,772 | 1,381,005 | 665,859 | 93.1% | (38,767) | -2.7% | 524,782 | 856,223 | 38.00% | 62.00% |
| <i>Sub-Total Non- Personnel Expenditures</i> | <u>3,837,227</u> | <u>4,321,022</u> | <u>4,380,123</u> | <u>542,896</u> | <u>14.1%</u> | <u>59,101</u> | <u>1.4%</u> | <u>1,694,424</u> | <u>2,685,699</u> | <u>38.68%</u> | <u>61.32%</u> |
| Total Operating Costs (Excl. Local Water) | \$ 7,544,368 | \$ 8,018,921 | \$ 8,017,218 | \$ 472,850 | 6.3% | \$ (1,703) | 0.0% | \$ 3,223,770 | \$ 4,793,448 | | |
| Less: External Revenues | | | | | | | | | | | |
| Lake House Rent | \$ 50,880 | \$ 45,000 | \$ 50,400 | \$ (480) | -0.9% | \$ 5,400 | 12.0% | \$ 21,506 | \$ 28,894 | 42.67% | 57.33% |
| Cell Site Revenue | 39,697 | - | - | (39,697) | -100.0% | - | - | - | - | 38.00% | 62.00% |
| Total Revenues | \$ 90,577 | \$ 45,000 | \$ 50,400 | \$ (40,177) | -44.4% | \$ 5,400 | 12.0% | \$ 21,506 | \$ 28,894 | | |
| Net Operating Reimbursements from Districts | \$ 7,465,392 | \$ 7,973,921 | \$ 8,641,818 | \$ 1,176,426 | 15.8% | \$ 667,897 | 8.4% | \$ 3,202,265 | \$ 4,764,554 | | |

Joint Facilities Cost Allocation
Fiscal Year 2026 Mid-Year Budget Analysis

| Description | FY2025 | FY 2026 | FY 2026 | \$ Change | % Change | \$ Change | % Change | FY 2026 Mid-Year Allocated Cost | | Percentage | |
|--|--------|---------------------|---------------------|-----------------------|-----------------------|-------------------------|-------------------------|---------------------------------|---------------------|------------|--------|
| | Actual | Budget | Projection | FY25Act. - FY26 Proj. | FY25Act. - FY26 Proj. | FY26 Budg. - FY26 Proj. | FY26 Budg. - FY26 Proj. | SDWD | SFID | SDWD | SFID |
| Capital Improvement & Acquisition | | | | | | | | | | | |
| Capital Acquisition | | | | | | | | | | | |
| PLC for Chemical Feed Continued Updates | | 40,000 | 38,161 | | | (1,839) | -4.6% | \$ 17,172 | \$ 20,989 | 45.00% | 55.00% |
| TOC Analyzer Replacement | | 50,000 | 50,000 | | | - | 0.0% | 22,500 | 27,500 | 45.00% | 55.00% |
| Master Backwash Actuator Replacement | | 40,000 | 34,374 | | | (5,626) | -14.1% | 15,468 | 18,906 | 45.00% | 55.00% |
| Polymer Premix / Injection Unit | | 150,000 | 139,418 | | | (10,582) | -7.1% | 62,738 | 76,680 | 45.00% | 55.00% |
| Flashmix Pump Replacement | | 25,000 | 17,361 | | | (7,639) | -30.6% | 7,812 | 9,549 | 45.00% | 55.00% |
| Caustic Tank Replacement | | 160,000 | 142,741 | | | (17,259) | -10.8% | 64,233 | 78,508 | 45.00% | 55.00% |
| Chlorine Analyzers (3) | | 55,000 | 19,068 | | | (35,932) | -65.3% | 8,581 | 10,487 | 45.00% | 55.00% |
| Security Monitor Addition | | 8,000 | - | | | (8,000) | -100.0% | - | - | 45.00% | 55.00% |
| Automated 30" Bypass valve | | 75,000 | 75,000 | | | - | 0.0% | 32,003 | 42,998 | 42.67% | 57.33% |
| Kitchen Repairs / Updates | | 50,000 | 50,000 | | | - | 0.0% | 22,500 | 27,500 | 45.00% | 55.00% |
| San Dieguito Reservoir Fencing Repairs / Camera Installation | | 75,000 | 120,426 | | | 45,426 | 60.6% | 54,192 | 66,234 | 45.00% | 55.00% |
| SCADA Server Replacements | | 216,000 | 216,000 | | | - | 0.0% | 97,200 | 118,800 | 45.00% | 55.00% |
| RE Badger Master Switch Replacement | | - | 22,091 | | | 22,091 | - | 9,941 | 12,150 | 45.00% | 55.00% |
| Cielo Pump Station Seal Replacement | | - | 17,954 | | | 17,954 | - | 7,600 | 10,354 | 42.33% | 57.67% |
| Anthracite Filter Media Replacement / Addition | | - | 18,400 | | | 18,400 | - | 8,280 | 10,120 | 45.00% | 55.00% |
| Replacement of Equalization Pond Gate Valve | | - | 27,303 | | | 27,303 | - | 12,286 | 15,017 | 45.00% | 55.00% |
| Security Camera Software Replacement | | - | 30,000 | | | 30,000 | - | 13,500 | 16,500 | 45.00% | 55.00% |
| Total Capital Acquisition | | \$ 944,000 | \$ 1,018,297 | | | \$ 74,297 | 7.9% | \$ 456,007 | \$ 562,290 | | |
| Capital Improvement Projects | | | | | | | | | | | |
| San Dieguito Dam Repair | | 250,000 | 580,000 | | | 330,000 | 132.0% | 247,486 | 332,514 | 42.67% | 57.33% |
| Clearwell Solar | | 1,916,250 | 1,916,250 | | | - | 0.0% | 862,313 | 1,053,938 | 45.00% | 55.00% |
| R.E. Badger Leach Field Replacement | | 479,500 | - | | | (479,500) | -100.0% | - | - | 45.00% | 55.00% |
| Anode Bed Replacement | | 200,000 | 100,000 | | | (100,000) | -50.0% | 45,000 | 55,000 | 45.00% | 55.00% |
| Filter Surface Washwater Header and Associated Piping | | 300,000 | 275,000 | | | (25,000) | -8.3% | 123,750 | 151,250 | 45.00% | 55.00% |
| Total Capital Improvement Projects | | \$ 3,145,750 | \$ 2,871,250 | | | \$ (274,500) | -8.7% | \$ 1,278,549 | \$ 1,592,702 | | |
| Less: Capital Grant Revenue / Reimbursement | | | | | | | | | | | |
| CalOES / FEMA SCADA (SLCGP) | | \$ - | \$ 250,000 | | | \$ 250,000 | - | \$ 112,500 | \$ 137,500 | 45.00% | 55.00% |
| Net Capital Reimbursements from Districts | | \$ 4,089,750 | \$ 3,639,547 | | | \$ (450,203) | -11.0% | \$ 1,622,055 | \$ 2,017,492 | | |

**Capital Acquisition Budget Detail
Fiscal Year 2026**

| | SFID % | FY26 Total Budget* | FY26 Mid-Yr | \$ Change | % Change |
|--|----------------|---------------------|---------------------|-------------------|----------------|
| District Administration / Operations | | | | | |
| Fire Safety PPE/Emergency Response Equipment | 100.00% | \$ 15,000 | \$ 13,347 | \$ (1,653) | -11.0% |
| Emergency Water Trailer | 100.00% | 40,000 | 40,000 | - | 0.0% |
| Water Service Emergency Highline Materials | 100.00% | 15,000 | 15,000 | - | 0.0% |
| Cement Mixing Trailer Replace | 100.00% | 30,000 | 28,496 | (1,504) | -5.0% |
| 3 Yard Dump Bed Truck | 100.00% | 90,000 | - | (90,000) | -100.0% |
| Phase 1 PLC Upgrades for remote PRS | 100.00% | 35,000 | 32,917 | (2,083) | -6.0% |
| Yard Material Bins Covers/Drainage | 100.00% | 50,000 | 50,000 | - | 0.0% |
| Unit #11 Stakebed Body Refresh | 100.00% | 20,000 | 20,558 | 558 | 2.8% |
| Phase I AMI (10yr) Meter / Register Replacements | 100.00% | 215,000 | 215,000 | - | 0.0% |
| 440 Glenmont House Roof Repairs | 100.00% | 55,000 | - | (55,000) | -100.0% |
| Larrick Reservoir Warehouse Paint/Stucco/Wood Repairs | 100.00% | 40,000 | 40,000 | - | 0.0% |
| Admin Building Master Switch Replacement | 100.00% | 52,000 | 34,556 | (17,444) | -33.5% |
| Unit 2 / 3 F-250 Super Duty | 100.00% | - | 141,613 | 141,613 | - |
| Admin Building Emergency Generator Repairs | 100.00% | - | 10,510 | 10,510 | - |
| Replacement of 1/2 Ton Unit 14 for PZEV | 100.00% | - | 75,000 | 75,000 | - |
| Total District Administration / Operations | | \$ 657,000 | \$ 716,997 | \$ 59,997 | 9.1% |
| Joint Facilities | | | | | |
| PLC for Chemical Feed Continued Updates | 55.00% | \$ 40,000 | \$ 38,161 | \$ (1,839) | -4.6% |
| TOC Analyzer Replacement | 55.00% | 50,000 | 50,000 | - | 0.0% |
| Master Backwash Actuator Replacement | 55.00% | 40,000 | 34,374 | (5,626) | -14.1% |
| Polymer Premix / Injection Unit | 55.00% | 150,000 | 139,418 | (10,582) | -7.1% |
| Flashmix Pump Replacement | 55.00% | 25,000 | 17,361 | (7,639) | -30.6% |
| Caustic Tank Replacement | 55.00% | 160,000 | 142,741 | (17,259) | -10.8% |
| Chlorine Analyzers (3) | 55.00% | 55,000 | 19,068 | (35,932) | -65.3% |
| Security Monitor Addition | 55.00% | 8,000 | - | (8,000) | -100.0% |
| Automated 30" Bypass valve | 57.33% | 75,000 | 75,000 | - | 0.0% |
| Kitchen Repairs / Updates | 55.00% | 50,000 | 50,000 | - | 0.0% |
| San Dieguito Reservoir Fencing Repairs / Camera Installation | 55.00% | 75,000 | 120,426 | 45,426 | 60.6% |
| SCADA Server Replacements | 55.00% | 216,000 | 216,000 | - | 0.0% |
| RE Badger Master Switch Replacement | - | - | 22,091 | 22,091 | - |
| Cielo Pump Station Seal Replacement | - | - | 17,954 | 17,954 | - |
| Anthracite Filter Media Replacement / Addition | - | - | 18,400 | 18,400 | - |
| Replacement of Equalization Pond Gate Valve | - | - | 27,303 | 27,303 | - |
| Security Camera Software Replacement | | | 30,000 | 30,000 | - |
| Total Joint Facilities | | \$ 944,000 | \$ 1,018,297 | \$ 74,297 | 7.9% |
| TOTAL SFID / SDWD Capital Acquisitions | | \$ 1,601,000 | \$ 1,735,294 | \$ 134,294 | 8.4% |

* Represents entire budget, including SFID / SDWD share. SDWD reimbursements for CAP are included as non-operating revenues.

**Capital Improvement Budget Summary
Fiscal Year 2026**

| PROJECT NUMBER | PROJECT NAME / DESCRIPTION | PROJECT STATUS | SFID % | TOTAL ESTIMATED COST* | FY26 BUDGET EXPENDITURE PROJECTION | FY26 MID-YEAR EXPENDITURE PROJECTION |
|---|---|----------------------|---------|-----------------------|------------------------------------|--------------------------------------|
| DISTRICT ONLY | | | | | | |
| 2302 | District Yard Small-Scale Solar Array | Construction | 100.00% | \$ 396,803 | \$ 150,000 | \$ 325,000 |
| TBD | El Camino Real Widening - City SD | Construction | 100.00% | 766,000 | 100,000 | - |
| 2501 | La Granada Pipeline Replacement and PRS Elimination Project | Design/Construction | 100.00% | 3,151,800 | 1,000,000 | 230,000 |
| 2502 | Larrick Reservoir and Pump Station Upgrades Project | Design/Construction | 100.00% | 4,761,306 | 1,500,000 | 600,000 |
| TBD | 24-inch Pipeline Realign/Replace - El Camino Real and Santa Luisa | Design/Construction | 100.00% | 3,157,283 | 750,000 | 440,000 |
| GENERAL DISTRICT CIP SUBTOTAL | | | | \$ 12,233,192 | \$ 3,500,000 | \$ 1,595,000 |
| JOINT FACILITIES (SFID & SDWD) | | | | | | |
| 2451 | San Dieguito Dam Repair | Construction | 57.33% | 865,000 | 250,000 | 580,000 |
| 2450 | Clearwell Solar | Construction | 55.00% | 2,156,250 | 1,916,250 | 1,916,250 |
| 2351 | R.E. Badger Leach Field Replacement | Feasibility / Design | 55.00% | 514,500 | 479,500 | - |
| 2550 | Anode Bed Replacement | Construction | 55.00% | 250,000 | 200,000 | 100,000 |
| 2354 | Filter Surface Washwater Header and Associated Piping | Construction | 55.00% | 1,645,760 | 300,000 | 275,000 |
| JOINT FACILITIES CIP SUBTOTAL | | | | \$ 13,440,589 | \$ 3,145,750 | \$ 2,871,250 |
| CIP PROGRAM TOTAL | | | | \$ 25,673,781 | \$ 6,645,750 | \$ 4,466,250 |

| SFID % | % SDWD | SFID \$ | SDWD \$ |
|--------|--------|---------------------|---------------------|
| 57.33% | 42.67% | 332,514 | 247,486 |
| 55.00% | 45.00% | 1,053,938 | 862,313 |
| 55.00% | 45.00% | - | - |
| 55.00% | 45.00% | 55,000 | 45,000 |
| 55.00% | 45.00% | 151,250 | 123,750 |
| | | \$ 1,592,702 | \$ 1,278,549 |

67.2%

Reserve Policy Funding

| Reserve Fund | Target | Current |
|---|--------------------------|----------------------|
| Capital Improvement & Replacement | Minimum | \$ 8,940,000 |
| Rate Stabilization | 20% Variable Water Sales | \$ 5,090,897 |
| Operating | 60 Days | \$ 6,021,841 |
| Lake Hodges Fund | Board Determined | \$ 10,400,000 |
| Actual Total Designated Reserves | | \$ 30,452,738 |

Fund Balance Impacts from FY26 Mid-Year Budget Projections

| | | Projected | FY 25 EOY | |
|---|--------------|----------------------|----------------------|--------------|
| Beginning Cash Balance | A | \$ 40,135,533 | | |
| Operating Income | | \$ 37,545,457 | | |
| Non-Operating Income | | 7,741,714 | | |
| Sub-Total | B | \$ 45,287,171 | | |
| Operating Expense* | | \$ 35,986,319 | | |
| Capital Expense | | 6,201,544 | | |
| Sub-Total | C | \$ 42,187,863 | | |
| Net Cash Impact | D=B-C | \$ 3,099,308 | | |
| Ending Cash Balance | A-D | \$ 43,234,841 | \$ 40,135,533 | 485.6 |
| Total Designated Reserves | | \$ 30,452,738 | \$ 30,452,738 | 342.0 |
| Funds for Future Ratepayer Benefit | | \$ 12,782,103 | \$ 9,682,795 | 143.6 |

* Does not include depreciation / amortization as a non-cash expense

** Based on FY26 Mid-Year operating expenditure projection

ATTACHMENT B

| KPI # | KPI | Goal | FY25 Actual | FY26 Projection | Comments / Variance Explanation For FY25 Actual | Comments / Variance Explanation For FY26 Projection | Department |
|-------|---|------------------|------------------|------------------|---|--|----------------|
| 1 | Average, typical single-family residential bill (SDCWA members) | <33rd Percentile | <33rd Percentile | <33rd Percentile | New rates implemented January 1st still have the majority of customers at or below 1/3 | | Administration |
| 2 | Compliance with state requirement AB1668 - District water budget | TBD | N/A | N/A | | Budget is not required to be strictly adhered to, though monitored by Staff | Administration |
| 3 | Compliance with state requirement SBX 7-7 (gallons per capita / day) | < 510 | ~439 | ~423 | FY25 was dryer than normal | FY26 is anticipated to be more "normalized" rainfall' | Administration |
| 4 | Participation rate in customer survey | 25% | N/A | N/A | | Customer survey was initially discussed at AFC and Staff plan on returning to discuss final proposal in FY26 | Administration |
| 5 | # attendees at water seminar(s) / landscape classes held by District | 100 | 15 | TBD | | | Administration |
| 6 | Number of customers enrolled in District AMI portal (as a % of total District customers - goal of 60% by FY31) | 20% | 22% | 24% | Current system does not distinguish between active / cloed accounts (1,460 total users) | | Administration |
| 7 | % of District main phone line calls not answered by live customer service representative | <1% | <1% | <1% | | | Administration |
| 8 | # of updates of current and developing legislation and regulations at District Board meeting | 9 | 9 | 9 | | | Administration |
| 9 | % customers on auto-pay (goal of 60% by FY31) | 30% | 52% | 55% | Implementation of customer drive auto-pay with Xpress Pay has increased use, including ability to use credit card or bank account | | Administration |
| 10 | Employee voluntary turnover annually | <=5% | 11% | 9.0% | This percentage includes one retirement and four resignations, two of which included disciplined employees and three of which were Utility Workers. | One employee resigned, the Utility Worker has been susceptible to resignation and five employees have a strong potential to retire (two are included in projected percentage). | Administration |
| 11 | Percentage of distribution and treatment employees with certifications/education above minimum requirements for their job | 67% | 69% | 67% | This KPI is consistently met or exceeded because SFID supports training and development along with a culture of going above and beyond. | This KPI is consistently met or exceeded because SFID supports training and development along with a culture of going above and beyond. | Administration |
| 12 | Percentage of performance evaluations completed within 30 days from anniversary | 90% | 55% | 85% | | Part-time help has supported HR in diligently tracking and sending regular reminders of performance evaluation deadlines. | Administration |
| 13 | Development / review for compliance with OPEB and pension funding policy | Y | Y | Y | | | Administration |
| 14 | Proposition 26 fees reviewed within last 3 years | Y | Y | Y | | Completed in FY26 | Administration |
| 15 | Completion of cost-of-service study within last 5 years | Y | Y | Y | Completed in FY25 | | Administration |

| KPI # | KPI | Goal | FY25 Actual | FY26 Projection | Comments / Variance Explanation For FY25 Actual | Comments / Variance Explanation For FY26 Projection | Department |
|-------|--|-------|-------------|-----------------|--|--|----------------|
| 16 | Compliance with all Board adopted financial policies (Budget, Reserves, Debt, Treasurer, etc.) | Y | Y | Y | | | Administration |
| 17 | # of Table top emergency response plan exercises conducted | 2 | 2 | 2 | | | Administration |
| 18 | Annual District rate increase / revenue requirement within 3% of San Diego / Carlsbad CPI-U, less water supply costs | Y | Y | Y | FY25 cost of service implemented a 2% District rate increase | CY26 increase for District O&M/capital bypassed due to positive financial condition | Administration |
| 19 | Performed assessment of Drought Contingency Plan for short-term water reliability | Y | Y | Y | | | Engineering |
| 20 | Annual Capital Improvement Program (CIP) expenditures as % of adopted budget | 90% | 19% | 67% | Project timelines were delayed due to bidding requirements and material acquisition timelines, among others | Projects are currently moving forward with design, new asset management master plan will produce more actionable budgetary figures | Engineering |
| 21 | CIP construction change orders as % of yearly program | <5% | 3.7% | <2% | | | Engineering |
| 22 | # day to update GIS base maps from receipt of system change | <30 | <30 | <30 | | | Engineering |
| 23 | Dig Alert Tickets responded to within 48 hours | 100% | 100% | 100% | | | Engineering |
| 24 | # of unplanned disruptions greater than 4 hours | <6 | <6 | <6 | | | Ops & Maint |
| 25 | Number of system valves replaced per year | 15 | 13 | 15 | Number varies, based on competing priorities | | Ops & Maint |
| 26 | # leaks in fiscal year | <10 | 12 | <10 | Represents "mainline" leaks. Number of leaks per mile of pipeline remains well below industry average and trends with SFID historical running annual average | | Ops & Maint |
| 27 | System water loss / non-revenue water % | <=5% | -1.1% | <=5% | In Compliance with SWRCB Water Loss Standard | | Ops & Maint |
| 28 | # pressure regulating stations serviced per year | 7 | 10 | 7 | Number varies based on previous service interval | | Ops & Maint |
| 29 | # of valves exercised per year | 1,260 | 1,305 | 1,305 | | | Ops & Maint |
| 30 | % of annual water treatment plant shutdowns completed on time | 100% | 100% | 100% | | | Treatment |
| 31 | # violations for primary and secondary water quality standards | 0 | 0 | 0 | No Tier 1 Violations | | Treatment |
| 32 | # public tours conducted per year | 3 | 5 | 6 | Includes | | Treatment |



The mission of Santa Fe Irrigation District is to meet the water supply needs of all its customers — safely, sustainably, reliably, and cost-effectively.

BOARD REPORT

TO: Board of Directors

FROM: Albert C. Lau, P. E.

INITIATED BY: Seth Gates, Director of Administrative Services

DATE: February 19, 2026

SUBJECT: Approve a \$2.4 Million Increase in the Designated Fund Balance of the Lake Hodges Fund

Strategic Focus Area:

GOAL 5. Sustainable and Effectively Managed Finances

Recommendation:

It is the Staff recommendation that Board of Directors:

1. Approve a \$2,400,000 increase in the designated fund balance for the Lake Hodges Fund, increasing the total fund balance from \$10.4 million to \$12.8 million.

Alternatives:

Recommend an alternative funding amount or recommend no modification.

Background:

In November 2023, the Board approved an update to the District's Reserve Policy establishing a new unrestricted reserve entitled the "Lake Hodges Dam Fund." This

fund was created to segregate monies that may be utilized for District operating or capital expenditures related to both the existing Lake Hodges Dam and a future replacement dam. The fund was established in response to mandated restrictions by the Division of Safety of Dams (DSOD), including reduced lake levels and the expressed intention of the City of San Diego to begin construction of a new dam by December 31, 2029. The City may contend that the District is responsible for approximately 14.33% of eligible operations, maintenance, and capital expenditures under the 2014 amended and restated agreement with the City.

During the FY24 year-end reserve designation process, Staff recommended, and the Board approved, the designation of \$10.4 million within the Lake Hodges Fund. This balance reflects potential obligations for: 1.) emergency repairs and potential reimbursements associated with the existing dam, and 2.) planning and design cost exposure for a replacement dam. The \$10.4 million balance was developed based on the District's potential responsibility for two separate items: 1.) the design cost sharing for the District, and 2.) the accumulated operations and maintenance (O&M) costs incurred by the City and estimates for future cost sharing. For a then-estimated \$300 million replacement dam cost in 2022 dollars, design costs were estimated at 15% of the total cost of the future year's inflated cost, or \$8.6 million. The O&M costs were estimated out until 2028, when these costs would cease to be incurred by the City, which totaled and estimated \$1.8 million for the District.

This set-aside was a prudent financial decision to create a pool of funding that would be used for these potential one-time expenditures to mitigate future rate impacts, in addition to demonstrating fiscal preparedness to ratepayers and the public.

Discussion:

The District is currently engaged in litigation against the City of San Diego regarding Lake Hodges-related obligations and expenditures, in which the trial may begin in July 2026. Given the complexity of the case, the District and its counsel expects significant costs for discovery, expert review, depositions, trial preparation, and the potential for a lengthy trial.

Based on this, Staff is recommending setting aside an additional \$2.4 million within the Lake Hodges Fund to ensure that sufficient resources are available to support the District's legal position without unplanned impacts to operating budgets or customer rates

This proactive modification is consistent with the District's commitment to prudent financial planning and transparency. Establishing a dedicated litigation reserve will provide financial stability and predictability for upcoming legal expenditures, and aid in avoiding sudden ratepayer impacts or mid-year budget disruptions.

This recommended designation would also reinforce public confidence that the District is responsibly planning for these major potential obligations and the fight for our ratepayers to restore / protect local water resources and their best fiscal interests.

Committee Action:

At their February 10, 2026, meeting, the Administrative & Finance Committee reviewed this item and agreed with Staff recommendation for the Board of Directors to approve a \$2.4 million designation of funds for future ratepayer benefit to the Lake Hodges Fund, for a total Lake Hodges Fund appropriated balance of \$12.8 million.

Fiscal Impact:

Designation of an additional \$2.4 million would reduce funds for future ratepayer benefit. Based on the FY26 Mid-Year Budget analysis provided by Staff in this agenda, this additional designation would reduce the funds for future ratepayer benefit estimated at FY26 year-end from approximately \$12.8 million to \$10.4 million. These funds for future ratepayer benefit are a source of funds that the Board of Directors has full discretion to appropriate and expend, or to designate to reserves, for whatever legal purposes they should determine best protects our ratepayers' best interests. Staff believe that this designation of an additional \$2.4 million in funds accomplishes this due to the aforementioned reasons.

The FY25 year-end funds for future rate payer benefit equaled \$9.7 million, with the growth anticipated in FY26 coming primarily from the utilization of local water in addition to anticipated capital improvement projects spending delays. With the designation of these additional funds, the anticipated FY26 year-end funds for future ratepayer benefit would still exceed FY25 year-end levels by approximately \$0.7 million, leaving the Board of Directors a continuing high level of discretion on how to potentially use these funds for the alternative highest and best purpose(s) for ratepayer benefit that they should determine.



The mission of Santa Fe Irrigation District is to meet the water supply needs of all its customers — safely, sustainably, reliably, and cost-effectively.

BOARD REPORT

TO: Board of Directors

FROM: Albert C. Lau, P. E.

INITIATED BY: Seth Gates, Director of Administrative Services

DATE: February 19, 2026

SUBJECT: Approve a 5-Year Contract with SHI International Corp. for Microsoft Suite Renewal

Strategic Focus Area:

GOAL 3. Cost-Effective, Resilient, and Reliable Infrastructure and Operations

Recommendation:

It is the Staff recommendation that Board of Directors:

1. Approve a 5-year contract with SHI International Corp. for the 5-year renewal of Microsoft Suite products in an amount not to exceed \$215,000

Alternatives:

N/A

Background:

The District utilizes a suite of Microsoft products for Staff to run on their desktop / laptop computers, to manage user access rights, run Office suite products, utilize

Teams infrastructure for messaging and phone calls, and other back-end items. This is part of the critical information technology (IT) structure that front and back-end users touch daily and requires to be renewed every five years (this does not include servers, which was renewed in 2025). The current five-year contract expires on March 31, 2026, and a new five-year contract is proposed to be adopted to continue these functions, in addition to adding Microsoft co-pilot (the Microsoft artificial intelligence application) once a Use of Artificial Intelligence / Machine Learning Policy is adopted by the Board of Directors in 2026.

Discussion:

The District cannot purchase these licenses through Microsoft directly, as they contract through approved vendors. To satisfy Government Code procurement requirements, the District has utilized cooperative purchasing agreements that have pre-negotiated best prices for this suite of products, which other governmental entities can utilize to provide to accumulate a larger number of users, and therefore a larger discount. The past contracts, and this proposed contract, have utilized the California Department of Technology (CDT) Microsoft contract, negotiated through various vendors. CDT is the controlling arm for all state-wide IT policy and oversight, run by the State's Chief Information Officer (CIO). This includes the Office of the CIO, the Cybersecurity Integration Center, Dept. of Technology Services, Dept. of Digital Services / Innovation, Dept. IT Project Oversight, and Dept. of Procurement and Management, among others. All California Executive branches must utilize this contract, and by extension, local governments and special districts may also utilize the contract. This provides large volume license pricing to smaller districts, such as Santa Fe Irrigation District, while also providing the highest level of Microsoft guaranteed security status and access to their products (i.e. cloud information is kept on separate secure servers that are not co-mingled with private entity data). The vendor that CDT utilized to complete this contract is SHI International, which is a large U.S. based IT firm that is one of the largest minority and woman owned business in the United States.

CDT and SHI did not finalize their agreement until early February and the completed quote for the Santa Fe Irrigation District was not provided until February 9, 2026. This timing and the upcoming expiration date did not allow Staff to take this item to the Administrative & Finance Committee prior to this Board meeting. It is imperative to complete this contract prior to the expiration of the current contract with a margin of additional time to allow the purchase to be completed, the issuance of new license numbers, and to allow District Staff to properly deploy these new license numbers to ensure continuous use of these Microsoft products. The five-year agreement pricing is as follows, which includes the purchase price through SHI, and the additional CDT

fees that are charged to contract participants. In comparison, the amount of last year's contract the District paid for this suite was approximately \$34,000 per year, without the addition of Microsoft Co-Pilot (which costs approximately \$3,600 per year). This increase in the CDT contract price is due to consistent inflation in IT subscription prices and was built into the FY26 Budget.

| | SHI Intl. Payment Schedule | CDT Service Fee @ 2.79% | CDT Cost Distribution @ 3.50% | TOTAL ANNUAL COST |
|--|----------------------------------|-------------------------------|-------------------------------------|-------------------------|
| Year 1 (4/1/2026-3/31/2027): | \$ 37,061.28 | \$ 1,034.01 | \$ 1,333.34 | \$ 39,428.62 |
| Year 2 (4/1/2027-3/31/2028): | 37,061.28 | 1,034.01 | 1,333.34 | 39,428.62 |
| Year 3 (4/1/2028-3/31/2029): | 38,037.36 | 1,061.24 | 1,368.45 | 40,467.05 |
| Year 4 (4/1/2029-3/31/2030): | 38,037.36 | 1,061.24 | 1,368.45 | 40,467.05 |
| Year 5 (4/1/2030-3/31/2031): | 38,037.36 | 1,061.24 | 1,368.45 | 40,467.05 |
| TOTAL EST. CONTRACT | \$188,234.64 | \$ 5,251.75 | \$ 6,772.02 | \$200,258.41 |
| Additional Licenses / New EE's / True Up: | | | | \$ 14,741.59 |
| Total Contract Value | | | | \$215,000.00 |

District Staff have requested an approximate \$15,000 in additional contractual authority to allow for new licenses to be purchased if new Staff should be added to the District or the number of licenses needed to be expanded (i.e. spare laptops that can be deployed if an employee's current active laptop requires repairs). Therefore, the total requested contract approval for the five-year period is a not-to-exceed of \$215,000.

Committee Action:

This item was not heard at Committee and was direct docketed at the request of Staff due to the California Department of Technology pricing not being available to other public agencies until February 9, 2026. Due to the contract's expiration on April 1st, it is imperative to bring this item forward in February to allow sufficient time to implement new licenses across all Microsoft products that the District utilizes.

Fiscal Impact:

In the FY26 Adopted Budget, Staff included a 10% escalation factor on IT subscription services; so, a total of \$37,400 for this contract (\$34,000 X 1.10). The variance between the renewal cost of \$39,428 and the FY26 Budget of \$37,400 (~\$2,428) can be accommodated with other IT budgetary savings projected in the FY26 Mid-Year Budget (also split between the District and Joint Facilities, so a portion would be reimbursed by San Dieguito Water District). The future year's amounts will be included in their respective years' budget proposal.

Attachment A: SHI Pricing Proposal

ATTACHMENT A



Pricing Proposal
Quotation #: 27140200
Reference #: Budgetary
Created On: Feb-06-2026
Valid Until: Feb-28-2026

Santa Fe Irrigation District

Roma Kogan

Phone: 858-227-5791
Fax:
Email: RKogan@sfdwater.org

All Prices are in US Dollar (USD)

Additional Comments

Payment Schedule:

Year 1 (4/1/2026-3/31/2027): \$37,061.28
Year 2 (4/1/2027-3/31/2028): \$37,061.28
Year 3 (4/1/2028-3/31/2029): \$38,037.36
Year 4 (4/1/2029-3/31/2030): \$38,037.36
Year 5 (4/1/2030-3/31/2031): \$38,037.36

Total: \$188,234.64

****Budgetary Pricing does not include CDT Fees****

Disclaimer: The pricing provided in this quote is based on estimated statewide license volumes. CDT will confirm the final statewide pricing tier once all customer commitments have been received.

For M365 Copilot GCC Sub Add-on, there are two pricing tiers:

Tier 1 Pricing: Applies if the quantity of Copilot GCC Sub Add-on is less than 20% of your organization's M365 G5 licenses on April 1, 2026.

Tier 2 Pricing (best): Requires a minimum Copilot GCC Sub Add-on enrollment of 20% of the organization's M365 G5 licenses be met on April 1, 2026, to qualify.

This quote has been marked as budgetary, as certain pricing may require approval from Microsoft. Please note, SHI is unable to process Purchase Orders against budgetary quotes. Kindly reach out to your SHI sales team for a Final Quote once you have determined your required counts and licenses.

Thank you for choosing SHI International Corp! The pricing offered on this quote proposal is valid through the expiration date listed above. To ensure the best level of service, please provide End User Name, Phone Number, Email Address and applicable Contract Number when submitting a Purchase Order. For any additional information including Hardware, Software and Services Contracts, please contact an SHI Inside Sales Representative at (888) 744-4084. SHI International Corp. is 100% Minority Owned, Woman Owned Business. TAX ID# 22-3009648; DUNS# 61-1429481; CCR# 61-243957G; CAGE 1HTF0

The products offered under this proposal are resold in accordance with the terms and conditions of the Contract referenced under that applicable line item.

Manager - Microsoft Inside Account Management

Tyler Henderson

290 Davidson Ave
SomersetNJ, 08873

Phone: 732-529-2148
Fax:
Email: tyler_henderson@shi.com

Year 1 located on sheet 2
Years 2-5 located on sheet 3

| Item # | Manufacturer | Part # | Product | Contract Name | Contract # | Subcontract # | Coverage Start | Coverage End | Quantity | Your Price | Total | Note |
|--------------|--------------|-----------|--|--|---------------|------------------|----------------|--------------|----------|------------|-------------|-----------------------------|
| 1 | Microsoft | AAL-48033 | M365 G5 FSA Renewal GCC Sub Per User | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2026 | Mar-31-2027 | 53 | \$497.88 | \$26,387.64 | Year 1 of 5 |
| 2 | Microsoft | AAL-45735 | M365 G5 GCC Sub Per User | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2026 | Mar-31-2027 | 6 | \$548.64 | \$3,291.84 | Year 1 of 5 |
| 3 | Microsoft | U4S-00002 | Office 365 G1 GCC | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2026 | Mar-31-2027 | 7 | \$106.80 | \$747.60 | Year 1 of 5 |
| 4 | Microsoft | RMU-00004 | Phone Resource Account GCC Sub Phone System Virtual User | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2026 | Mar-31-2027 | 20 | \$0.00 | \$0.00 | Year 1 of 5 |
| 5 | Microsoft | 7MS-00001 | Planner and Project Plan 3 for GCC | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2026 | Mar-31-2027 | 7 | \$272.28 | \$1,905.96 | Year 1 of 5 |
| 6 | Microsoft | P3U-00001 | Visio Plan 2 for GCC | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2026 | Mar-31-2027 | 8 | \$136.08 | \$1,088.64 | Year 1 of 5 |
| 7 | Microsoft | EP2-24658 | M365 Copilot GCC Sud Add-On | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2026 | Mar-31-2027 | 10 | \$363.96 | \$3,639.60 | Year 1 of 5; Tier 1 Pricing |
| Total | | | | | | | | | | | \$37,061.28 | |

| Manufacturer | Part # | Product | Contract Name | Contract # | Subcontract # | Coverage Start | Coverage End | Quantity | Your Price | Total | Note |
|--------------|-----------|--|--|---------------|------------------|----------------|--------------|----------|------------|-------------|-----------------------------|
| Microsoft | AAL-48033 | M365 G5 FSA Renewal GCC Sub Per User | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2027 | Mar-31-2028 | 53 | \$497.88 | \$26,387.64 | Year 2 of 5 |
| Microsoft | AAL-45735 | M365 G5 GCC Sub Per User | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2027 | Mar-31-2028 | 6 | \$548.64 | \$3,291.84 | Year 2 of 5 |
| Microsoft | U4S-00002 | Office 365 G1 GCC | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2027 | Mar-31-2028 | 7 | \$106.80 | \$747.60 | Year 2 of 5 |
| Microsoft | RMU-00004 | Phone Resource Account GCC Sub Phone System Virtual User | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2027 | Mar-31-2028 | 20 | \$0.00 | \$0.00 | Year 2 of 5 |
| Microsoft | 7MS-00001 | Planner and Project Plan 3 for GCC | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2027 | Mar-31-2028 | 7 | \$272.28 | \$1,905.96 | Year 2 of 5 |
| Microsoft | P3U-00001 | Visio Plan 2 for GCC | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2027 | Mar-31-2028 | 8 | \$136.08 | \$1,088.64 | Year 2 of 5 |
| Microsoft | EP2-24658 | M365 Copilot GCC Sud Add-On | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2027 | Mar-31-2028 | 10 | \$363.96 | \$3,639.60 | Year 2 of 5; Tier 1 Pricing |
| Microsoft | AAL-48033 | M365 G5 FSA Renewal GCC Sub Per User | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2028 | Mar-31-2029 | 53 | \$514.68 | \$27,278.04 | Year 3 of 5 |
| Microsoft | AAL-45735 | M365 G5 GCC Sub Per User | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2028 | Mar-31-2029 | 6 | \$562.92 | \$3,377.52 | Year 3 of 5 |
| Microsoft | U4S-00002 | Office 365 G1 GCC | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2028 | Mar-31-2029 | 7 | \$106.80 | \$747.60 | Year 3 of 5 |
| Microsoft | RMU-00004 | Phone Resource Account GCC Sub Phone System Virtual User | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2028 | Mar-31-2029 | 20 | \$0.00 | \$0.00 | Year 3 of 5 |
| Microsoft | 7MS-00001 | Planner and Project Plan 3 for GCC | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2028 | Mar-31-2029 | 7 | \$272.28 | \$1,905.96 | Year 3 of 5 |
| Microsoft | P3U-00001 | Visio Plan 2 for GCC | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2028 | Mar-31-2029 | 8 | \$136.08 | \$1,088.64 | Year 3 of 5 |
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| Microsoft | AAL-48033 | M365 G5 FSA Renewal GCC Sub Per User | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2029 | Mar-31-2030 | 53 | \$514.68 | \$27,278.04 | Year 4 of 5 |
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| Microsoft | AAL-48033 | M365 G5 FSA Renewal GCC Sub Per User | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2030 | Mar-31-2031 | 53 | \$514.68 | \$27,278.04 | Year 5 of 5 |
| Microsoft | AAL-45735 | M365 G5 GCC Sub Per User | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2030 | Mar-31-2031 | 6 | \$562.92 | \$3,377.52 | Year 5 of 5 |
| Microsoft | U4S-00002 | Office 365 G1 GCC | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2030 | Mar-31-2031 | 7 | \$106.80 | \$747.60 | Year 5 of 5 |
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| Microsoft | P3U-00001 | Visio Plan 2 for GCC | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2030 | Mar-31-2031 | 8 | \$136.08 | \$1,088.64 | Year 5 of 5 |
| Microsoft | EP2-24658 | M365 Copilot GCC Sud Add-On | Microsoft Statewide Enterprise Licensing Agreement | SC 25-0198737 | Local Government | Apr-01-2030 | Mar-31-2031 | 10 | \$363.96 | \$3,639.60 | Year 5 of 5; Tier 1 Pricing |



The mission of Santa Fe Irrigation District is to meet the water supply needs of all its customers — safely, sustainably, reliably, and cost-effectively.

BOARD REPORT

TO: Board of Directors

FROM: Albert C. Lau, P. E.

INITIATED BY: Marissa Potter, Director of Engineering Services

DATE: February 19, 2026

SUBJECT: Review and Discuss Corporate Yard Options and Recommend that the Board of Directors Authorize the General Manager to Retain Consultants and Advisors to Prepare for the Purchase and Sale of Real Property

Strategic Focus Areas:

GOAL 3. Cost-Effective, Resilient Infrastructure and Operations

Recommendation:

It is the Staff recommendation that the Water Resources Committee recommend to the Board of Directors to:

1. Review and discuss of Corporate Yard Options and provide directions to Staff for the preferred Option.
2. Authorize the General Manager to undertake activities to move forward with the preferred Option to prepare for the purchase and sale of real property, to include, but not limited to, entering into agreements for:

- a. Brokers and Other Real Property Consultants
 - b. Appraisers
 - c. Surveyors
 - d. Environmental Experts
 - e. Land use consultants with expertise in subdivisions, lot line adjustments, and rezoning
 - f. Other required Consultants.
3. Authorize the General Manager, consistent with Board direction, to engage a qualified financial advisor to evaluate and explore private financing opportunities and related funding alternatives for the District Corporate Yard.

Background:

The Santa Fe Irrigation District (District) main offices and corporate yard are located at 5920 Linea Del Cielo (existing Corporate Yard). The District has provided over 100 years of service from its current location. The District has adapted to the demand of the community while maintaining consistent levels of service and efficiency. In 2009, the District installed the current trailers used today. The trailers were originally permitted for 3-years as temporary facilities and received a waiver from the Rancho Santa Fe Fire Protection District construction requirements due to the “temporary” status. In 2024, District Staff contracted with MBN Group, Incl, (MBN), an architectural company, to complete a Facility Needs Assessment. The 2024 Facility Needs Assessment (Needs Assessment) concluded that the District’s site is required to be upgraded to meet existing and future regulatory drivers which include, ADA compliance, seismic resilience, additional power to support future electric vehicle implementation, other new regulations and compliance requirements.

At the February 6, 2025, Water Resources Committee (WRC) meeting, the District Staff presented the Needs Assessment and other potential alternatives and options to explore for a District Corporate Yard. Currently, the existing District corporate yard consists of 14,678 square feet of buildings on 3.23 acres of land. Based on the findings of the 2024 Needs Assessment, the total building space needed is approximately 23,300 square feet to meet the current and future needs of the District headquarters (administrative/engineering/IT, etc.) and Operations (distribution/construction/safety, etc.). The findings also indicated that a total site space requirement of approximately 3 acres of land is needed.

As presented previously, the recommendation of the 2024 Needs Assessment proposed two potential scenarios to address the District’s facility needs:

- Alternative 1: Corporate Yard - all District Staff and Operations located at the existing facility and construct all new facilities.
- Alternative 2: Administrative Building and Operations Center at separate locations – Operations Staff, materials, and equipment at the existing facility and a separate Administrative Facility located at an offsite location.

At the June 5, 2025, WRC meeting and June 19, 2025, Board of Directors meeting, Staff reviewed and discussed the assessment of the corporate yard location alternatives. The discussion included reviews of advantages and disadvantages of the following sites:

- Current Corporate Yard
- Larrick Reservoir Site
- San Dieguito Reservoir site
- R.E. Badger Filtration Plant site
- San Dieguito Park site (District does not own unless certain conditions are triggered by the County)

Following review, the Board directed Staff to engage with a professional property appraiser to provide valuation of non-essential District owned properties to offset the costs of a new facility and to develop implementation and finance options maximizing the use of the current corporate yard site.

At the October 16, 2025, Board of Directors meeting, Staff reviewed the property appraisals for District owned properties, reviewed pros and cons of four options that maximize the use of the current corporate yard site and reviewed the potential financial strategy options.

The property appraisals included the following District owned sites:

- 440 Glenmont Drive, Solana Beach – appraised at approximately \$4.3M; and
- A portion of 5920 Linea del Cielo, Rancho Santa Fe – appraised at approximately \$3.1M; and
- 6310 El Montevideo, Rancho Santa Fe – appraised at \$2.825M (co-owned by the District and San Dieguito Water District at 57.23% and 42.67%, respectively).

Staff review the following four options with the Board of Directors:

- Option 1 – Remove existing trailers and replace them with new trailers with available ADA compliance modification.
- Option 2 – Build all new facilities at 5920 Linea del Cielo, RSF site which follows the recommendations of the Facilities Assessment Report.
- Option 3 – Build all new facilities using prefabricated buildings at 5920 Linea del Cielo, RSF site which follows the recommendations of the Facilities Assessment Report.
- Option 4 – Buy New Administrative Building (2-phases) and develop existing site as an Operations Yard only.

Below is a summary table of the pros and cons and costs of the four options that maximize the use of the current corporate yard site.

| Summary Table | | | | |
|---|---|---|--|--|
| | Option 1 – Replace Temp Trailers | Option 2 – DBB New Corp Yard Bldg. | Option 3 – Prefab New Corp Yard Bldg. | Option 4 – Admin Bldg. and Ops Yard |
| All Staff on site | Y | Y | Y | N |
| Meets Fire | N | Y | Y | Y |
| Meets Seismic | N | Y | Y | Y |
| Meets ADA | Y | Y | Y | Limited |
| Design Flexibility | N | Y | N | Y |
| Utility Relocation | N | Y | Y | Limited |
| Extensive Construction and Noise | N | Y | Limited | N |
| Customer Service Interruption due to Relocation for Construction | N | Y | Y | N |
| Estimated One-time Capital Cost | \$3M | \$37-48M | \$30-40M | \$23-\$28M |
| Life Cycle Capital Cost | \$15M | \$37-48M | \$30-40M | \$23-\$28M |

Staff reviewed the following potential financing strategies for the option presented, which included new construction and/or the acquisition of a new property(ies) to replace the currently deficient District administration, engineering, and distribution facilities will be a significant capital outlay. The preferential financing strategy to accomplish this capital outlay would be one that minimizes ratepayer impact. To accomplish this, Staff developed a strategy that encompasses four potential items:

1) Capital contribution reduction, 2) Fund balance for future rate-payer benefit utilization, 3) Dedication of incremental property tax revenues, and 4) Long-term financing. These four items in greater detail are as follows:

1. The District currently owns two residential properties in Rancho Santa Fe and Solana Beach. These properties were historically for employees to tend to these reservoirs; however, in the recent past, without this need, they have been rented out as market rate housing. These properties could be sold at market prices to generate approximately \$5-7M million in revenues to offset these facilities outlay.
2. The current Board designated set-aside of District fund balance for balances outlined by the Reserve Policy total \$35.0 million. As of FY25, the total District fund balance was approximately \$9.7 million left for future rate-payer benefit. This figure will change for FY25 based on the Board's designation of reserves, in addition to the final fund balance reconciliation. A portion of the total amount of this amount for future rate-payer benefit is available to offset the capital cost for these facilities.
3. The District receives a portion of the base 1% property tax paid by all residents within the District. This revenue source does not add any additional cost pressure to District residents, as even without the District receipt of these funds, our ratepayers would still be paying the same amount of property taxes. Growth of this revenue source is based on Proposition 13 levels (limiting existing owner's payments to an annual maximum growth of 2% but based on CPI) in addition to re-valuations when properties are sold and their tax bases are reset (called supplemental tax revenues). Over the last 10 years, this revenue source has grown from \$2,080,791 to \$3,546,975, a growth of \$1,356,043 or 61.9% (an average of 5.5% growth per year). To help offset the cost of these facilities, and still provide rate relief from property tax revenues, the District may contribute this property tax growth on an annual basis towards new facilities. If the District were to contribute the same level of property tax revenue as received in FY25 to offset potable water rates, but utilize the incremental growth of property tax revenues (and based on the historical growth rate of 5% per year), which includes the maximum Proposition 13 growth rate of 2%, plus re-assessments/ supplemental property tax based on home sales in the District that reset assessed value), this incremental property tax revenue growth would generate a total of approximately \$13 million and \$59 million in new revenues over a 10-year period, and 20-year period, respectively, beyond the \$3.5M base that could be dedicated to these capital facilities. If the District were to contribute the same level of property tax revenue as received in FY25 to offset potable water rates, but utilize the incremental growth of property tax revenues (and based on the more conservative Proposition 13 maximum growth per year of 2% per year), this incremental property tax revenue growth would generate a total of approximately \$4 million and \$17 million in new revenues over a 10-year period, and 20-year period, respectively, beyond the \$3.5 M base that could be dedicated to these capital facilities.

Following the discussion, the Board directed Staff to do the following:

- Continue engagement with the land development engineer to segregate the non-essential properties from essential properties in a manner that preserves the District's operational flexibility.
- Actively evaluate the facility planning and financial strategies that will not have a rate impact on customers, including consideration of a hybrid approach that combines Options 1 and 3, and compare with the current preferred Option 4.

Discussion:

Disposition of Non-Essential Real Property – District Staff engaged land development consulting firms to discuss the Subdivision and Rezoning of 440 Glenmont Drive, Solana Beach and 6310 El Montevideo. Both properties will be subject to the Surplus Land Act (SLA) and the requirements are outlined as follows:

1. The Surplus Land Act (SLA)

- a. The SLA was overhauled by the State Legislature in recent years and now generally requires advertising real property to affordable housing developers, government entities capable of developing housing, open-space governmental entities, and school districts, and negotiating with them in good faith prior to selling surplus land. The general surplus land process usually takes about 6 months if parties express interest in the land.
- b. The District is likely entitled to an exemption from the SLA because the District would be selling the properties to fund a redevelopment of District property to support District work and operations. For District real property outside of the coastal zone, this exemption would significantly reduce the timeframe for SLA compliance and then allow the District to sell its real property on the open market. However, for District real property located in the coastal zone, there is an exception to the SLA exemption which still requires the District to follow the surplus process for open space uses—meaning properties in the coastal zone will require the District to issue notices to open-space governmental parks and recreation entities and potentially negotiate with them, which can take up to 6 months. If no parties express interest in the land through the SLA process, or if the parties do not come to terms with the District, the District can proceed to sell its real property on the open market.
- c. Staff anticipate initiating the SLA process for all properties by seeking the Board's adoption of resolutions declaring the properties to be exempt surplus land. Staff would then comply with relevant SLA procedures for all properties. Staff can proceed with the additional steps outlined below to prepare for disposition during the SLA process.

2. Rezoning, and sale, will trigger California Environmental Quality Act (CEQA) findings from land use jurisdictional agencies.

Additionally, the District will need to adopt resolutions initiating the SLA, subdivision, rezoning, and CEQA processes prior to listing the properties.

In order to preserve the District's operational flexibility, District Staff are reviewing the following subdivision areas for each of properties.

440 Glenmont Drive – District Staff identified two parcels, each with the approximate size of 8,000-square feet (sf) which is similar in size to the parcels along Glenmont Drive which range from approximately 6,500-sf to 10,000-sf. Although there is likely



an exemption from the SLA, there is separate SLA requirement that parcels in the coastal zone are subject to. The District must notice and provide opportunities for city and county parks departments, and the State Natural Resources Agency ("Parks Entities") to negotiate the sale of the property for fair market value. Prior to identifying the parcel for sale, the District is obtaining a new appraisal for the proposed parcels. Once the notification to the Parks Entities is provided, a negotiation period of 90 days begins if any Parks Entities are

interested in the property. The parcels will require a City of Solana Beach Certificate of Compliance which states the property meets all the identified conditions prior to the sale.

6310 El Montevideo – As identified previously, this property is located within the

County of San Diego and is approximately 2.4-acres and includes the current house building and open space. The proposed parcel is jointly owned by District and San Dieguito Water District (jointly "Districts"). The Districts jointly own four parcels, within the area including the San Dieguito Reservoir and Dam, totaling approximately 114-acres. In order to minimize the time to complete a lot split and rezone, approximately 2-3 years, the land development consultant recommended that a lot



line adjustment between the jointly owned properties would accomplish the same task. The proposed new lot line adjustment would be submitted to the County of San Diego

for approval and Certificate of Compliance. The lot line adjustment would achieve the same goal with an approximately timeline of 9-12 months.



Facilities Improvement Options: Based on the input of the Board, District Staff further considered a hybrid approach that combines Options 1 – Replacement of the Trailers and 3 – Prefabricated Buildings and compare with Option 4 – Buy new Administrative Building (two phases) and develop existing site as an Operations Yard only.

- Hybrid Option (1/3) – Replace Temporary Trailers with Prefabricated Buildings and redevelop to site.
- Option 4 – Buy a new Administrative Building (two phases) and develop existing site as an Operations Yard only

District Staff contracted with MBN Group evaluated Hybrid Option which replaces the trailers with installation of prefabricated structures, redevelopment of the Operations yard and modifications to the existing administrative building for all facilities at 5920 Linea del Cielo, RSF site. The Draft report is included for reference.

| Hybrid Option – Replace Temporary Trailers with Prefabricated Structures and Rehab Administrative Building | |
|---|---|
| Description: Remove existing trailers and replace prefabricated structures for Engineering/IT, Operations, Small Equipment Storage, Warehouse, Mechanic Shop (total square footage of 12,150) and Renovate Administrative Building | |
| Estimated Cost: \$24M-\$29M | |
| Estimated Life Capital Cycle Cost at Present Value over 50 years: \$24M-\$29M | |
| Potential Financial Strategy: Discussed in detail below | |
| Pros | Cons |
| All Staff on site | Temporary relocation of Administration and Engineering during Construction - 8,000-square foot rental space |
| Modules built off-site, reducing noise, dust, and traffic | Detailed phasing plan required and relocation of operations vehicles and equipment to maintain operation |

| Hybrid Option – Replace Temporary Trailers with Prefabricated Structures and Rehab Administrative Building | |
|---|---|
| Pros | Cons |
| Faster Installation, minimizing disruption to ongoing operations | <ul style="list-style-type: none"> Design constrained by module dimensions, transport logistics, and structural repetition |
| Factory-controlled timelines | Requires specialized hauling and cranes; weather or access issues can delay installation |
| Staging Flexibility – modules can be craned in during off-hours | Integration of Complexity tie-ins between systems |
| | Temporary off-site facilities required for Staffing |

Hybrid Option estimated costs include 12,150 square feet of pre-fabrication buildings, transportation/delivery, heavy equipment, building site prep, mechanical, electrical, and plumbing connections, specific new building grading, total site underground utility relocation (overhead power), site remediation and grading, specialized engineering and environmental compliance, demolition of all buildings (including foundations and utilities), and Administrative building renovation. The estimated costs include markups by the general contractor and general soft costs for a complete project.

| Option 4 – Buy New Administrative Building (2-phases) and develop existing site as an Operations Yard only | |
|--|--|
| Description: Buy building and relocate Administration and Engineering to new building with some tenant improvements (\$12M); and relocate Distribution to existing Administration building with some tenant improvements, replace operations yard buildings with prefabricated structures, build yard to address storm water, electrification compliance, and storage (\$11.2M-\$15.6M) | |
| Estimated Cost: \$23M-\$28M | |
| Estimated Life Cycle Capital Cost at Present Value over 50 years: \$23M-\$28M | |
| Potential Financial Strategy: Discussed in detail below | |
| Pros | Cons |
| Enhance the site for operational efficiency with all the additional compliance requirements. | Separating Administration/Engineering/Distribution |
| Customer Service would be at new building, and one person would manage the front office for deliveries or route calls to new Administration office | |
| Flexibility in temporary relocation of Staff | |
| Ability to sell or rent the asset at a later date | |

Option 4 estimated costs include 2,250 square foot of pre-fabrication buildings, transportation/delivery, heavy equipment, building site prep, mechanical, electrical, and plumbing connections, specific grading at and around each building, minimal underground utility relocation (protect overhead power in-place), site remediation and

grading, specialized engineering and environmental compliance, demolition of all building (including foundations and utilities), and Administrative building renovation. The estimated costs include markups by the general contractor and general soft costs for the Ops Yard and an additional \$12M in the purchase of a building with tenant improvements. The most significant difference between the Hybrid option and Option 4 is that Option 4 would allow the District to retain/acquire another land that is not depreciable; buildings will be depreciated but the land will not.

Potential Financing Strategy and Approaches to Bridge the Financial Gap: The two separate scenarios for new District facilities that Staff were directed to explore have multiple financing strategies that could be implemented in part or in whole for acquisition and /or construction. Staff have reached out to multiple lenders (California Special District Association Finance Corporation and US Bank) to determine what the possible terms of construction, short-term, and long-term financing would look like in the current environment. These financing opportunities would be through a direct loan placement through a financial institution instead of issuance of District bonds due to the comparatively small size of the transaction. Staff are still awaiting these responses and will provide the Board with an update when these terms are provided.

The District is currently in a positive financial condition due to the availability of some local water from Lake Hodges, though its ongoing availability is in doubt due to water quality and short term actions required by the Division of Safety of Dams that may potentially create an new dam opening at 265' elevation to "ensure dam safety" that would completely eliminate the District's ability to rely on its use. Currently, the Board of Directors has designated a total of \$30.5 million in total reserves according to the District's Reserve Policy. This represents approximately 342 days of cash on hand for operating expenditures as projected in the FY26 Mid-Year budget monitoring report (Report), which is a healthy level of reserves available for capital and unforeseen/projected expenditures. The Report also projects that year-end funds for future ratepayer benefit (fund balance above designated reserves) would total approximately \$12.8 million (total year-end fund balance of \$43.2 million 486 days of cash on hand). However, Staff's recommendation to the Administrative & Finance Committee (AFC) is that an additional \$2.4 million of funds for future ratepayer benefit be designated to the Lake Hodges Fund to provide a set-aside for upcoming estimated legal costs for the lawsuit against the City of San Diego. This would potentially leave a projection of \$10.4 million in funds for future ratepayer benefit. These funds are available to the Board of Directors to appropriate and expend on any legally available option available to them to provide the highest and best use for ratepayers. These funds could potentially be used in part or whole to provide for a pay-as-you-go (PAYGO) financing strategy to reduce or eliminate the need for long-term financing and associated interest costs in each scenario.

Additionally, these scenarios come in two separate phases with potentially different construction and financing timelines: 1. acquisition or construction of administrative facilities, and 2. rehabilitation of the in place corporate yard. The exploration of financing opportunities currently being explore by Staff is for the first phase of this project, which encompasses approximately 70% of the total cost in each scenario (as

there are shared expenditures between each phase that would be completed in increments). With Board direction on the potential timing of the second phase, Staff will then begin exploration of potential financing opportunities, which may be materially different than the first phase due to the nature of the asset.

Hybrid Scenario – Construction of New Pre-Fab Building and update the existing administrative building

This scenario would require interim construction financing that would turn into permanent financing based on a to-be-determined PAYGO and debt mix. With the hybrid option's total cost estimated at \$24-\$29 million with two potentially separate phases with costs intermingled between the two (phase 1 administrative construction, and phase 2 corporate yard). The first phase is estimated to constitute approximately 70% of the total costs, which is approximately \$17-\$20 million, with the second phase for the rehabilitation of the corporate yard is estimated to be \$7-\$9 million. If the sale of residential properties owned by the District net \$6 million that would be dedicated to PAYGO, this would leave approximately \$11-\$14 million in permanent financing. Staff will provide an update on potential financing alternatives for the administrative facilities in each scenario, their associated financial terms (amortization and interest costs), and its integration into the long-range financial plan (to be reviewed by the AFC and Board of Directors in March). This may also include the potential utilization of funds for future ratepayer benefit to reduce interest costs.

Staff will also provide an update on the potential establishment of the incremental property tax fund that would segregate additional revenues above a baseline year to dedicate towards debt financing costs. This cash flow, from the incremental property tax, its timing, and how it matches up with required debt financing payments on an annual basis will be included at that time. This scenario will also incorporate the timing of the second phase costs for the rehabilitation of the corporate yard and financial requirements at that time.

Option 4 – Acquisition of New Building and develop current site into operational yard

For this scenario, the assumption utilized is that the Board of Directors would want to proceed on a timely basis of reviewing the market for available commercial properties available for sale in the District and to move swiftly, but prudently, on any matching available property to take advantage of the current market conditions (depressed commercial property prices) and to ensure the acquisition when available. This would require a short-term acquisition loan (potentially a line of credit) while the District goes through the divestiture process for its residential properties (and tenant improvements on the acquired property), which will provide a potential PAYGO source to reduce total financing. Of the total estimated cost of \$23-\$28 million for option 4, approximately \$7-8 million is estimated for phase 2, so approximately \$16-20 million for the acquisition and build-out of the commercial property (which would be the principal amount of the loan / line of credit). Upon completion of the sales of the residential properties, the estimated \$6 million would be utilized to partially repay this loan, with three remaining options potentially available to the Board: 1. turn the difference

between principal and the PAYGO from the residential properties into permanent financing, or 2. pay off the difference with funds for future ratepayer benefit, or 3. a combination of utilization of funds for future ratepayer benefit and a lower permanent financing amount.

Staff will provide an update on the terms for these options when received from potential financing sources in addition to other information outlines are the prior scenario.

Staff recommend that the Water Recourses Committee recommend to the Board of Directors to:

1. Authorize the General Manager to undertake activities to move forward with the preferred Option to prepare for the purchase and sale of real property, to include, but not limited to, entering into agreements for:
 - a. Brokers and Other Real Property Consultants
 - b. Appraisers
 - c. Surveyors
 - d. Environmental Experts
 - e. Land use consultants with expertise in subdivisions, lot line adjustments, and rezoning
 - f. Other required Consultants.

2. Authorize the General Manager, consistent with Board direction, to engage a qualified financial advisor to evaluate and explore private financing opportunities and related funding alternatives for the District Corporate Yard.

The Table below represents a general timeline of activities that would be considered for the preferred option.

| General Timelines | |
|---|------------------------------|
| Activity/Task | Estimated Duration |
| Selling of Properties: | |
| SLA Compliance | 3 – 6 months |
| City of Solana Beach Review and Certification | 3 – 6 months |
| County Review and Certification | 9 – 12 months |
| Listing Properties for Sale | 3 months+ |
| Property Acquisition ¹ | 6 months+ (FY27) |
| Tenant Improvements | 12 – 18 months (FY27 – FY28) |
| Corporate Yard Site Improvements | |
| Planning/ Permitting | FY27 – FY28 |
| Design | FY-28 – FY29 |
| Construction | FY30 – FY31 |

¹Pending availability of property of appropriate size that meets the District’s needs.

Committee Action:

The Water Resources Committee reviewed this item at its February 5, 2026, meeting, concurred with staff's recommendations, and directed staff to move the item forward for full Board consideration at their regular February meeting for action and discussion.

Attachment A: Draft Facility Modernization Strategy Hybrid Approach

ATTACHMENT A

SANTA FE IRRIGATION DISTRICT

Facility Modernization Strategy Hybrid Approach

DISTRICT CORPORATE SITE

5920 Linea Del Cielo Rancho Santa Fe, CA 92067

Prepared For:



DRAFT FINAL

Date: January 28, 2026

Prepared By:

MBN
GROUP
ARCHITECTS

11622 El Camino Real
Suite 100
San Diego, California 92130



TABLE OF CONTENTS

Executive Summary

Component 1: Prefabricated Support Buildings

Building Scope

Prefabricated Construction Cost: \$6.6M - \$8.6M

Component 2: Historic Administration Building Renovation

Building Profile

Renovation Cost: \$1.6M - \$2.5M

Front Entrance ADA Compliance Challenge

Temporary Facilities for Staff Displacement

Temporary Facilities Cost: \$400K - \$600K

Staff Displacement Requirements

Total Project Cost and Schedule Summary

Project Timeline

Operational Impact and Staff Displacement

Displacement Timeline by Staff Group

Operational Continuity Measures

Risk Assessment and Mitigation

Critical Risk Factors

Conclusion

Executive Summary

Santa Fe Irrigation District has developed a facility modernization strategy combining prefabricated construction for five new support buildings with comprehensive renovation of the existing historic Administration Building built in 1925. This strategy delivers 16,408 square feet of modern, code-compliant, fully accessible facilities.

All District staff will require temporary relocation during construction. Temporary office facilities will be required throughout the 15-20 month project duration to maintain operational continuity. The historic Administration Building presents unique accessibility challenges: the primary entrance has steps and no secondary entrances exist, requiring an accessible ramp at the front facade. This modification necessitates extensive historical preservation review (Level 3, requiring 6-9 months for approval) and sensitive architectural design to integrate accessibility with the building's Spanish Colonial Revival character.

PROJECT COST BREAKDOWN

| Component | Area / Scope | Cost Estimate |
|------------------------------------|----------------------------|-------------------------|
| 5 Prefabricated Support Buildings | 12,150 sq.ft. | \$6.6M - \$8.6M |
| Historic Admin Building Renovation | 4,258 sq.ft. | \$1.6M - \$2.5M |
| TOTAL PROJECT COST | 16,408 sq.ft. total | \$8.2M - \$11.1M |

Direct Construction Cost per Square Foot: \$500 - \$677/sq.ft.

KEY PROJECT FACTORS:

- **Complete Staff Displacement:** All admin, engineering, IT, and operations staff require temporary accommodation
- **Temporary Modular Facilities:** Office trailers provided on-site or nearby for 15-20 months
- **Front Entrance ADA Ramp Required:** No secondary entrances exist - must modify historic primary entrance
- **Extended Historical Review:** Level 3 review required (6-9 months), sensitive design mandatory
- **Higher Admin Building Costs:** Front entrance ADA compliance adds \$200K-\$400K
- **Prefab Efficiency Maintained:** Support buildings still complete in 8-10 months

Component 1: Prefabricated Support Buildings

Building Scope

| Building | Size (sq.ft.) | Function | Occupancy |
|-------------------------|---------------|---------------------------------|-----------|
| Engineering/IT | 3,900 | Offices, Technical workspaces | Group B |
| Operations | 6,000 | Offices, Field support, Lockers | Group B |
| Small Equipment Storage | 600 | Tool and equipment storage | Group S-1 |
| Warehouse | 1,050 | Bulk storage and inventory | Group S-1 |
| Mechanic Shop | 600 | Vehicle and equipment repair | Group F-1 |
| TOTAL | 12,150 | | |

Prefabricated Construction Cost: \$6.6M - \$8.6M

Cost per Square Foot: \$543 - \$708/sq.ft.

| Cost Component | Low | High |
|--|---------------|---------------|
| Off-site factory fabrication | \$3.6M | \$4.2M |
| Transportation and delivery | \$240K | \$360K |
| Crane installation | \$180K | \$300K |
| Site prep and utilities | \$360K | \$480K |
| MEP connections | \$480K | \$660K |
| Site-specific requirements (pro-rated) | \$1.7M | \$2.6M |
| SUBTOTAL PREFAB | \$6.6M | \$8.6M |

Component 2: Historic Administration Building Renovation

Building Profile

| Attribute | Details |
|---------------------|--|
| Size | 4,258 square feet |
| Built | 1925 (nearly 100 years old) |
| Historical Status | California Point of Historic Interest (SDI-014), HABS CA-2323 |
| Architectural Style | Spanish Colonial Revival |
| Current Condition | Critical deficiencies in structural, electrical, envelope, accessibility |
| Primary Entrance | Has steps - no secondary entrances available |
| ADA Challenge | Must provide accessible ramp at historic front entrance |

Renovation Cost: \$1.6M - \$2.5M

Cost per Square Foot: \$376 - \$587/sq.ft.

| Renovation Component | Low | High |
|---|---------------|---------------|
| Complete reroofing | \$150K | \$180K |
| Electrical system replacement | \$200K | \$280K |
| Seismic retrofitting | \$180K | \$300K |
| Interior renovations | \$250K | \$380K |
| HVAC system upgrades | \$100K | \$150K |
| Insulation improvements | \$60K | \$100K |
| Front entrance ADA ramp (Level 3 review) | \$250K | \$450K |
| Interior accessibility | \$80K | \$110K |
| Design, permitting, extensive historical review | \$120K | \$180K |
| Contingency for hidden conditions (10%) | \$120K | \$200K |
| SUBTOTAL ADMIN RENOVATION | \$1.6M | \$2.5M |

Front Entrance ADA Compliance Challenge

The Administration Building primary entrance has steps and no alternative secondary entrances exist. This requires:

- **Accessible Ramp at Primary Facade:** Must integrate ramp with historic Spanish Colonial Revival entrance
- **Level 3 Historical Review:** Substantial review required (6-9 months), CEQA review possible
- **Sensitive Architectural Design:** Low-profile ramp with Spanish Colonial elements (wrought iron, terracotta, decorative masonry)
- **Historical Architect Required:** Specialist in adaptive reuse and Secretary of Interior's Standards
- **Landscape Integration:** Planting, walls, and materials to minimize visual impact
- **Higher Cost:** \$250K-\$450K vs. \$80K-\$110K for secondary entrance approach

Temporary Facilities for Staff Displacement

Depending on project phasing, temporary accommodation for staff during construction may or may not be required. With thoughtful scheduling, displaced staff could relocate to existing buildings not under construction or to an offsite facility during their construction period, potentially eliminating the need for temporary modular offices.

Temporary Facilities Cost: \$400K - \$600K (May Be Eliminated with Phasing)

| Temporary Facility Component | Duration | Cost Est. |
|--|-------------------------|----------------------|
| Modular office trailers (admin staff) | 15-20 months | \$200K-\$300K |
| Modular office trailers (engineering/IT/ops) | 8-12 months | \$120K-\$180K |
| Site preparation, utilities, access | One-time | \$50K-\$70K |
| Furniture, equipment relocation | Two moves | \$30K-\$50K |
| TOTAL TEMPORARY FACILITIES | Project duration | \$400K-\$600K |

Staff Displacement Requirements

- **Administration Staff:** Customer service and administrative personnel (15-20 months in temporary facilities)
- **Engineering/IT Staff:** Technical personnel (8-12 months temporary, then move to new prefab buildings)
- **Operations Staff:** Field and operations personnel (8-12 months temporary, then move to new prefab buildings)
- **Phased Relocation:** Admin staff remain in temporary facilities longest due to extended renovation timeline
- **Operational Continuity:** Temporary facilities maintain full District operations throughout construction

Note: With strategic project phasing, these displacement requirements could be significantly reduced or eliminated by relocating staff to existing buildings not under construction or to offsite facilities.

Total Project Cost and Schedule Summary

| Component | Cost Range | Timeline |
|----------------------------|-------------------------|---------------------|
| 5 Prefab Support Buildings | \$6.6M - \$8.6M | 8-10 months |
| Admin Building Renovation | \$1.6M - \$2.5M | 14-18 months |
| TOTAL PROJECT | \$8.2M - \$11.1M | 15-20 months |

The above cost estimate represents direct construction costs only. The following items are EXCLUDED from this estimate and would be additional costs:

These excluded items typically add 40-60% to direct construction costs for public works projects of this complexity.

Other soft costs as detailed in the Facility Needs Assessment Report dated August 22, 2024

Temporary facilities for staff displacement

Local area cost factor adjustments

General conditions (site supervision, safety, insurance)

Demolition of existing structures

Site remediation and grading beyond basic building site preparation

Underground utility relocation

Soft costs (architecture, engineering, permitting, construction management, District labor)

Project Timeline

| Phase | Timeline | Key Activities |
|----------------|--------------|--|
| Phase 1 | Months 1-6 | Design, ADA ramp historical review, permits, temp facilities setup |
| Phase 2 | Months 4-10 | Prefab factory work + site prep; Begin admin interior renovation |
| Phase 3 | Months 9-11 | Prefab installation (4-6 weeks intensive), Staff move to new buildings |
| Phase 4 | Months 10-18 | Complete admin renovation + front entrance ADA ramp construction |
| Phase 5 | Months 18-20 | Final commissioning, admin staff return, temp facilities removal |

Operational Impact and Staff Displacement

Displacement Timeline by Staff Group

| Staff Group | Temp Facility Duration | Final Location |
|----------------------|------------------------|------------------------------------|
| Administration Staff | 15-20 months | Renovated historic Admin Building |
| Customer Service | 15-20 months | Renovated historic Admin Building |
| Engineering Staff | 8-12 months | New Prefab Engineering/IT Building |
| IT Staff | 8-12 months | New Prefab Engineering/IT Building |
| Operations Staff | 8-12 months | New Prefab Operations Building |
| Field Support | 8-12 months | New Prefab Operations Building |

Operational Continuity Measures

- **Temporary Facilities On-Site or Adjacent:** Modular offices located to minimize travel and maintain workflow
- **Full IT and Communications:** Temporary facilities equipped with phones, internet, networks
- **Customer Service Maintained:** Counter service continues from temporary location with signage
- **Phased Staff Moves:** Engineering/IT/Ops move to new buildings first, reducing temporary facility needs
- **Service Continuity Priority:** No interruption to District water services or customer support

Risk Assessment and Mitigation

| Risk Category | Level | Mitigation Strategy |
|------------------------|----------------------|---|
| Schedule Delays | MODERATE | ADA ramp historical review (6-9 mo) on critical path; Early engagement essential |
| Cost Overruns - Admin | MODERATE-HIGH | 100-year-old building, 12% contingency, pre-construction investigation |
| Historical Approval | MODERATE | ADA ramp may require revisions; Historical architect from start; Pre-app meetings |
| Staff Disruption | MODERATE | 15-20 month displacement; Quality temp facilities; Clear communication |
| Temp Facility Adequacy | LOW-MODERATE | Size appropriately, provide amenities, IT support |
| Prefab Quality | LOW | Factory QC, third-party inspections, experienced contractor |

Critical Risk Factors

- **ADA Ramp Historical Review:** Most significant schedule risk - Level 3 review required, 6-9 months, potential design revisions
- **Hidden Conditions in Historic Building:** 100-year-old structure may reveal unforeseen issues during renovation

- **Staff Morale During Extended Displacement:** 15-20 months in temporary facilities requires strong change management
- **Temporary Facility Adequacy:** Must provide professional work environment for extended duration
- **Budget Contingency Adequacy:** 12% contingency included but may be tested by historic building unknowns

Conclusion

Santa Fe Irrigation District's facility modernization strategy delivers 16,408 square feet of modern, accessible facilities through prefabricated construction for five support buildings and comprehensive renovation of the historic Administration Building. The project requires significant investment in staff displacement and temporary facilities, with all personnel requiring relocation during the 15-20 month construction period.

The historic Administration Building presents a unique accessibility challenge: the primary entrance has steps and no secondary entrances exist. This necessitates an accessible ramp at the front facade, requiring extensive historical preservation review (Level 3, 6-9 months) and sensitive architectural design to maintain Spanish Colonial Revival character. This ADA compliance approach adds \$170K-\$340K to costs compared to a secondary entrance strategy, but represents the only viable path given the building configuration.

Project Investment Summary:

- **Total Project Cost:** \$8.2M - \$11.1M for 16,408 sq.ft. of modernized facilities
- **Project Duration:** 15-20 months from start to full completion and occupancy
- **Historic Preservation:** 100-year-old California Point of Historic Interest maintained for community
- **Full ADA Compliance:** All facilities including historic building primary entrance accessible



The mission of Santa Fe Irrigation District is to meet the water supply needs of all its customers — safely, sustainably, reliably, and cost-effectively.

BOARD REPORT

TO: Board of Directors

FROM: Albert C. Lau, P. E.

INITIATED BY: Seth Gates, Director of Administrative Services
Marissa Potter, Director of Engineering Services
Chris Bozir, Director of Distribution Services
Jessica Miles, Human Resources Manager

DATE: February 19, 2026

SUBJECT: Review and Recommend Adoption of Resolution No. 26-02, Amending District Administrative Code – Table of Contents, Articles 4-5, 8-15, 17-19, 22-23, 25, and 29

Strategic Focus Areas:

GOAL 4: Motivated, High-Performing, Well-Supported Staff

Recommendation:

Recommend that the Executive Committee advise the Board of Directors to:

1. Review and recommend adoption of Resolution No. 26-02, Amending District Administrative Code – Table of Contents, Articles 4-5, 8-15, 17-19, 22-23, 25, and 29.

Alternatives:

Do not adopt resolution and provide direction to Staff.

Background:

The District Administrative Code is reviewed periodically to ensure its content remains valid and compliant with legal statutes. As a result of this review cycle, the attached policy changes are recommended.

Discussion:

This review marks the completion of staff's comprehensive annual evaluation of the District's Administrative Code (Code).

The Code is reviewed annually in coordination with Legal Counsel, and any recommended revisions are brought forward to the Board. Based on this year's review, staff propose the following amendments:

- Table of Contents: Formatting cleanup and updated page numbers.
- Article 4: Organization: Section 4.4.9 Disruption of Meetings – regulatory update and formatting changes.
- Article 5: Director Policies: Section 5.4 Use of Confidential Information and Section 5.7 Incompatible Offices – regulatory updates and formatting changes.
- Article 8: Employment Policies: Section 8.4.15 Leave Related to Domestic Violence, Sexual Assault, Stalking or Violent Crimes – business practice update and formatting changes.
- Article 9: Public Records: Section 9.1 Purpose, Section 9.3.1 Requests to Inspect and/or Obtain Copies of Records, and Section 9.3.2 Making Determinations on Records Requests/Taking Time Extensions – regulatory updates, clarifications, and formatting changes.
- Article 10: District Funds: Section 10.1.1 General Checking Account and Section 10.3 Investment Policy – clarifications and grammatical corrections.
- Article 11: Water Service: Section 11.10 Theft of Water – inserted from Article 15, Section 15.8; and Section 11.11 State Laws – regulatory updates and renumbering.

- Article 12: Water Rates and Base Meter Fees: Section 12.2.2.1.5 – added to comply with SDCWA regulations and formatting changes.
- Article 13: Billing Procedures:

Section 13.2 Billing Dispute, Section 13.7 Collection Procedures, and Section 13.7.2 Multi Unit Services – clarifications, business practice updates, and grammatical corrections.

Section 13.7.4.1 Transfer of Outstanding Balances Between Customer Accounts – added for business practice update.
- Article 14: Meters: Section 14.2.2 Residential Meter Sizing for Less Than One Acre, Section 14.3 Meter Capacity Fee, Section 14.7 Testing Meters, and Section 14.10 Residential Fire Sprinkler Meters – clarifications and regulatory updates.
- Article 15: Construction Water: Section 15.8 Theft of Water – deleted and moved to Article 11, Section 11.10.
- Article 17: Water Shortage Response Policies and Procedures: Grammatical corrections.
- Article 18: Annexations: Clarifications and grammatical corrections.
- Article 19: Procurement: Section 19.2 Public Works Construction Contract and Section 19.3 Procurement of Goods, Services, and Supplies – increased procurement and authorization limits for the General Manager.
- Article 22: Extension of District Pipelines: Grammatical corrections.
- Article 23: Easement, Encroachments, and Other Permits: Section 23.3 Encroachments on District Property – clarifications, updated language to align with current practice, and grammatical corrections.
- Article 25: Fire Hydrants & Dedicated Fire Protection Systems: Clarifications, formatting, and grammatical corrections.
- Article 29: Tort Claims Act Policy and Procedure: Updated references.

All updates to the Administrative Code require adoption by resolution. Attached is a draft resolution (Attachment A) adopting proposed revisions to the Table of Contents,

Articles 5, 8-15, 17-19, 22-23, 25, and 29 (Exhibit B). These changes are reflected in the redlined version of the articles proposed to be changed (Exhibit A).

COMMITTEE ACTION:

At its February 11, 2026, meeting, the Executive Committee reviewed this item and concurred with Staff's recommendation for the Board of Directors to adopt Resolution No. 26-02 and increase the General Manager's procurement authorization limit from the recommended \$75,000 limit to \$80,000.

FISCAL IMPACT:

There is no fiscal impact resulting from the review of these items.

Attachment A: Resolution No. 26-02, Administrative Code Table of Contents, Articles 4-5, 8-15, 17-19, 22-23, 25, and 29

Attachment B: Member Agencies General Manager Authorization Limit Survey

ENCLOSURES

Exhibit A: Redlined version of Administrative Code Table of Contents, Articles 4-5, 8-15, 17-19, 22-23, 25, and 29

Exhibit B: Clean version of Amended Administrative Code

ATTACHMENT A

RESOLUTION NO. 26-02

RESOLUTION OF THE BOARD OF DIRECTORS OF SANTA FE IRRIGATION DISTRICT ADOPTING AMENDMENTS TO THE DISTRICT ADMINISTRATIVE CODE – TABLE OF CONTENTS, ARTICLES 4-5, 8-15, 17-19, 22-23, 25 and 29

WHEREAS, the Santa Fe Irrigation District (“District”) is an irrigation district organized and existing pursuant to the Irrigation District Law, commencing with Section 20500 of the California Water Code; and

WHEREAS, pursuant to Water Code section 22075, the District may do any act necessary to furnish sufficient water in the District for any beneficial use; and

WHEREAS, to facilitate the District’s ability to furnish sufficient water for beneficial use, the District has, from time to time, adopted rules and regulations; and

WHEREAS, the District has compiled the rules and regulations in an Administrative Code; and

WHEREAS, the District has revised the Administrative Code on numerous occasions.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Santa Fe Irrigation District as follows:

1. The matters set forth in the recitals to this Resolution are true and correct statements.
2. The Administrative Code may be amended from time to time by resolution of the Board of Directors.
3. The Santa Fe Irrigation District Administrative Code – Table of Contents, Articles 4-5, 8-15, 17-19, 22-23, 25 and 29 shall be amended as reflected in Exhibit B to this Resolution. The previous versions of the Articles are no longer in effect and shall be replaced by the amended and new Articles, contained in Exhibit B.
4. The amendment of the Administrative Code is not subject to the California Environmental Quality Act.
5. This Resolution is effective February 19, 2026.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the Board of Directors of the Santa Fe Irrigation District held on the 19th day of February 2026, by the following vote, to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

Michael T. Hogan
President

Seal:

ATTEST:

Albert C. Lau, P. E., Secretary

ATTACHMENT B

| MEMBER AGENCIES GM AUTHORIZATION LIMITS | |
|--|-----------------|
| Agency | Amount |
| Elsinore Valley MWD | \$150,000 |
| Encina Wastewater Authority | \$100,000 |
| Fallbrook PUD | \$75,000 |
| Helix Water District | \$80,000 |
| Leucadia WD | \$50,000 |
| OMWD | \$75,000 |
| Padre Dam MWD | \$150,000 |
| Rainbow MWD | \$50,000 |
| Ramona MWD | \$60,000 |
| SDWD | \$10,000 |
| SDCWA | \$150,000 |
| SFID (<i>last modification was 2008</i>) | \$35,000 |
| Sweetwater Authority | \$75,000 |
| Valley Center MWD | \$50,000 |
| Vista ID | \$80,000 |
| Western MWD | \$100,000 |
| Average Authorization Limit | \$80,625 |
| Recommended Authorization Limit | \$80,000 |



The mission of Santa Fe Irrigation District is to meet the water supply needs of all its customers — safely, sustainably, reliably, and cost-effectively.

BOARD REPORT

TO: Board of Directors
FROM: Albert C. Lau, P. E.
INITIATED BY: Teresa Penunuri, Public Communications Officer
DATE: February 19, 2026
SUBJECT: Legislative Update

Strategic Focus Area:

GOAL 2. Customer Service Focus and Communication

Discussion:

The legislature reconvened on January 5, 2026. The last day to introduce bills for this two-year cycle is February 20. Only a limited number of bills have been introduced during the first few weeks of session. Staff will provide additional information on the bills that have been introduced, as well as potential legislation related to:

- Proposition 218 clarification
- Wildfire liability
- LAFCO sphere of influence



The mission of Santa Fe Irrigation District is to meet the water supply needs of all its customers — safely, sustainably, reliably, and cost-effectively.

BOARD REPORT

TO: Board of Directors
FROM: Albert C. Lau, P. E.
INITIATED BY: Mackenzie Christie, Management Analyst
DATE: February 19, 2026
SUBJECT: Water Supply Update

Strategic Focus Area:

GOAL 1. Sustainable, Cost-Effective Resources

Water Supply Update:

The new water year began on October 1, 2025, San Diego International Airport (Lindbergh Field) reported significant rainfall for the month at 2.2 inches as of January 21, 2026. As of the same date, Lake Hodges' water level was at 277.05 feet, under the state-mandated elevation restriction of 280 feet due to dam safety requirements. The lake level increased by approximately one foot during recent storms. Santa Fe Irrigation District staff continue to coordinate with the City of San Diego in preparation for any rain events. Regional water supply reliability remains stable, supported by imported supplies from the Colorado River and the State Water project, desalination production, and local storage.

California's major reservoirs are at or above 100% of their historical average capacity for this time of year. Colorado River snowpack is at 55% of normal. Lake Mead is at 37% capacity, and Lake Powell, at 27%, remains low with federal agencies closely monitoring elevations near hydropower thresholds.

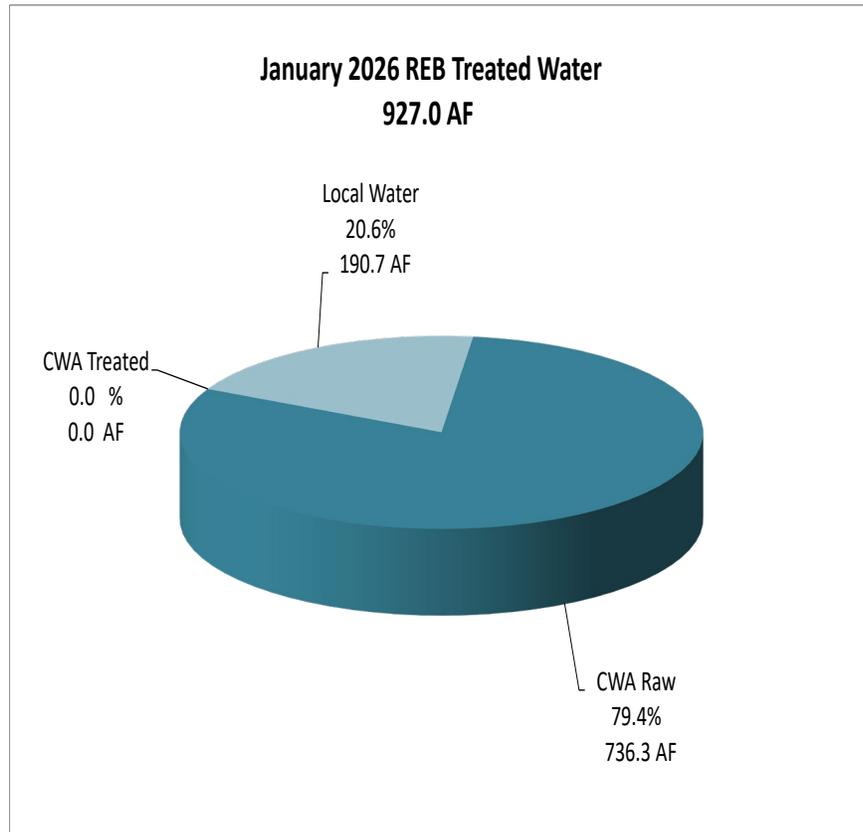
Staff will provide a presentation with updated information on water supply.

R.E. Badger Water Treatment Plant (REB) Monthly Operations Report January 2026

Treated Water Deliveries and Local Water Supplies:

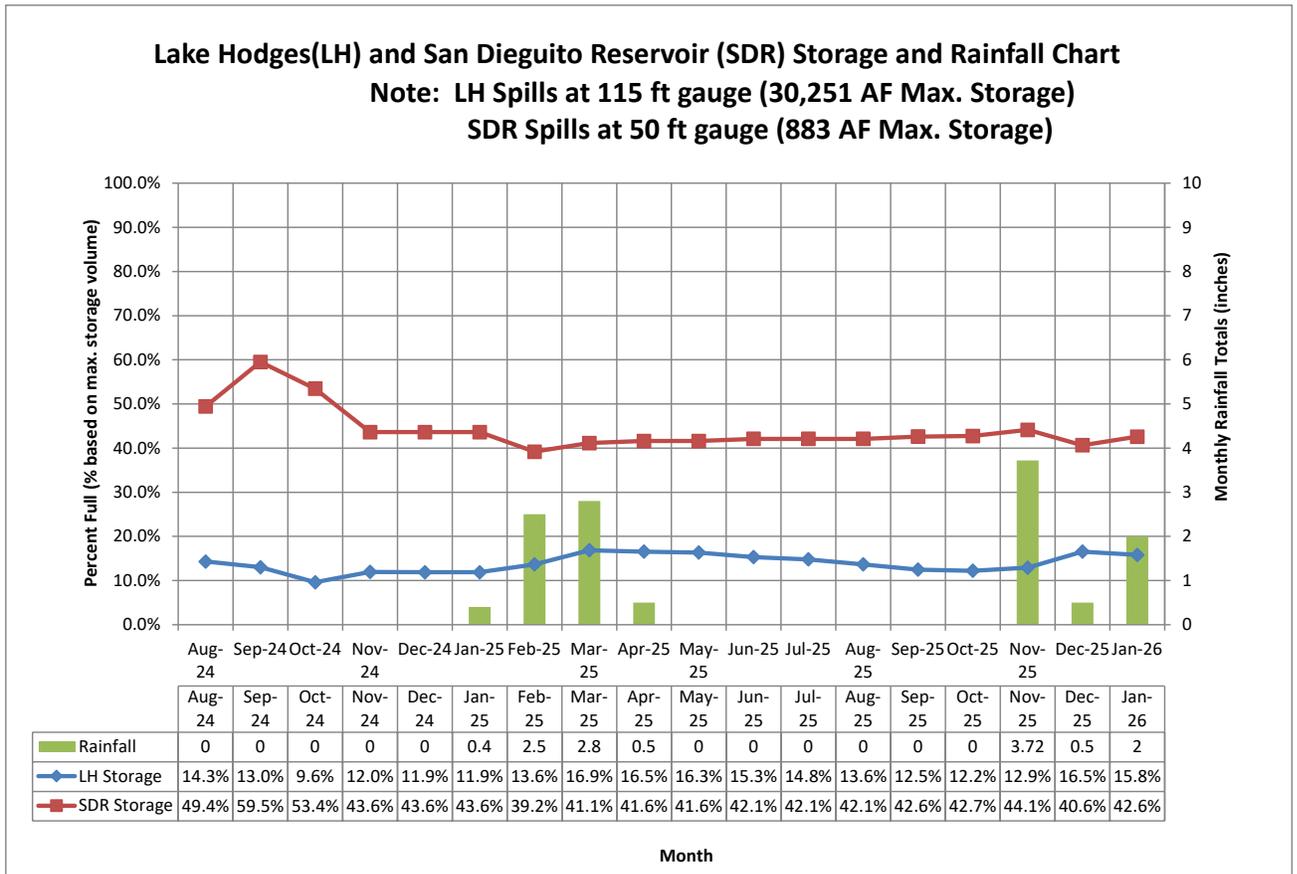
During January 2026, REB treated 927.0 Acre Feet (AF) or 302.0 million gallons (MG) of drinking water for the Santa Fe Irrigation District (SFID) and San Dieguito Water District (SDWD) customers.

Peak daily flows treated at the plant reached 12.4 million gallons per day (MGD). SFID received 52.6% (487.8 AF) of the monthly plant production and SDWD received 47.4% (439.2 AF).



| REB Water Deliveries to Districts Thru February 1, 2026 | | | |
|---|------------------------------|---------------------------------|---|
| | <u>Total Deliveries (AF)</u> | <u>% Total Water Deliveries</u> | |
| | 9,661.5 | SFID 63.2 % | SDWD 36.8 % |
| | | 6,110.5 AF | 3,551.0 AF |
| Total FY Water Treated by Source: | | | |
| | <u>Flow (AF)</u> | <u>% Total Water Deliveries</u> | |
| SDCWA Raw - State Project/Colorado | 7,376.8 | 76.35% | } 90.17% Treated Water Supplied By REB |
| Local Water (LH and SDR) | 1335.4 | 13.82% | |
| SDCWA Treated (Skinner/Twin Oaks/Desal) | 949.3 | 9.83% | |
| End of the Month Local Water Balances and Monthly Water Transfers Out of San Diego County Water Authority's Emergency Storage Project (ESP) | | | |
| End of the Month Balances Thru February 1, 2025 * | Olivenhain Reservoir | Lake Hodges | |
| SFID and SDWD Combined Storage | 0 AF | 1,264.6 AF | |
| City of San Diego | 0 AF | 2,915.3 AF | |
| San Diego County Water Authority | 16,859.0 AF | (2,879.0) AF | |

* Balances provided by the City of San Diego and subject to district approval



Treated Water Quality:

SFID and SDWD had no water quality calls in January 2026. All treated water supplied to SFID and SDWD customers, during January 2026, complied with state and federal drinking water standards.

Submitted By: Elijah Standing Warrior, Chief Plant Operator
 Reviewed By: Timothy Bailey, Treatment Plant Manager
 Approved By: Al Lau, P.E., General Manager



MONTHLY WATER SUPPLY REPORT

TOTAL WATER USE DECREASE FROM DEC '25:

11.5%

JAN '26 POTABLE TOTAL

487.8 AF

IMPORTED-RAW JAN '26

378.5 AF

IMPORTED-TR. JAN '26

0.0 AF

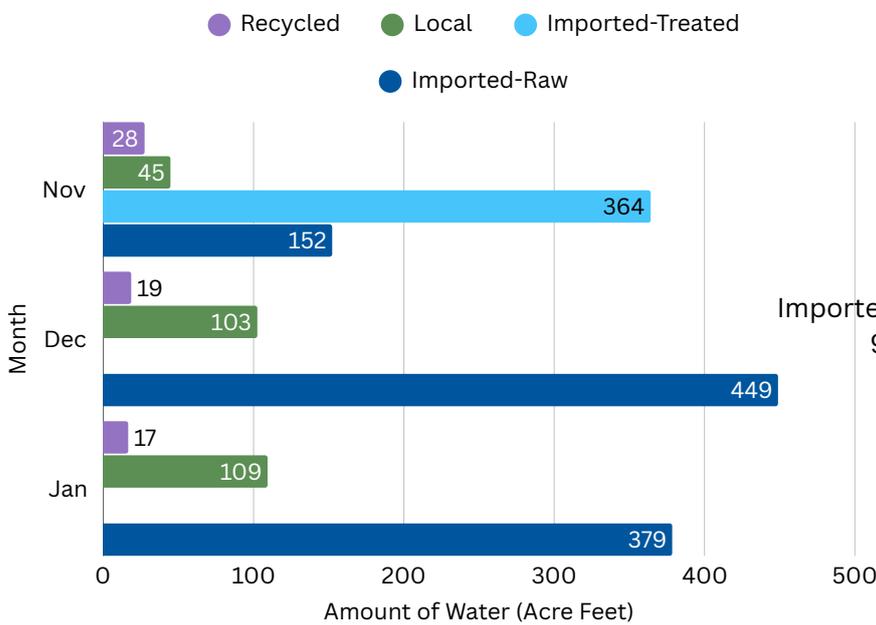
LOCAL JAN '26

109.3 AF

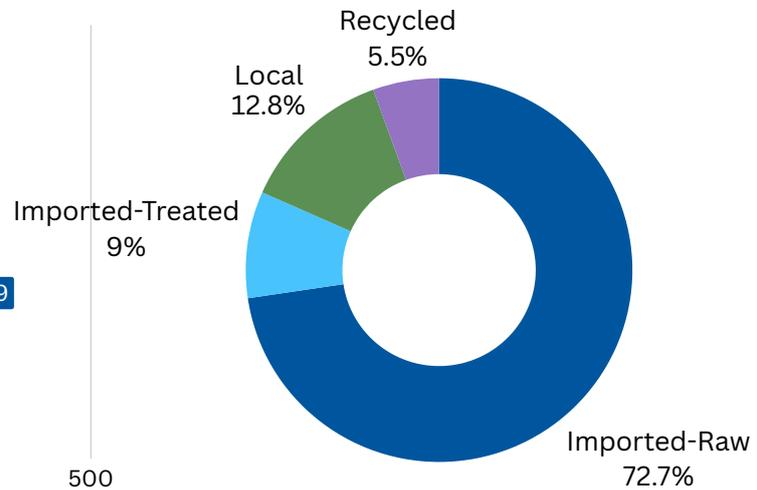
RECYCLED JAN '26

16.6 AF

Three Month Water Supply Snapshot (FY 26)

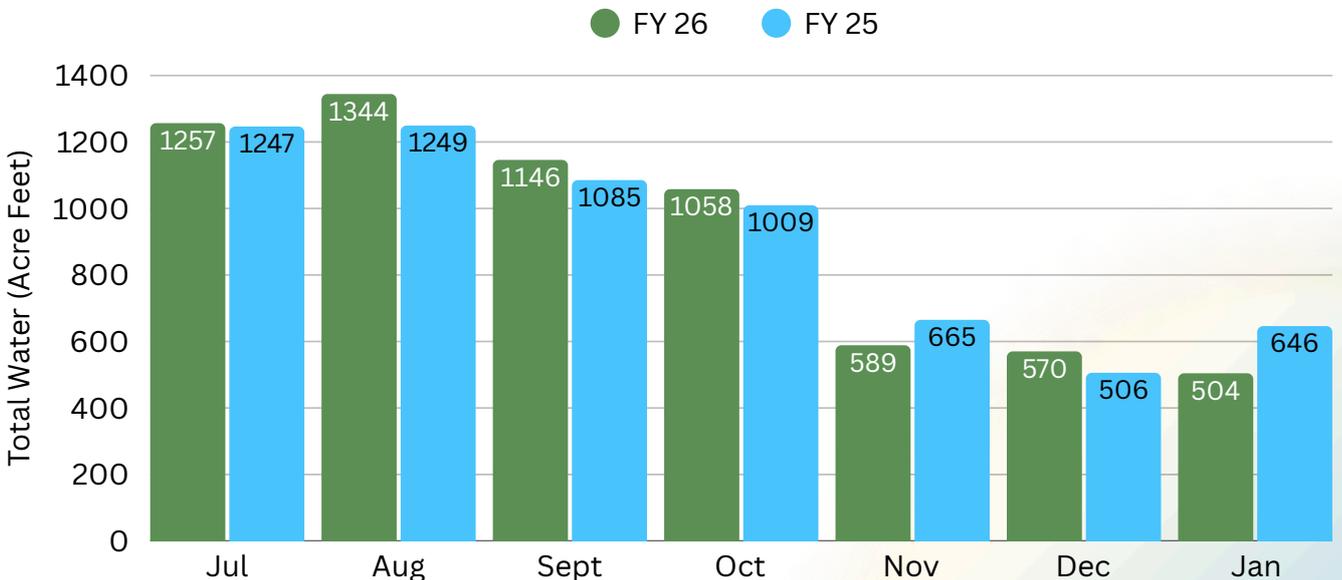


Water by Source (FY26)

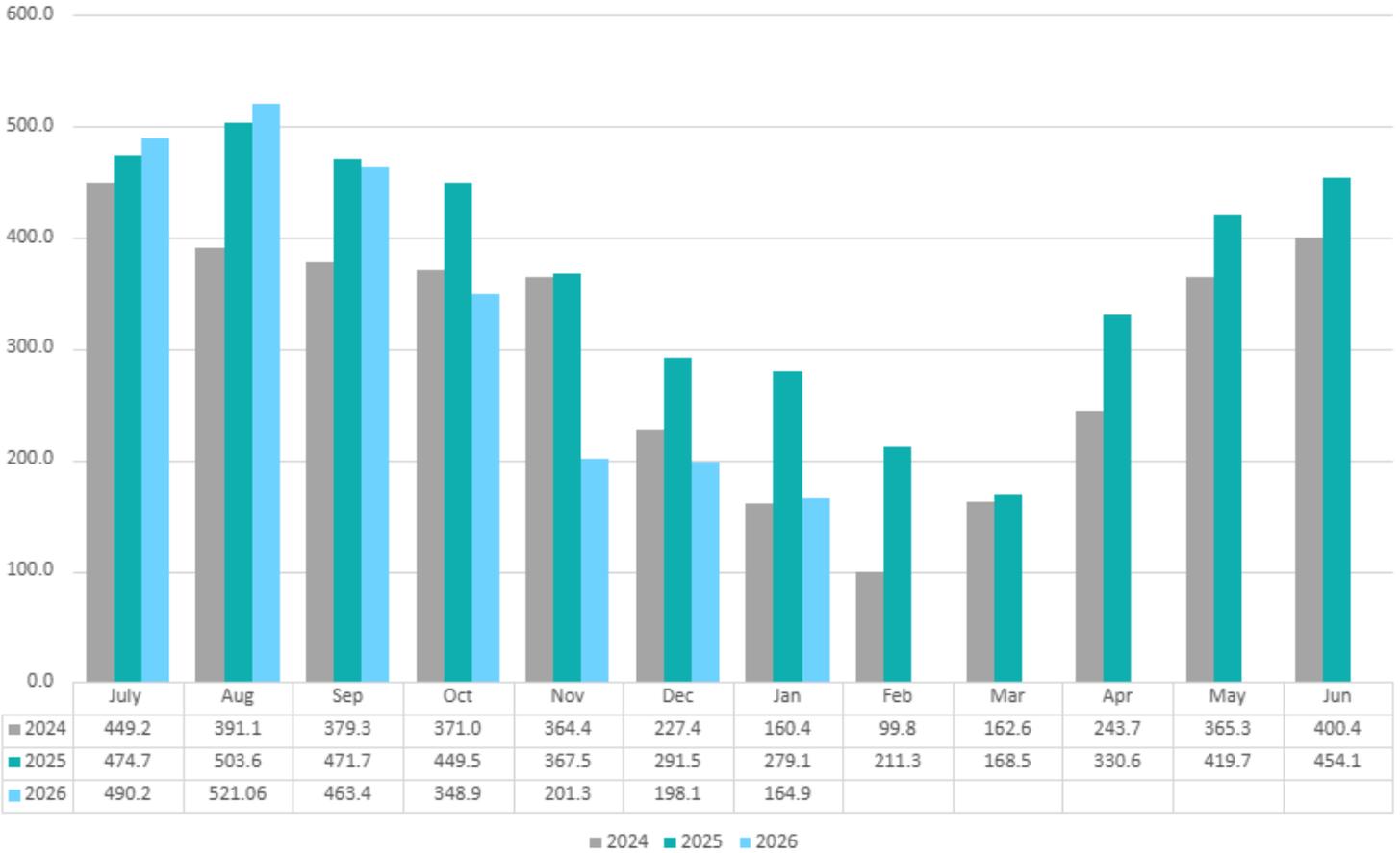


Note: 0 OMWD Treated for FY 26

YTD Total Water Supply (FY 25 & FY26 Comparison)



R-GPCD Monthly



Monthly potable use (478.8 AF) January R- GPCD: 164.9

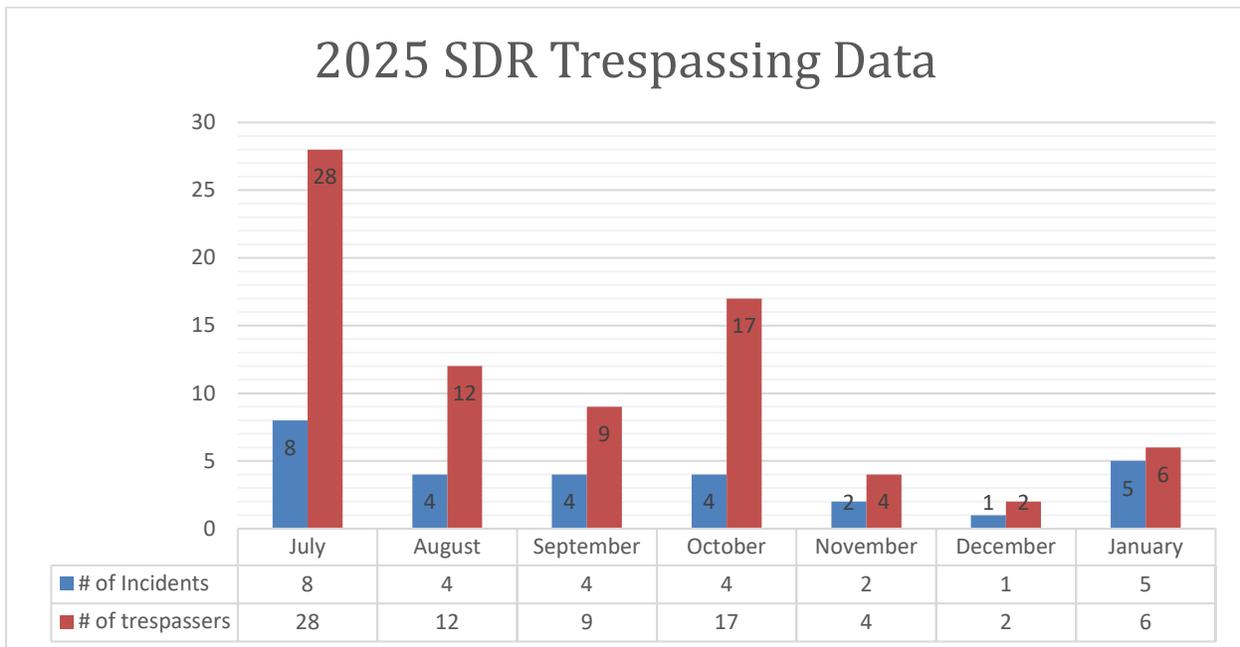
Potable Month by Month Cumulative

| | FY 20 | FY 21 | FY22 | FY 23 | FY 24 | FY 25 | FY26 |
|------|----------|-----------|----------|----------|----------|----------|----------|
| Jul | 1,155.70 | 1,133.60 | 1,108.40 | 1,151.00 | 1,009.40 | 1,066.70 | 1,196.00 |
| Aug | 2,345.10 | 2,310.90 | 2,234.10 | 2,308.00 | 1,888.10 | 2,172.60 | 2,540.30 |
| Sep | 3,420.70 | 3,386.50 | 3,258.10 | 3,326.50 | 2,740.30 | 3,198.40 | 3,634.30 |
| Oct | 4,403.50 | 4,375.50 | 3,999.00 | 4,275.60 | 3,573.80 | 4,131.20 | 4,637.30 |
| Nov | 5,076.30 | 5,045.50 | 4,799.00 | 4,906.20 | 4,392.50 | 4,912.10 | 5,198.50 |
| Dec | 5,390.10 | 5,775.70 | 5,233.70 | 5,391.90 | 4,903.60 | 5,567.10 | 5,749.90 |
| Jan | 5,761.80 | 6,279.70 | 5,700.60 | 5,636.10 | 5,264.00 | 6,179.90 | 6,228.70 |
| Feb | 6,292.80 | 6,766.20 | 6,314.60 | 5,968.20 | 5,488.30 | 6,599.00 | |
| Mar | 6,692.80 | 7,306.20 | 6,977.40 | 6,244.70 | 5,853.70 | 6,977.60 | |
| Apr | 7,109.90 | 8,113.60 | 7,889.20 | 6,783.70 | 6,397.00 | 7,696.20 | |
| May | 8,045.90 | 9,064.60 | 8,844.50 | 7,508.20 | 7,217.80 | 8,639.30 | |
| June | 9,077.70 | 10,103.90 | 9,909.60 | 8,127.30 | 8,117.40 | 9,626.70 | |

San Dieguito Reservoir Security Report January 2026

Security Update

- In January, five (5) trespassing incidents occurred, involving a total of six (6) individuals gaining access to the reservoir site. Four of the trespassers were intercepted by the on-site security guard, while the remaining two were asked to leave by the shift operator through the camera system. This one trespass incident which was responded to by operations staff was also called in to the Sherrif. Routine patrols by the County Sheriff and Rancho Santa Fe Patrol continued within the reservoir perimeter. Overall activity levels observed by staff continued to remain low for the month of January.
- In late January, staff moved one camera to monitor the fenceline between the SFID lake rental property and the Wygod property along El Montevideo Road. This area is suspected to be a main access point from the El Montevideo side of the lake property.



Perimeter Fence Repair to Date

- Entire western end of the reservoir perimeter fence has been completed; from El Montevideo to El Camino Del Norte.
- Staff repaired several broken fencing cross members along El Camino del Norte.

Community Outreach

Staff sent email reminders and newsletter copy to local high schools and homeowners associations regarding safety at San Dieguito Dam. Social media posts and website reminders were also distributed.

Future/Ongoing Items

- Continue to file incident reports with the Sheriff Department.
- Further work with community partners in preventing trespassing through community awareness including school districts.



**SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING
JANUARY 22, 2026**

1. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed the monthly Treasurer's Report
2. 2026 Board meeting dates amendment.
The Board approved amending the September Formal Board of Directors meeting date from September 24, 2026, to September 17, 2026.
3. Adopt the Water Authority's 2026 Long-Range Financing Plan.
The Board adopted the 2026 Long-Range Financing Plan including:
 1. Updated Rate Stabilization Fund Policy
 2. Excess Revenue Procedure Policy, and;
 3. Updated Statement of Debt Management and Disclosure Policy
4. Approve memorandum of understanding with City of San Diego and County of San Diego for implementation of Integrated Regional Water Management Program activities.
The Board approved the MOU with the City and the County for IRWM planning and implementation activities.
5. Professional services contract with Woodard & Curran for Integrated Regional Water Management Program services.
The Board awarded a professional services contract, with such non-material modifications as approved by the General Manager or General Counsel, to Woodard & Curran, for a not-to-exceed amount of \$503,255, with a termination date of June 30, 2029, with the option to extend the contract for up to an additional 18 months, and authorized the General Manager, or designee, to execute the contract.
6. Public works contract with Level Crane Systems to furnish and install a 10-ton bridge crane system at the Operations and Maintenance Center in Escondido.
The Board awarded a public works contract, with non-material modifications as approved by the General Manager or General Counsel, to Level Crane Systems, in the amount of \$269,086, to furnish and install a 10-ton bridge crane system at the Operations and Maintenance Center (OMC) in Escondido, and authorized the General Manager, or designee, to execute the contract.
7. Adopt positions on various bills.
The Board adopted a position of Support on the Drought Relief Obtained Using Government Help Today Act of 2025 or the "DROUGHT Act of 2025" (Peters)
and;
The Board adopted a position of Support on AB 35 (Alvarez), Proposition 4 Administrative Procedure Act (APA) Exemption.



8. Approval of Minutes
The Board approved the minutes of the Formal Board of Directors' meeting of November 20, 2025.
9. Board Officer Appointment: Secretary
The Board approved the appointment of Director Teresa Acosta to the position of Secretary of the Board.
10. Board of Director Retirement Resolution: Director Ditas Yamane, City of National City.
The Board adopted Resolution No. 2026-01, a Resolution of the Board of Directors of the San Diego County Water Authority, honoring Ditas Yamane upon her retirement from the Board of Directors.



The mission of Santa Fe Irrigation District is to meet the water supply needs of all its customers — safely, sustainably, reliably, and cost-effectively.

BOARD REPORT

TO: Board of Directors
FROM: Albert C. Lau, P. E.
INITIATED BY: Seth Gates, Director of Administrative Services
DATE: February 19, 2026
SUBJECT: Review of San Diego County Water Agency Rate Comparison

Strategic Focus Area:

GOAL 5. Sustainable and Effectively Managed Finances

Recommendation:

It is the Staff recommendation that the Board of Directors review the San Diego County water agency rate comparison.

Alternatives:

N/A

Background:

At their November 20th meeting, the Board of Directors approved the pass-through of CY26 rates and charges by the San Diego County Water Authority (SDCWA) and declined to increase District rates for operations & maintenance and capital spending. At this meeting, Staff presented a comparison of District rates against other San Diego County at then current District rates, District rates with SDCWA pass-through only,

and District rates with SDCWA pass-through and a 2% District increase. At this time, the Board of Directors requested that Staff return to the Administrative & Finance Committee with an updated agency comparison after January 1st, when all other agencies would have adjusted their rates for their SDCWA pass-through in addition to their own internal agency rate increases.

Discussion:

Attachment A outlines current rates (shown as bill comparisons for ¾” through 2” single-family residential customers at the average consumption levels for the District for each meter size) for all San Diego County water agencies as of February 1st, 2026. The agencies with an asterisk by their name indicate that these agencies have not as of yet published their 2026 rates and are the rates that were previously presented at the November 20th meeting. For further discussion and information, Staff has included a rates comparison showing these 2026 rates in addition 2021 rates for ¾” through 1.5” single-family residential meters (as Staff only calculated up to 1.5” in 2021) to illustrate the change in each agency’s bill comparisons. The differences between 2021 and 2026 are primarily due to SDCWA pass-through costs, with each agency experiencing different impacts due to their own internal revenue requirements and cost-of-service adjustments (i.e. rate structure changes and / or tier pricing changes).

Committee Action:

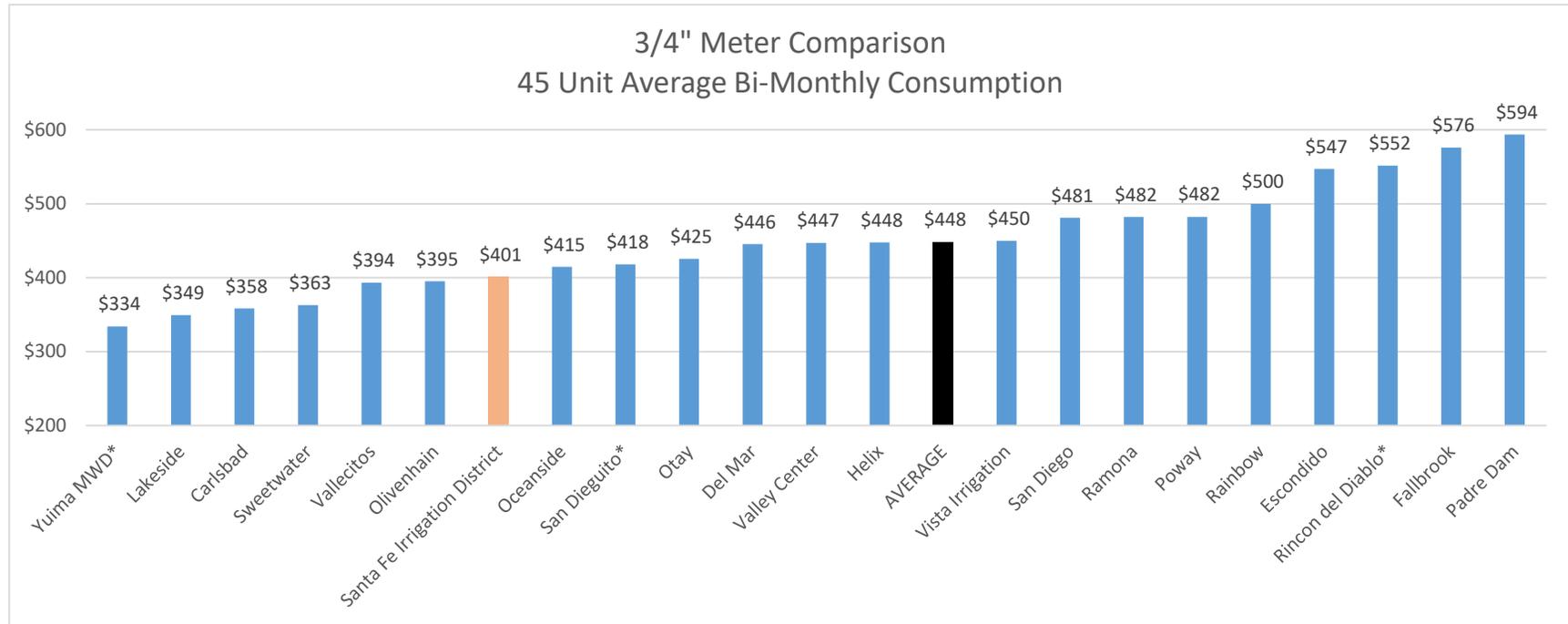
At their February 10, 2026, meeting, the Administrative & Finance Committee reviewed that attached information and requested that Staff include this information on the Board of Directors’ agenda as an informational attachment.

Fiscal Impact:

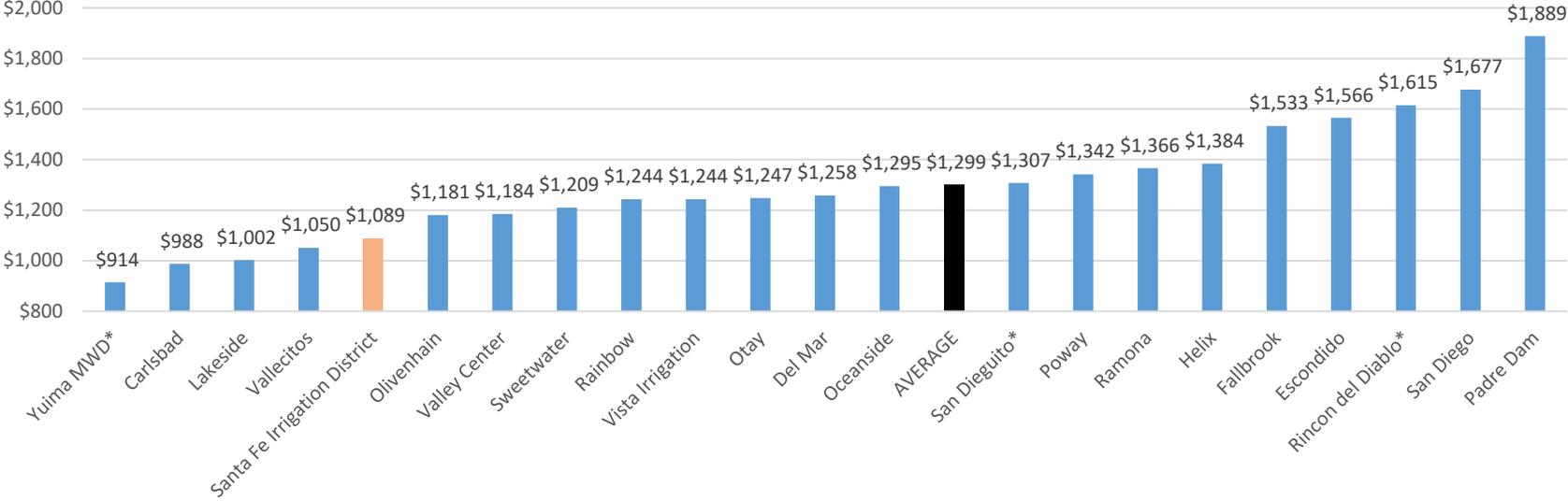
There is no fiscal impact associated with this review and is for informational/discussion purposes only.

- Attachment A: Current Agency Bill Comparison for ¾” – 2” single-family residential meters
- Attachment B: Historical Agency Bill Comparison for ¾” – 1.5” single-family residential meters

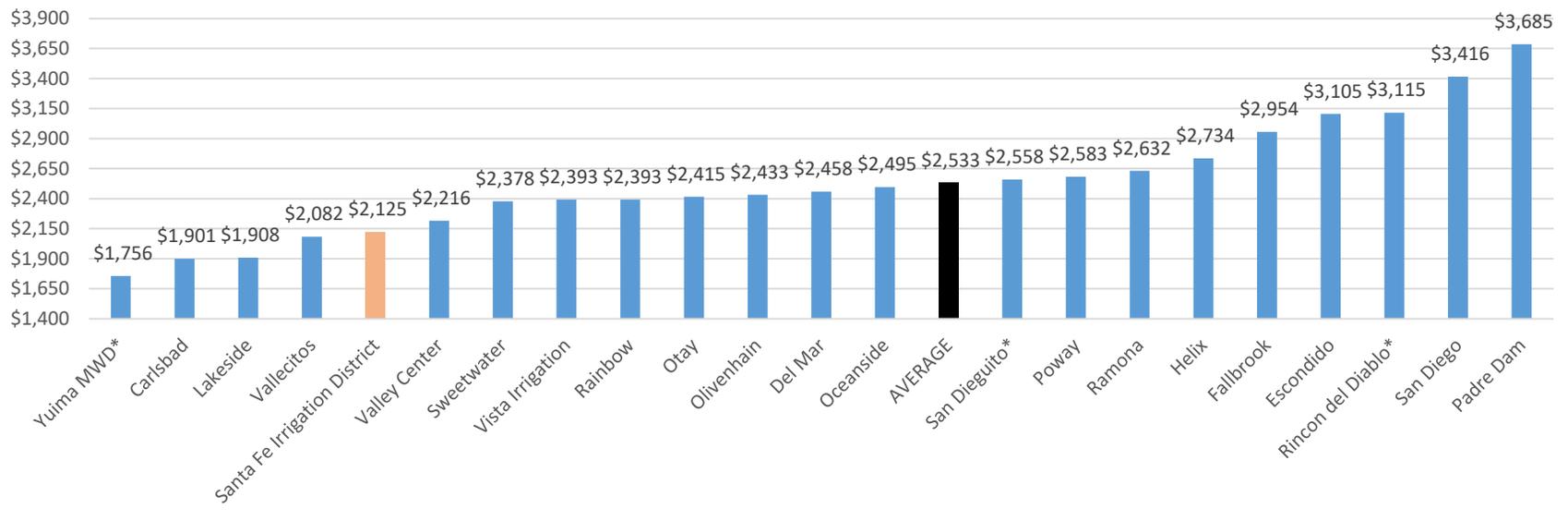
ATTACHMENT A



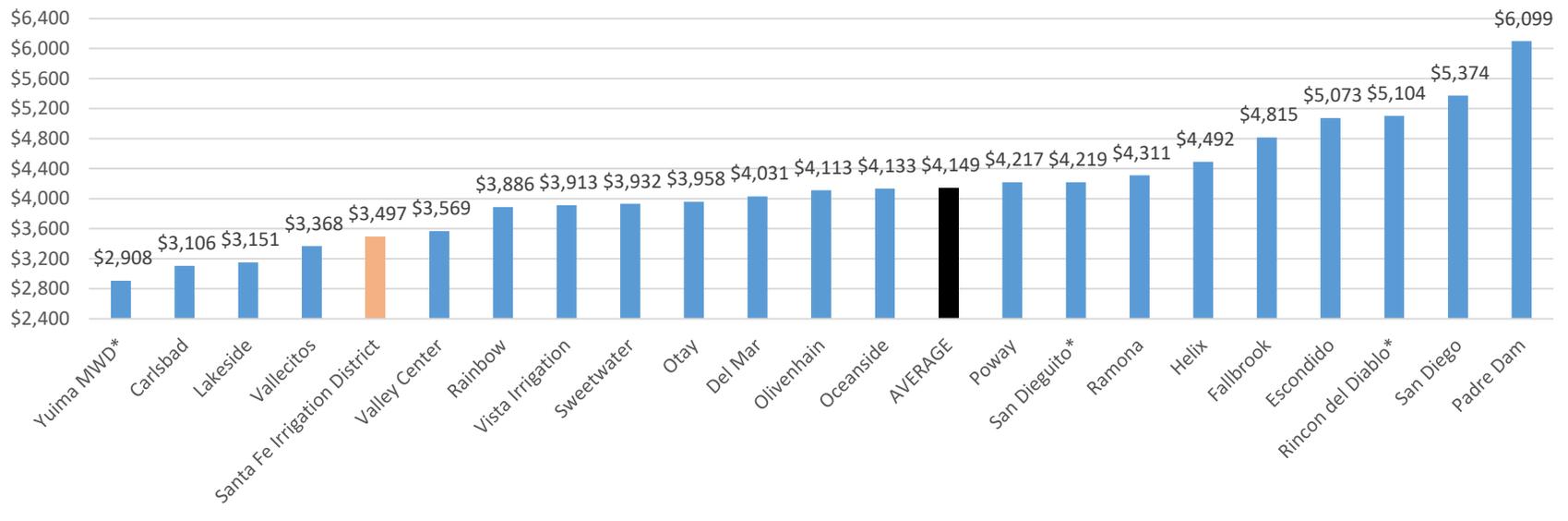
1" Meter Comparison 142 Unit Average Bi-Monthly Consumption



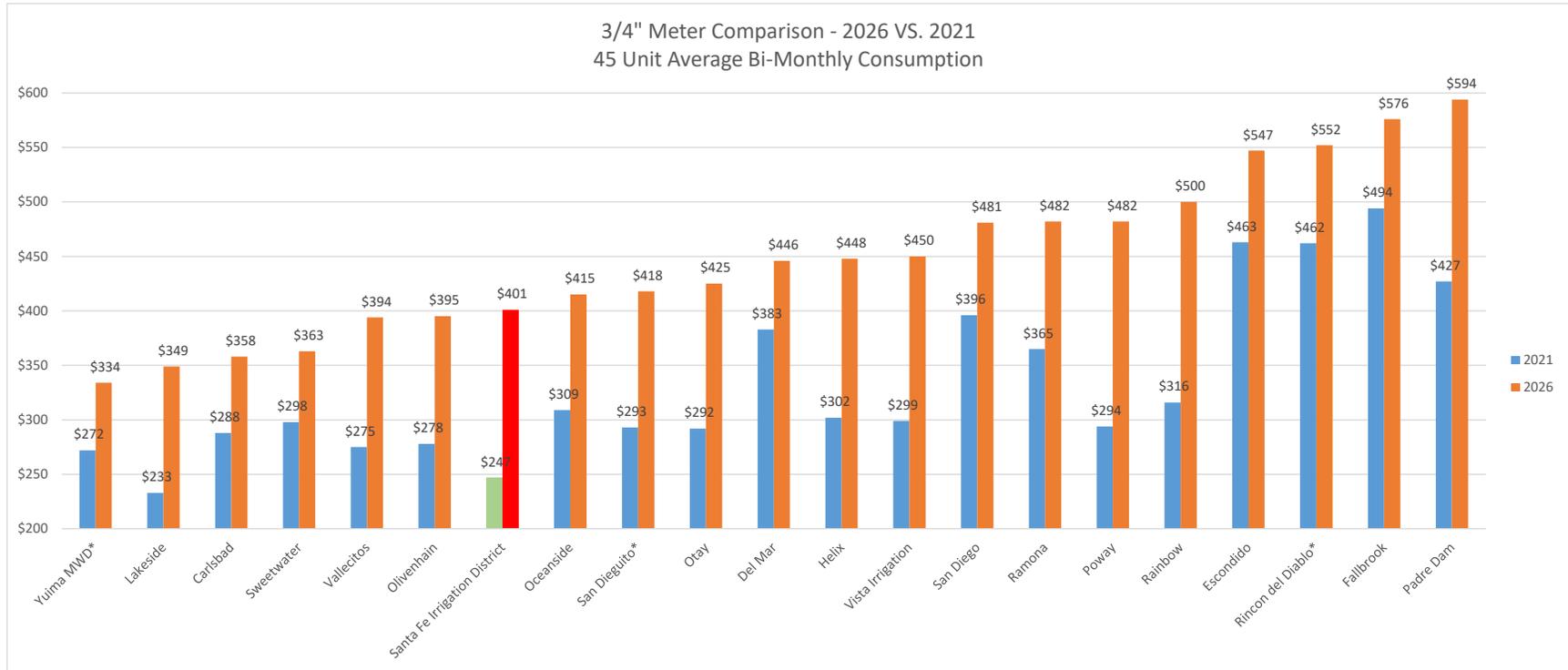
1.5" Meter Comparison 274 Unit Average Bi-Monthly Consumption



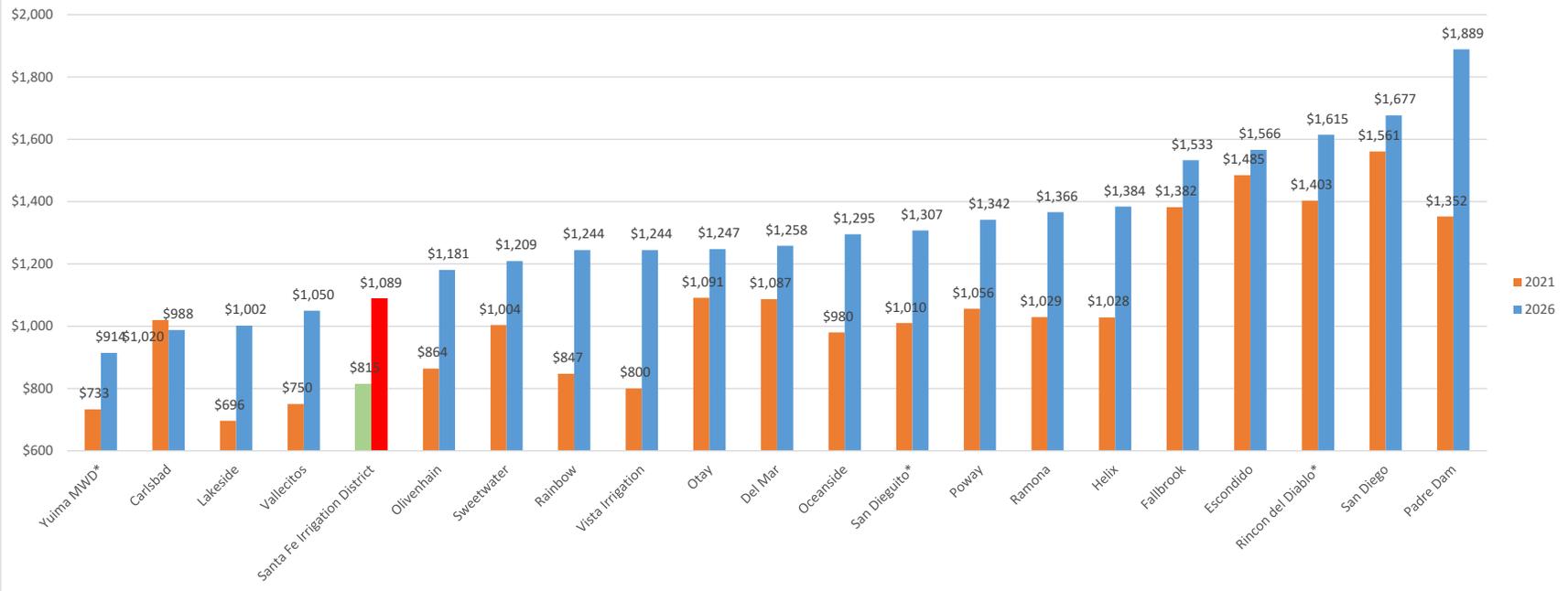
2" Meter Comparison 450 Unit Average Bi-Monthly Consumption



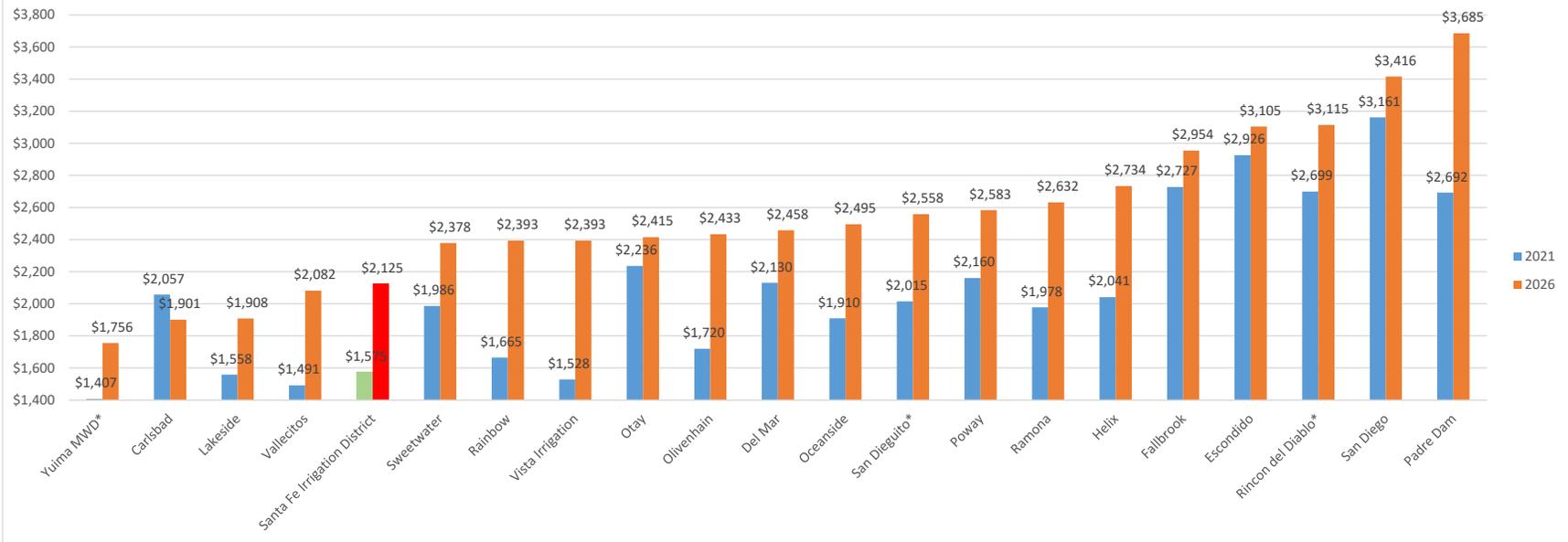
ATTACHMENT B



1" Meter Comparison - 2026 VS. 2021
142 Unit Average Bi-Monthly Consumption



1.5" Meter Comparison - 2026 VS. 2021
274 Unit Average Bi-Monthly Consumption



ENCLOSURES

Santa Fe Irrigation District

Administrative Code



~~April 2025~~ February 19, 2026

CONTENTS

| | |
|--|----|
| ARTICLE 1. GENERAL PROVISIONS | 1 |
| Sec. 1.1 Mission Statement | 1 |
| Sec. 1.2 Purpose | 1 |
| Sec. 1.3 Adoption | 1 |
| Sec. 1.4 Severability | 1 |
| Sec. 1.5 Amendments (<i>Rev. 04/17/25; Resolution No. 25-05</i>)..... | 1 |
| Sec. 1.6 Resolutions | 2 |
| ARTICLE 2. OFFICIAL DESIGNATIONS | 3 |
| Sec. 2.1 Official Seal..... | 3 |
| Sec. 2.2 Principal Place of Business..... | 3 |
| Sec. 2.3 Agent for Service of Process | 3 |
| Sec. 2.4 Business Hours and Holidays | 3 |
| Sec. 2.5 Designation of Newspapers for Publication of Official Notices | 4 |
| ARTICLE 3. DEFINITIONS AND INTERPRETATIONS..... | 5 |
| Sec. 3.1 Definitions | 6 |
| Sec. 3.2 Titles and Headings | 6 |
| Sec. 3.3 Limitation and Liability (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | 6 |
| ARTICLE 4. ORGANIZATION | 7 |
| Sec. 4.1 Board of Directors | 7 |
| Sec. 4.1.1 Term of Office – Directors | 7 |
| Sec. 4.1.2 Officers – Designation (<i>Rev. 01/18/24; Resolution No. 24-01</i>) | 7 |
| Sec. 4.1.2.1 President | 7 |
| Sec. 4.1.2.2 Vice President..... | 7 |
| Sec. 4.1.2.3 Secretary | 7 |
| Sec. 4.1.2.4 Treasurer..... | 8 |
| Sec. 4.1.3 Officers – Selection | 8 |
| Sec. 4.2 Standing Committees..... | 8 |
| Sec. 4.2.1 Committees and Duties..... | 8 |
| Sec. 4.2.2 Executive Committee | 8 |
| Sec. 4.2.3 Administrative and Finance Committee | 9 |
| Sec. 4.2.4 Water Resources Committee | 9 |
| Sec. 4.2.5 Other Committees (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | 9 |
| Sec. 4.3 Representative of the San Diego County Water Authority | 9 |
| Sec. 4.4 Meetings | 9 |
| Sec. 4.4.1 Time and Place of Meetings | 10 |
| Sec. 4.4.2 Order of Proceedings at Meetings | 10 |
| Sec. 4.4.3 Chairperson..... | 10 |
| Sec. 4.4.4 Quorum..... | 10 |
| Sec. 4.4.5 Voting (<i>Rev. 04/17/25; Resolution No. 25-05</i>)..... | 10 |

| | | |
|---|---|-----|
| Sec. 4.4.6 | Ralph M. Brown Act | 10 |
| Sec. 4.4.7 | Adjourned Meetings | 11 |
| Sec. 4.4.8 | Continuance | 11 |
| Sec. 4.4.9 | Disruption of Meetings <i>(Rev. 2/19/26; Resolution No. 26-02)</i> | 11 |
| Sec. 4.5 | Minutes | 142 |
| Sec. 4.6 | Agendas <i>(Rev. 04/17/25; Resolution No. 25-05)</i> | 12 |
| ARTICLE 5. DIRECTOR POLICIES | | 14 |
| Mission | | 14 |
| Vision | | 14 |
| Values | | 14 |
| Sec. 5.1 | Responsibilities of Public Office..... | 15 |
| Sec. 5.2 | Fair and Equal Treatment | 15 |
| Sec. 5.3 | Proper Use and Safeguarding of District Property and Resources | 15 |
| Sec. 5.3.1 | District Owned Mobile Computing Devices <i>(Rev. 04/17/25; Resolution No. 25-05)</i> | 15 |
| Sec. 5.3.2 | Public Records Act Requirements <i>(Rev. 01/18/24; Resolution No. 24-01)</i> | 15 |
| Sec. 5.4 | Use of Confidential Information <i>(Rev. 02/19/26; Resolution No. 26-02)(Rev. 01/18/24; Resolution No. 24-01)</i> | 15 |
| Sec. 5.5 | Conflict of Interest <i>(Rev. 04/17/25; Resolution No. 25-05)</i> | 17 |
| Sec. 5.6 | Political Contributions <i>(Rev. 04/17/25; Resolution No. 25-05)</i> | 18 |
| Sec. 5.7 | Incompatible Offices <i>(Rev. 02/19/26; Resolution No. 26-02)</i> | 19 |
| Sec. 5.8 | Director-General Manager Relationship | 20 |
| Sec. 5.9 | Improper Activities and the Reporting of Such Activities; Protection of “Whistle Blowers” | 20 |
| Sec. 5.10 | Compliance with the Brown Act <i>(Rev. 04/17/25; Resolution No. 25-05)</i> | 21 |
| Sec. 5.11 | Director Compensation <i>(Rev. 03/20/25; Resolution No. 25-03)</i> | 21 |
| Sec 5.12 | Reserved <i>(Rev. 03/20/25; Resolution No. 25-04)</i> | 22 |
| Sec 5.13 | Director Expenses..... | 22 |
| Sec 5.13.1 | Travel/Transportation | 23 |
| Sec 5.13.2 | Lodging..... | 234 |
| Sec 5.13.3 | Meals | 24 |
| Sec 5.13.4 | Incidental Expenses <i>(Rev. 04/17/25; Resolution No. 25-05)</i> | 24 |
| Sec 5.14 | Miscellaneous Expenses of Office | 245 |
| Sec 5.15 | Reports to Governing Board..... | 245 |
| Sec 5.16 | Penalties for Violation of Reimbursement Policies..... | 25 |
| Sec 5.17 | Exhibits | 25 |
| ARTICLE 6. DISTRICT STAFF <i>(Rev. 02/19/26; Resolution No. 26-02)(Rev. 01/18/24; Resolution No. 24-01)</i> | | 26 |
| Sec. 6.1 | General Manager | 26 |
| Sec. 6.2 | Director of Distribution System | 26 |
| Sec. 6.3 | Director of Water Treatment Plant | 26 |
| Sec. 6.4 | Director of Administrative Services <i>(Rev. 04/17/25; Resolution No. 25-05)</i> | 27 |

Sec. 6.5 Director of Engineering Services 27
Sec. 6.6 Independent Professional Services 27

| | | |
|---|--|----|
| Sec. 6.6.1 | General Counsel | 27 |
| Sec. 6.6.2 | Auditor..... | 28 |
| ARTICLE 7. CONFLICT OF INTEREST (<i>Rev. 09/19/24; Resolution No. 24-11</i>)..... | | 29 |
| Sec. 7.1 | District Code..... | 29 |
| Sec. 7.2 | Compliance with Code | 29 |
| ARTICLE 8. EMPLOYMENT POLICIES | | 30 |
| Sec. 8.1 | Introductory Policies..... | 30 |
| Sec. 8.1.1 | Introduction | 30 |
| Sec. 8.1.2 | Policy Changes | 30 |
| Sec. 8.1.3 | Entire Agreement..... | 31 |
| Sec. 8.1.4 | Equal Employment Opportunity/ADA (<i>Rev. 04/17/25</i>); <i>Resolution No. 25-05</i>)..... | 31 |
| Sec. 8.1.5 | Reasonable Accommodation/ADA Policy | 32 |
| Sec. 8.1.6 | Lactation Policy..... | 33 |
| Sec. 8.2 | Employment (<i>Rev. 01/18/24; Resolution No. 24-01</i>) | 35 |
| Sec. 8.2.1 | Employment Status Definitions..... | 35 |
| Sec. 8.2.1.1 | Probationary Employees..... | 35 |
| Sec. 8.2.1.2 | Part-Time and Limited-Term Employee | 35 |
| Sec. 8.2.1.3 | Regular Employee | 35 |
| Sec. 8.2.1.4 | General Manager | 36 |
| Sec. 8.2.1.5 | Exempt Employee..... | 36 |
| Sec. 8.2.1.6 | Non-Exempt Employee | 36 |
| Sec. 8.2.2 | Rules Governing Employer-Employee Relations..... | 36 |
| Sec. 8.2.2.1 | Right of Employees to Join Recognized Employee Organizations..... | 37 |
| Sec. 8.2.2.2 | Right of Employees to Abstain from Joining Employee Organization | 37 |
| Sec. 8.2.2.3 | Discrimination Prohibited..... | 37 |
| Sec. 8.2.2.4 | Recognition Requirements | 37 |
| Sec. 8.2.2.5 | Processing of Recognition Petition..... | 38 |
| Sec. 8.2.2.6 | Determination by Board of Directors | 38 |
| Sec. 8.2.2.7 | Current Information..... | 38 |
| Sec. 8.2.2.8 | Representation of Members..... | 38 |
| Sec. 8.2.2.9 | Scope of Representation | 38 |
| Sec. 8.2.2.10 | District Representatives | 38 |
| Sec. 8.2.2.11 | Conferences | 38 |
| Sec. 8.2.2.12 | Mediation..... | 40 |
| Sec. 8.2.2.13 | Memorandum of Understanding..... | 40 |
| Sec. 8.2.2.14 | Closed Sessions | 40 |
| Sec. 8.2.2.15 | Reasonable Time Off to Meet and Confer..... | 40 |
| Sec. 8.2.2.16 | Advance Notice | 40 |
| Sec. 8.2.2.17 | Use of Bulletin Boards | 41 |
| Sec. 8.2.2.18 | Activities on District's Premises | 41 |

| | | | |
|-------------|---------------|---|-------------------------|
| | Sec. 8.2.2.19 | Collection of Association Dues | 41 |
| | Sec. 8.2.2.20 | Availability of Data | 41 |
| | Sec. 8.2.2.21 | Amendments | 42 |
| | Sec. 8.2.2.22 | Job Classifications, Certification Requirements, and Job Descriptions..... | 42 |
| | Sec. 8.2.2.23 | Quarterly Labor Management Meetings..... | 42 |
| Sec. 8.2.3 | | Standby Duty Response Time | 42 |
| Sec. 8.2.4 | | Personnel Records | 43 |
| Sec. 8.2.5 | | Employee References | 43 |
| Sec. 8.2.6 | | Conflict of Interest..... | 43 |
| Sec. 8.2.7 | | Reduction in Work Force | 44 |
| Sec. 8.2.8 | | Employment Separation | 44 |
| Sec. 8.2.9 | | Rehiring | 44 |
| Sec. 8.2.10 | | Emergency Policy..... | 45 |
| Sec. 8.3 | | Compensation (<i>Rev. 01/18/24; Resolution No. 24-01</i>)..... | 45 |
| | Sec. 8.3.1 | Work Hours | 45 |
| | Sec. 8.3.2 | Definition of Workweek..... | 46 |
| | | Sec. 8.3.2.1 District Employees | 46 |
| | | Sec. 8.3.2.2 Filtration Plant Operators | 46 |
| | Sec. 8.3.3 | Time Keeping Requirements | 46 |
| | Sec. 8.3.4 | Reporting to Work..... | 46 |
| | Sec. 8.3.5 | Salary and Performance Review..... | 47 |
| | Sec. 8.3.6 | Payment of Wages | 47 |
| | Sec. 8.3.7 | Overtime | 48 |
| | | Sec. 8.3.7.1 Prior Approval Required | 48 |
| | | Sec. 8.3.7.2 “Overtime” Defined..... | 48 |
| | | Sec. 8.3.7.3 Compensatory Time | 48 |
| | Sec. 8.3.8 | Standby Pay | 48 |
| | Sec. 8.3.9 | Recovery Period | 48 |
| | Sec. 8.3.10 | Holiday Pay | 49 |
| | Sec. 8.3.11 | Shift Differential Pay..... | 49 |
| | Sec. 8.3.12 | Expense Reimbursement | <u>49</u> 50 |
| | | Sec. 8.3.12.1 Travel/Transportation | 50 |
| | | Sec. 8.3.12.2 Lodging..... | 50 |
| | | Sec. 8.3.12.3 Meals | <u>50</u> 51 |
| | | Sec. 8.3.12.4 Incidental Expenses | 51 |
| Sec. 8.4 | | Employee Leave (<i>Rev. 01/18/24; Resolution No. 24-01</i>)..... | 51 |
| | Sec. 8.4.1 | Holidays..... | 51 |
| | Sec. 8.4.2 | Vacation..... | 52 |
| | Sec. 8.4.3 | Personal Leave..... | <u>52</u> 53 |
| | Sec. 8.4.4 | Administrative Leave | 53 |
| | Sec. 8.4.5 | Sick Leave (<i>Rev. 04/17/25; Resolution No. 25-05</i>)..... | 53 |
| | Sec. 8.4.6 | Family Medical Leave | 54 |
| | | Sec. 8.4.6.1 Definitions | 54 |
| | | Sec. 8.4.6.2 Family Leave Eligibility:..... | 56 |

| | | | |
|-------------|---------------|---|------------------------|
| | Sec. 8.4.6.3 | Pregnancy Disability..... | 55 |
| | Sec. 8.4.6.4 | Use of Family Leave:..... | 56 |
| | Sec. 8.4.6.5 | Family Leave Duration: | 57 |
| | Sec. 8.4.6.6 | Intermittent Family Leave: | 57 |
| | Sec. 8.4.6.7 | Use of Accrued Leave | 58 |
| | Sec. 8.4.6.8 | Notice..... | 58 |
| | Sec. 8.4.6.9 | Certification: | 59 |
| | Sec. 8.4.6.10 | Employment and Benefits Protection:..... | 59 |
| Sec. 8.4.7 | | Pregnancy Disability Leave..... | 61 |
| | Sec. 8.4.7.1 | Employee Eligibility Criteria..... | 61 |
| | Sec. 8.4.7.2 | Events That May Entitle an Employee to Leave | 61 |
| | Sec. 8.4.7.3 | Duration of Pregnancy Disability Leave | 62 |
| | Sec. 8.4.7.4 | Pay During Pregnancy Disability Leave | 62 |
| | Sec. 8.4.7.5 | Insurance Benefits | 62 |
| | Sec. 8.4.7.6 | Seniority..... | 63 |
| | Sec. 8.4.7.7 | Medical Certifications | 63 |
| | Sec. 8.4.7.8 | Procedure for Requesting and Scheduling Pregnancy Disability Leave | 63 |
| | Sec. 8.4.7.9 | Return to Work | 64 |
| | Sec. 8.4.7.10 | Employment during Leave | 64 |
| | Sec. 8.4.7.11 | Coordination of Leave | 64 |
| Sec. 8.4.8 | | Special Leave Without Pay..... | 65 |
| Sec. 8.4.9 | | Fitness for Duty | 65 |
| Sec. 8.4.10 | | Bereavement Leave (<i>Rev. 04/17/25; Resolution No. 25-05</i>)..... | 66 |
| Sec. 8.4.11 | | Jury or Witness Duty | 66 |
| Sec. 8.4.12 | | Military Leave of Absence | 66 |
| Sec. 8.4.13 | | Military Spouse Leave..... | 66 |
| Sec. 8.4.14 | | Voting Time..... | 67 |
| Sec. 8.4.15 | | Leave Related to Domestic Violence, Sexual Assault or Stalking <i>(Rev. 02/19/26; Resolution No. 26-02)(Rev. 04/17/25; Resolution No. 25-05)</i> 67 | |
| | Sec. 8.4.16 | Crime Victims' Leave | <u>68</u> |
| | Sec. 8.4.17 | Leave for Organ and Bone Marrow Donation | 69 |
| | Sec. 8.4.18 | Reproductive Loss Event Leave (Added on (<i>Rev. 04/17/25; Resolution No. 25-05</i>))..... | 70 |
| Sec. 8.5 | | Employee Benefits (<i>Rev. 01/18/24; Resolution No. 24-01</i>) | 71 |
| | Sec. 8.5.1 | Group Health Insurance..... | 71 |
| | Sec. 8.5.2 | Retiree Health Insurance | 71 |
| | Sec. 8.5.3 | Group Dental Insurance..... | 72 |
| | Sec. 8.5.4 | Group Vision Insurance..... | 72 |
| | Sec. 8.5.5 | Workers' Compensation Insurance and Return to Work | 72 |
| | Sec. 8.5.6 | Short- and Long-Term Disability Insurance..... | 73 |
| | Sec. 8.5.7 | Life Insurance | 73 |
| | Sec. 8.5.8 | Employee Assistance Program (EAP)..... | <u>73</u> |
| | Sec. 8.5.9 | Deferred Compensation (457) Plan | <i>(Rev. 04/17/25;</i> |

| | | |
|-------------|---|------|
| | <i>Resolution No. 25-05)</i> | 74 |
| Sec. 8.5.10 | Longevity Pay..... | 74 |
| Sec. 8.5.11 | Retirement | 75 |
| Sec. 8.5.12 | Education Assistance Program | 75 |
| Sec. 8.5.13 | Uniforms..... | 76 |
| Sec. 8.5.14 | Employee Recognition Program..... | 77 |
| Sec. 8.5.15 | Computer Purchase Program | 77 |
| Sec. 8.5.16 | Benefits Commencement..... | 78 |
| Sec. 8.6 | Employee Relations (<i>Rev. 01/18/24; Resolution No. 24-01</i>)..... | 79 |
| Sec. 8.6.1 | Code of Conduct for Employees..... | 79 |
| | Sec. 8.6.1.1 General Principles..... | 79 |
| | Sec. 8.6.1.2 District Values | 80 |
| | Sec. 8.6.1.3 Guide to Ethical Decision Making | 80 |
| | Sec. 8.6.1.4 Acceptance of Gifts or Benefits..... | 81 |
| | Sec. 8.6.1.5 Fairness and Equity | 81 |
| | Sec. 8.6.1.6 Public Comment About the Santa Fe Irrigation District and/or its Activities | 81 |
| | Sec. 8.6.1.7 Reporting Corrupt Conduct and Serious and Substantial Waste of Santa Fe Irrigation District Resources..... | 812 |
| | Sec. 8.6.1.8 Internal Reporting Procedure..... | 82 |
| Sec. 8.6.2 | Harassment | 82 |
| | Sec. 8.6.2.1 Policy Against Harassment..... | 82 |
| | Sec. 8.6.2.2 Harassment | 83 |
| | Sec. 8.6.2.3 Sexual Harassment | 83 |
| | Sec. 8.6.2.4 Duty to Report Harassment (<i>Rev. 04/17/25;</i> <i>Resolution No. 25-05</i>)..... | 85 |
| | Sec. 8.6.2.5 Remedies and No Retaliation for Reporting..... | 86 |
| Sec. 8.6.3 | Dress Code..... | 87 |
| Sec. 8.6.4 | Customer Relations..... | 87 |
| Sec. 8.6.5 | Confidentiality..... | 87 |
| Sec. 8.6.6 | Alcohol and Drug Free Workplace..... | 878 |
| | Sec. 8.6.6.1 Policy Statement..... | 878 |
| | Sec. 8.6.6.2 Reasonable Suspicion Drug and Alcohol Screening | 88 |
| | Sec. 8.6.6.3 Use, Being under the Influence, Possession, Distribution, or Manufacture of Drugs or Alcohol | 88 |
| | Sec. 8.6.6.4 Employee Reporting Requirements..... | 889 |
| | Sec. 8.6.6.5 Disciplinary Action..... | 89 |
| | Sec. 8.6.6.6 Definitions (<i>Rev. 04/17/25;</i> <i>Resolution No. 25-05</i>)..... | 89 |
| Sec. 8.6.7 | Grievance Procedures | 8990 |
| | Sec. 8.6.7.1 Definitions | 8990 |
| | Sec. 8.6.7.2 General Provisions..... | 90 |

| | | | |
|------------|--------------|--|-----------------|
| | Sec. 8.6.7.3 | Level I -- Informal Resolution..... | 91 |
| | Sec. 8.6.7.4 | Level II -- Formal Written Grievance..... | 91 2 |
| | Sec. 8.6.7.5 | Level III -- Appeal to Department Head | 92 |
| | Sec. 8.6.7.6 | Level IV -- Appeal to General Manager..... | 92 3 |
| Sec. 8.6.8 | | Disciplinary Procedures..... | 92 3 |
| | Sec. 8.6.8.1 | Disciplinary Action..... | 93 |
| | Sec. 8.6.8.2 | Disciplinary Procedures for Regular Employees..... | 95 |

| | | |
|---|---|-------|
| Sec. 8.7 | Operational Considerations (<i>Rev. 01/18/24; Resolution No. 24-01</i>)..... | 978 |
| Sec. 8.7.1 | District Property | 978 |
| Sec. 8.7.2 | District Vehicle Use..... | 98 |
| Sec. 8.7.2.1 | District Vehicle Assignments | 98 |
| Sec. 8.7.2.2 | General Vehicle Use Rules..... | 989 |
| Sec. 8.7.3 | Cellular Phone Policy | 989 |
| Sec. 8.7.3.1 | Acquisition and Assignment of Cellular Telephones..... | 99 |
| Sec. 8.7.3.2 | Responsibility | 99 |
| Sec. 8.7.3.3 | Use of District-Owned Cellular Telephones..... | 99100 |
| Sec. 8.7.3.4 | Cessation of Employee Usage | 1001 |
| Sec. 8.7.3.5 | Miscellaneous | 101 |
| Sec. 8.7.4 | Acceptable Use of District Technology Resources | 1012 |
| Sec. 8.7.5 | Conducting Personal Business..... | 1023 |
| Sec. 8.7.6 | Health and Safety..... | 1023 |
| Sec. 8.7.7 | Accident Reporting..... | 103 |
| Sec. 8.7.8 | Workplace Violence (<i>Rev. 04/17/25; Resolution No. 25-05</i>)..... | 103 |
| Sec. 8.7.9 | Smoking Policy..... | 103 |
| Sec. 8.7.9.1 | Definitions | 1034 |
| Sec. 8.7.9.2 | Use of Tobacco Products During the Workday | 104 |
| Sec. 8.7.9.3 | Visitors..... | 104 |
| Sec. 8.7.9.4 | Failure to Comply with the District’s Smoking Policy | 1045 |
| Sec. 8.7.9.5 | Human Resources Department | 1045 |
| Sec. 8.7.10 | Children at Work Policy (Added on 04/17/25; <i>Resolution No. 25-05</i>) | 1045 |
| Sec 8.8 | Exhibits..... | 105 |
| ARTICLE 9. PUBLIC RECORDS POLICY (<i>Rev. 01/18/24; Resolution No. 24-01</i>)..... | | 106 |
| Sec. 9.1 | Purpose (<i>Rev. 02/19/26; Resolution No. 26-02</i>)..... | 106 |
| Sec. 9.2 | Definitions | 106 |
| Sec. 9.3 | Inspection and Copying of Public Records | 107 |
| Sec. 9.3.1 | Requests to Inspect and/or Obtain Copies of Records | 107 |
| Sec. 9.3.2 | Making Determination on Records Requests/Taking Time Extensions (<i>Rev. 02/19/26; Resolution No. 26-02</i>)(<i>Rev. 04/17/25; Resolution No. 25-05</i>)..... | 108 |
| Sec. 9.3.3 | Inspecting Public Records and Obtaining Copies | 109 |
| Sec. 9.3.4 | Optional Appeal Procedure | 110 |
| Sec. 9.4 | Records Retention and Disposal of Obsolete Records | 1101 |
| Sec. 9.4.1 | Purpose | 1101 |
| Sec. 9.4.2 | Authorization | 1101 |
| Sec. 9.4.3 | Records Retention Schedule..... | 111 |
| Sec. 9.4.4 | General Guidelines for Records Retention..... | 111 |
| Sec. 9.4.5 | Procedure | 112 |
| Sec. 9.4.6 | Exceptions | 1123 |

| | | |
|----------|--|------|
| Sec. 9.5 | Electronic Communication (E-mail) Policy | 113 |
| Sec. 9.6 | Litigation Holds..... | 1145 |

| | | |
|---|---|---------------------|
| Sec. 9.6.1 | Purpose | 115 |
| Sec. 9.6.2 | Procedure and Responsibilities..... | 11 56 |
| Sec. 9.7 | Attachments (Enclosure) (Rev. 04/17/25; Resolution No. 25-05) | 11 78 |
| | | |
| ARTICLE 10. DISTRICT FUNDS | (Rev. 02/19/26; Resolution No. 26-02)(Rev. 04/17/25; Resolution No. 25-05) | 11 89 |
| Sec. 10.1 | General Funds..... | 11 89 |
| Sec. 10.1.1 | General Checking Account..... | 11 89 |
| Sec. 10.1.2 | Payroll Account | 11 89 |
| Sec. 10.1.3 | Petty Cash..... | 11 89 |
| Sec. 10.2 | Reserve Funds..... | 11 89 |
| Sec. 10.3 | Investment Policy: (Government Code Sec. 53646) | 1 920 |
| Sec. 10.4 | Exhibits..... | 1 920 |
| | | |
| ARTICLE 11. WATER SERVICE | | 12 01 |
| Sec. 11.1 | Application | 12 01 |
| Sec. 11.2 | Account Name | 12 01 |
| Sec. 11.3 | Ownership of Facilities..... | 12 01 |
| Sec. 11.4 | Water Pressure..... | 12 01 |
| Sec. 11.5 | Resale of Water..... | 12 01 |
| Sec. 11.5.1 | Sub-Metering and Sub-Billing of Water (Rev. 02/19/26; Resolution No. 26-02) | 121 |
| Sec. 11.5.2 | Multi-Unit Residential and Mixed-Use Structures..... | 12 42 |
| Sec. 11.6 | Waste of Water | 12 42 |
| Sec. 11.7 | Regulation of Water Service..... | 1 221 |
| Sec. 11.8 | Damage to District Property | 12 24 |
| Sec. 11.9 | District Right of Inspection and Access | 12 23 |
| Sec. 11.10 | State Laws Theft of Water (Rev. 02/19/26; Resolution No. 26-02)(Rev. 01/18/24; Resolution No. 24-01) | 1 22 123 |
| Sec. 11.11 | Priority for Developments Including Units for Lower Income Households (Added on 06/17/21; Resolution No. 21-09)..... | 123 |
| Sec. 11.11.1 | Priority..... | 123 |
| Sec. 11.11.2 | Definitions | 123 |
| Sec. 11.11.3 | Policies and Procedures | 123 |
| Sec. 11.11.4 | Denials and Conditional Approvals of Applications..... | 123 |
| Sec. 11.11.5 | Including Projected Water Use in Urban Water Management Plan | 123 |
| Sec. 11.11.6 | No Entitlement to Service Created | 123 |
| Sec. 11.12 | State Laws (Rev. 02/19/26; Resolution No. 26-02) | 127 |
| | | |
| ARTICLE 12. WATER RATES AND BASE METER FEES | (Rev. 02/19/26; Resolution No. 26-02)..... | 12 38 |
| Sec. 12.1 | Base Meter Fee | 12 38 |
| Sec. 12.2 | Water Rates..... | 12 38 |
| Sec. 12.2.1 | Agricultural Water Rate Agreement (Rev. 06/17/21; Resolution No. 21-10) | 12 38 |

| | | | |
|--------------------------------------|--|--|--------------|
| | Sec. 12.2.1.1 | Application and Agreement..... | 1249 |
| | Sec. 12.2.1.2 | Metering of Commercial Agricultural Water & Backflow Requirement | 12430 |
| | Sec. 12.2.1.3 | Certification and Audits..... | 12530 |
| | Sec. 12.2.1.4 | PSAWR Fee..... | 12530 |
| | | <u>Sec. 12.2.1.5 Service Limitation and Compliance Revisions</u> | <u>130</u> |
| | Sec. 12.2.2 | Water Delivered to Other Water Agencies..... | 125131 |
| | Sec. 12.2.3 | Pass Through | 12532 |
| Sec. 12.3 | Exhibits..... | | 125132 |
| ARTICLE 13. BILLING PROCEDURES | | | 12635 |
| Sec. 13.1 | Bills and Payments | | 12635 |
| | Sec. 13.1.1 | Payment Options..... | 12635 |
| Sec. 13.2 | Billing Dispute (<i>Rev. 02/19/26; Resolution No. 26-02</i>) | | 12635 |
| Sec. 13.3 | Financial Assistance | | 12735 |
| Sec. 13.4 | Estimated Billings..... | | 12736 |
| Sec. 13.5 | Billing Adjustment | | 12736 |
| Sec. 13.6 | Checks Returned - Not Sufficient Funds..... | | 12736 |
| Sec. 13.7 | Collection Procedures (<i>Rev. 02/19/26; Resolution No. 26-02</i>) | | 12736 |
| | Sec. 13.7.1 | Single Family Residence/ No Change of Tenant or Ownership.. | 12736 |
| | Sec. 13.7.2 | Multi Unit Residential Services (<i>Rev. 02/19/26; Resolution No. 26-02</i>)..... | <u>12837</u> |
| | Sec. 13.7.3 | Procedures for Tenants to Become Customers on Delinquent Accounts <u>12837</u> | |
| | Sec. 13.7.4 | Discontinuation of Service for Vulnerable Peoples | <u>12938</u> |
| | | <u>Sec. 13.7.5 Transfer of Outstanding Balances Between Customer Accounts (<i>Rev. 02/19/26; Resolution No. 26-02</i>)</u> | <u>139</u> |
| Sec. 13.8 | Charges to Reinstiate Terminated Services..... | | <u>1309</u> |
| Sec. 13.9 | Time to Restore Service (<i>Rev. 04/17/25; Resolution No. 25-05</i>) <u>1308</u> | | |
| Sec. 13.10 | Damage to District Facilities <u>1308</u> | | |
| Sec. 13.11 | Final Bill - Change of Tenant/No Change of Ownership <u>1308</u> | | |
| Sec. 13.12 | Final Bill - Change of Property Ownership (<i>Rev. 07/18/24; Resolution No. 24-10</i>) <u>13140</u> | | |
| Sec. 13.13 | Bankruptcy of Customer <u>13141</u> | | |
| Sec. 13.14 | Identity Theft Prevention Policy <u>13141</u> | | |

| | | |
|------------------------|--|------------------------------------|
| Sec. 13.14.1 | Purpose | 131 <u>141</u> |
| Sec. 13.14.2 | Definitions | 132 <u>142</u> |
| Sec. 13.14.3 | Designation of Authority. | 132 <u>142</u> |
| | Sec. 13.14.3.1 Compliance Reports to be Prepared By District Staff | 133 <u>142</u> |
| | Sec. 13.14.3.2 Red Flags Identified by the District | 133 <u>143</u> |
| | Sec. 13.14.3.3 Procedures for Detecting Red Flags | 133 <u>144</u> |
| | Sec. 13.14.3.4 Procedures for Responding To Red Flags | 133 <u>45</u> |
| | Sec. 13.14.3.5 Training of Staff | 136 <u>145</u> |
| | Sec. 13.14.3.6 Oversight of Third-Party Service Provider Involved with Customer Accounts | 136 <u>146</u> |
| | Sec. 13.14.3.7 Use of a Third-Party Service Provider to Assist in the Implementation of the Program | 136 <u>146</u> |
| | Sec. 13.14.3.8 Periodic Identification of Customer Accounts (Rev. 04/17/25; Resolution No. 25-05) | 137 <u>146</u> |
| | Sec. 13.14.3.9 Periodic Update of the Policy | 137 <u>147</u> |
| Sec. 13.15 | Exhibits | 137 <u>147</u> |
| ARTICLE 14. METERS | | |
| | | 138 <u>148</u> |
| Sec. 14.1 | Location (Rev. 04/17/25; Resolution No. 25-05). | 138 <u>148</u> |
| Sec. 14.2 | Meter Size (Rev. 02/19/26; Resolution No. 26-02) (Rev. 04/17/25; Resolution No. 25-05) | 138 <u>148</u> |
| | Sec. 14.2.1 Single Residential and Agricultural | 138 <u>148</u> |
| | Sec. 14.2.2 Residential Meter Sizing for Less Than One Acre | 139 <u>149</u> |
| Sec. 14.3 | Meter Capacity Fee (Rev. 02/19/26; Resolution No. 26-02) | 140 <u>50</u> |

| | | |
|--------------|--|-------------------|
| Sec. 14.3.1 | Public Agencies (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | |
| | | 14050 |
| Sec. 14.3.2 | Schools and State Agencies | |
| | | 14050 |
| Sec. 14.3.3 | Meter Capacity Fee Collected for the San Diego County Water Authority | |
| | | 14151 |
| Sec. 14.4 | Meter Installation Charges (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | |
| | | 14151 |
| Sec. 14.5 | Change in Meter Location (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | |
| | | 14151 |
| Sec. 14.6 | Change of Meter Size (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | |
| | | 142152 |
| Sec. 14.6.1 | Larger Meter | |
| | | 142152 |
| Sec. 14.6.2 | Smaller Meter – Same Location | |
| | | 142152 |
| Sec. 14.6.3 | Smaller Meter – New Location | |
| | | 142152 |
| Sec. 14.6.4 | Exchange to Comply with Size Limitations | |
| | | 142152 |
| Sec. 14.7 | Testing Meters (<i>Rev. 02/19/26; Resolution No. 26-02</i>) | |
| | | 142152 |
| Sec. 14.8 | Reading of Meters | |
| | | 143153 |
| Sec. 14.8.1 | Method Used | |
| | | 143153 |
| Sec. 14.8.2 | Estimated Readings | |
| | | 143153 |
| Sec. 14.8.3 | Automated Metering Infrastructure and Customer Tools | |
| | | 143153 |
| Sec. 14.9 | Location Clearance and Access (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | |
| | | 144154 |
| Sec. 14.10 | Residential Fire Sprinkler Meters (<i>Rev. 02/19/26; Resolution No. 26-02</i>) | |
| | | 145155 |
| Sec. 14.10.1 | | |
| | | 145155 |
| Sec. 14.10.2 | | |
| | | 145155 |
| Sec. 14.10.3 | | |
| | | 145155 |
| Sec. 14.11 | Dedicated Fire Protection Systems (<i>Added 04/17/25; Resolution No. 25-05</i>) .. | 146156 |
| Sec. 14.12 | Water Conservation Meter Conditions .. | 146156 |
| Sec. 14.13 | Base Meter Fee .. | 146156 |
| Sec. 14.14 | Exhibits .. | 146156 |

| | |
|--|----------------|
| ARTICLE 15. CONSTRUCTION WATER | 147157 |
| Sec. 15.1 Construction Service Conditions and Restrictions | 147157 |
| Sec. 15.2 Application | 147157 |
| Sec. 15.3 Deposit..... | 1757 |
| Sec. 15.4 Water Rates..... | 148158 |
| Sec. 15.5 Location of Meter | 148158 |
| Sec. 15.6 Responsibility of Applicant | 148158 |
| Sec. 15.7 Removal of Meter | 148158 |
| Sec 15.8 Theft of Water (Rev. 01/18/24; Resolution No. 24-01) | 148 |

ARTICLE 16. RECYCLED AND NON-POTABLE WATER *(Rev. 02/19/26; Resolution No. 26-02)* ~~1539~~

| | |
|---|--------|
| Sec.16.1 Recycled and Non-Potable Water..... | 1539 |
| Sec. 16.1.1 | 1539 |
| Sec. 16.1.2 | 1539 |
| Sec. 16.1.3 | 1539 |
| Sec.16.2 Delivery and Use | 1539 |
| Sec.16.3 Findings | 1539 |
| Sec. 16.3.1 | 1539 |
| Sec. 16.3.2 | 15460 |
| Sec. 16.3.3 | 15460 |
| Sec. 16.3.4 | 15460 |
| Sec. 16.3.5 | 15460 |
| Sec. 16.4 Application | 15460 |
| Sec.16.5 Authorization..... | 15460 |
| Sec.16.6 Rules and Regulations <i>(Rev. 01/18/24; Resolution No. 24-01)</i> | 15561 |
| Sec. 16.6.1 Establishing Rules and Regulations | 15561 |
| Sec.16.6.2 Conversion Determination..... | 15561 |
| Sec.16.6.3 Notice..... | 15561 |
| Sec.16.6.4 Objections; Appeals..... | 15561 |
| Sec.16.7 Validity of Rules and Regulations..... | 156162 |
| Sec.16.8 Prior Actions..... | 156162 |

ARTICLE 17. WATER SHORTAGE RESPONSE POLICIES AND PROCEDURES *(Rev. 02/19/26; Resolution No. 26-02)*..... 157163

| | |
|--|--------|
| Sec. 17.1 Declaration of Policies..... | 158163 |
| Sec. 17.2 Declaration of Necessity and Intent..... | 158164 |
| Sec. 17.2.1 | 158164 |
| Sec. 17.2.2 | 158164 |
| Sec. 17.2.3 | 159165 |
| Sec. 17.2.4 | 159165 |
| Sec. 17.3 Definitions | 159165 |
| Sec. 17.3.1 | 159165 |
| Sec. 17.3.2 | 159165 |

| | | |
|------------|--|---------------------------|
| | Sec. 17.3.3 | 159 <u>165</u> |
| | Sec. 17.3.4 | <u>1606</u> |
| | Sec. 17.3.5 | <u>1606</u> |
| | Sec. 17.3.6 | <u>1606</u> |
| | Sec. 17.3.7 | <u>1606</u> |
| | Sec. 17.3.8 | <u>1606</u> |
| | Sec. 17.3.9 | <u>1606</u> |
| Sec. 17.4 | Application | <u>1617</u> |
| | Sec. 17.4.1 | <u>1617</u> |
| | Sec. 17.4.2 | <u>1617</u> |
| | Sec. 17.4.3 | <u>1617</u> |
| | Sec. 17.4.4 | <u>1617</u> |
| Sec. 17.5 | Water Shortage Response Level 1 | <u>1627</u> |
| | Sec. 17.5.1 | <u>1627</u> |
| | Sec. 17.5.2 | <u>1639</u> |
| Sec. 17.6 | Water Shortage Response Level 2 | <u>1639</u> |
| | Sec. 17.6.1 | <u>1639</u> |
| | Sec. 17.6.2 | <u>1639</u> |
| | Sec. 17.6.3 | <u>16470</u> |
| Sec. 17.7 | Water Shortage Response Level 3 | <u>16571</u> |
| | Sec. 17.7.1 | <u>16571</u> |
| | Sec. 17.7.2 | <u>16571</u> |
| | Sec. 17.7.3 | 166 <u>172</u> |
| Sec. 17.8 | Water Shortage Response Level 4 | 167 <u>173</u> |
| | Sec. 17.8.1 | 167 <u>173</u> |
| | Sec. 17.8.2 | 167 <u>173</u> |
| | Sec. 17.8.3 | 168 <u>174</u> |
| | Sec. 17.8.4 | 169 <u>175</u> |
| Sec. 17.9 | Water Shortage Response Level 5 | 169 <u>175</u> |
| | Sec. 17.9.1 | 169 <u>175</u> |
| | Sec. 17.9.2 | <u>1705</u> |
| | Sec. 17.9.3 | <u>1774</u> |
| | Sec. 17.9.4 | <u>1782</u> |
| | Sec. 17.9.5 | <u>1782</u> |
| Sec. 17.10 | Water Shortage Response Level 6 | <u>1782</u> |
| | Sec. 17.10.1 | <u>1782</u> |
| | Sec. 17.10.2 | <u>1793</u> |
| | Sec. 17.10.3 | <u>17480</u> |
| | Sec. 17.10.4 | <u>17480</u> |
| | Sec. 17.10.5 | <u>17581</u> |
| Sec. 17.11 | Correlation Between Water Shortage Management Plan and Water Shortage Response Levels | <u>17581</u> |
| | Sec. 17.11.1 | <u>17581</u> |
| | Sec. 17.11.2 | 176 <u>182</u> |
| Sec. 17.12 | Procedures for Determination and Notification of Water Shortage | |

| | |
|---|--------|
| Response Level..... | 176182 |
| Sec. 17.12.1 | 176182 |
| Sec. 17.12.2 | 176182 |
| Sec. 17.12.3 | 177183 |
| Sec. 17.12.4 | 177183 |
| Sec. 17.13 Hardship Variance | 177183 |
| Sec. 17.13.1 | 177183 |
| Sec. 17.13.2 | 178184 |
| Sec. 17.13.3 | 178184 |
| Sec. 17.13.4 | 178184 |
| Sec. 17.13.5 | 178184 |
| Sec. 17.13.6 | 179185 |
| Sec. 17.13.7 | 179185 |
| Sec. 17.14 Violations and Penalties | 179185 |
| Sec. 17.14.1 | 179185 |
| Sec. 17.14.2 | 179185 |
| Sec. 17.14.3 | 1806 |
| Sec. 17.14.4 | 1806 |
| Sec. 17.14.5 | 1806 |
| Sec. 17.14.6 | 1806 |
| Sec. 17.14.7 | 1817 |
| Sec. 17.14.8 | 1817 |
| Sec. 17.15 Notices of Violation/ Citation and Complaint | 1817 |
| Sec. 17.15.1 | 1817 |
| Sec. 17.15.2 | 1828 |
| Sec. 17.15.3 | 1828 |
| Sec. 17.15.4 | 1828 |
| Sec. 17.15.5 | 1839 |
| Sec. 17.16 Recovery of Costs (See Sec. 17.14.1)..... | 1839 |
| Sec. 17.17 Appeals | 18490 |
| Sec. 17.18 Severability | 18591 |
| Sec. 17.19 Effective Date | 18591 |

ARTICLE 18. ANNEXATIONS AND DETACHMENTS, WATER SERVICE

| | |
|---|--------|
| OUTSIDE DISTRICT <i>(Rev. 02/19/26; Resolution No. 26-02)</i> | 186192 |
| Sec. 18.1 Procedure..... | 186192 |
| Sec. 18.2 Terms and Conditions <i>(Rev. 04/17/25; Resolution No. 25-05)</i> | 186192 |
| Sec. 18.3 Criteria for Detachment | 186193 |
| Sec. 18.4 Criteria for Annexation..... | 187193 |
| Sec. 18.5 Procedures and Requirements for All Annexations and Detachments..... | 188194 |
| Sec. 18.6 Criteria for Contracting for Water Service to Properties Outside the District ... | 189195 |

ARTICLE 19. PROCUREMENT *(Rev. 2/19/26; Resolution No. 26-02)*

| | |
|---|------|
| 1907 | |
| Sec. 19.1 General..... | 1907 |
| Sec. 19.2 Public Works Construction Contracts | 1907 |

| | | |
|--|--|--------|
| Sec. 19.2.1 | General..... | 1907 |
| Sec. 19.2.2 | Acceptance of Bids..... | 1907 |
| Sec. 19.2.3 | Relief of Bidders..... | 1918 |
| Sec. 19.2.4 | Prequalified Bidders | 1918 |
| Sec. 19.2.5 | Change Orders | 1918 |
| | Sec. 19.2.5.1 Individual..... | 1918 |
| | Sec. 19.2.5.2 Cumulative Total (Rev. 04/17/25; Resolution No. 25-05) | 1918 |
| Sec. 19.2.6 | Project Acceptance | 1918 |
| | Sec. 19.2.6.1 General..... | 1918 |
| | Sec. 19.2.6.2 Retention (Rev. 04/17/25; Resolution No. 25-05) | 1918 |
| Sec. 19.3 | Procurement of Goods, Services and Supplies..... | 1929 |
| Sec. 19.3.1 | District Procurement Approval Levels | 192199 |
| Sec. 19.3.2 | Authorized Procurement Methods..... | 1929 |
| | Sec. 19.3.2.1 Purchase Orders..... | 1929 |
| | Sec. 19.3.2.2 Open Purchase Orders | 1929 |
| | Sec. 19.3.2.3 Professional Services Contracts (Rev. 04/17/25; Resolution No. 25-05) | 1929 |
| | Sec. 19.3.2.4 Procurement Card Purchases | 1929 |
| | Sec. 19.3.2.4.1 Procurement Card Purchase Review | 192200 |
| | Sec. 19.3.2.5 Petty Cash | 193200 |
| Sec. 19.3.3 | Emergency Purchases | 193200 |
| Sec. 19.3.4 | Sole Source Purchases | 193200 |
| ARTICLE 20. CAPITALIZATION <i>(Revised 08-19-21, Reso 21-19)</i> | | 194201 |
| Sec. 20.1 | Capital Assets | 194201 |
| Sec. 20.2 | General Provisions..... | 194201 |
| | Sec. 20.2.1 Valuation Threshold | 194201 |
| | Sec. 20.2.2 Useful Life..... | 194201 |
| | Sec. 20.2.3 Procurement..... | 195202 |
| | Sec. 20.2.4 Groups of Assets..... | 195202 |
| | Sec. 20.2.5 Tagging and Identification..... | 196203 |
| | Sec. 20.2.6 Custodianship | 196203 |
| | Sec. 20.2.7 Impairment..... | 196203 |
| Sec. 20.3 | Land and Easements | 196203 |
| Sec. 20.4 | Land Improvements | 197204 |
| Sec. 20.5 | Capital Improvement Projects/Construction in Progress..... | 197204 |
| Sec. 20.6 | Buildings and Additions | 197204 |
| | Sec. 20.6.1 General..... | 197204 |
| | Sec. 20.6.2 Acquired with Land | 198205 |
| | Sec. 20.6.3 Demolition Costs | 198205 |
| Sec. 20.7 | Owned Equipment | 198205 |
| | Sec. 20.7.1 Non-Moveable Equipment | 198205 |
| | Sec. 20.7.2 Accessory Equipment..... | 198205 |

| | | |
|--|--|--------|
| Sec. 20.7.3 | Fabricated Equipment..... | 199206 |
| Sec. 20.8 | Leased Equipment | 199206 |
| Sec. 20.8.1 | Capital Leases..... | 199206 |
| Sec. 20.8.2 | Operating Leases | 199206 |
| Sec. 20.9 | Computers and Software | 199206 |
| Sec. 20.10 | Contributed Assets..... | 199206 |
| Sec. 20.11 | Modifications of Existing Assets..... | 2007 |
| Sec. 20.11.1 | Enhancements..... | 2007 |
| Sec. 20.11.2 | Repairs and Maintenance..... | 2007 |
| Sec. 20.12 | Disposition (Rev. 04/17/25; Resolution No. 25-05) | 2007 |
| Sec. 20.12.1 | Sale or Transfer | 2007 |
| Sec. 20.12.2 | Trade-in | 2007 |
| Sec. 20.12.3 | Lost or Stolen..... | 2018 |
| ARTICLE 21. MAINTENANCE AND REPLACEMENT OF DISTRICT LINES | | 2029 |
| Sec. 21.1 | Ownership..... | 2029 |
| Sec. 21.2 | Maintenance and Repairs..... | 2029 |
| Sec. 21.2.1 | Main Lines..... | 2029 |
| Sec. 21.2.2 | Services..... | 2029 |
| Sec. 21.2.3 | Meters (Rev. 04/17/25; Resolution No. 25-05)..... | 2029 |
| Sec. 21.2.4 | Improvements and Upgrades | 2029 |
| ARTICLE 22. EXTENSION OF DISTRICT PIPELINES (Rev. 02/19/26; Resolution No. 26-02) (Rev. 04/17/25; Resolution No. 25-05) | | 20411 |
| Sec. 22.1 | Pipeline Extension Costs | 20411 |
| Sec. 22.2 | Subdivisions..... | 20411 |
| Sec. 22.3 | District Specifications..... | 20411 |
| Sec. 22.4 | Plan Checking, Inspection and Hydraulic Analysis Fees | 20411 |
| Sec. 22.5 | Water Availability Letters | 20412 |
| ARTICLE 23. EASEMENTS, ENCROACHMENTS, AND OTHER PERMITS (Rev. 04/17/25; Resolution No. 25-05)..... | | 206213 |
| Sec. 23.1 | Accepting Easements..... | 206213 |
| Sec. 23.1.1 | Easements of Rights of Way | 206213 |
| Sec. 23.2 | Release of Easements | 207214 |
| Sec. 23.2.1 | Policy..... | 207214 |
| Sec. 23.2.2 | Procedure..... | 207214 |
| Sec. 23.3 | Encroachments on District Easements Properties (Rev. 02/19/26; Resolution No. 26-02)..... | 208215 |
| Sec. 23.4 | Granting an Easement on District Property | 209217 |
| Sec. 23.5 | Other Permits and Licenses | 2107 |
| Sec. 23.5.1 | Communication Site License Agreements..... | 2107 |
| Sec. 23.5.2 | Other Licenses and Permits | 2107 |

| | |
|---|-------------------------|
| ARTICLE 24. INTERRUPTION OF SERVICE | 2148 |
| Sec. 24.1 Notice of Interruption (<i>Rev. 04/17/25; Resolution No. 25-05</i>)..... | 2148 |
| Sec. 24.2 Emergency Interruption..... | 2148 |
| Sec. 24.3 Customer Responsibility..... | 2148 |
| | |
| ARTICLE 25. FIRE HYDRANTS & DEDICATED FIRE PROTECTION SYSTEMS | |
| <i>(Rev. 02/19/26; Resolution No. 26-02)122(Rev. 04/17/25; Resolution No. 25-05)</i> | |
| 21219 | |
| Sec. 25.1 Public Fire Hydrants (<i>Added on 04/17/25; Resolution No. 25-05</i>) | 2129 |
| Sec. 25.1. Ownership | 2129 |
| Sec. 25.1.2 Location. | 2129 |
| Sec. 25.1.3 Charges | 2129 |
| Sec. 25.1.4 Repairs | 2129 |
| Sec. 25.1.5 | Maintenance |
| Sec. 25.1.6 | Use of Fire Hydrants |
| Sec. 25.1.8 | Fire Hydrant flow tests |
| Sec. 25.2 Dedicated Fire Protection Services (<i>Added on 04/17/25; Resolution No. 25-05</i>). 21320 | 21320 |
| Sec. 25.2.1 Installation (<i>Added on 04/17/25; Resolution No. 25-05</i>)..... | 21320 |
| Sec. 25.2.2 Ownership and Maintenance Responsibilities (<i>Added on 04/17/25; Resolution No. 25-05</i>)..... | 21421 |
| Sec. 25.2.3 Water Use (<i>Added on 04/17/25; Resolution No. 25-05</i>)..... | 214221 |
| Sec. 25.2.4 Fees (<i>Added on 04/17/25; Resolution No. 25-05</i>) | 215222 |
| | |
| ARTICLE 26. CROSS-CONNECTION CONTROL AND BACKFLOW PREVENTION | |
| <i>(Rev. 04/17/25; Resolution No. 25-05)</i> | 216223 |
| Sec. 26.1 Rules and Regulations | 216223 |
| Sec. 26.2.1 State and Local Regulations | 216223 |
| Sec. 26.1.2 Purpose | 216223 |
| Sec. 26.2 Compliance..... | 216223 |
| Sec. 26.2.1 Discontinuation of Service | 217224 |
| Sec. 26.2.2 Restoration of Service | 217224 |
| Sec. 26.2.3 Coordinator; Administration and Enforcement | 217224 |
| Sec. 26.3 Hazard Assessments | 218225 |
| Sec. 26.4 Backflow Prevention Assembly Installation and Maintenance..... | 218225 |
| Sec. 26.4.1 Installation of Approved BPA | 218225 |
| Sec. 26.4.2 Entry and Inspection..... | 219226 |
| Sec. 26.4.3 Levels of Protection Required | 219226 |
| Sec. 26.4.4 Backflow Prevention Assembly Standard | 2207 |

| | | | |
|-----------|-------------|--|------|
| | Sec. 26.4.5 | Backflow Prevention Assembly Installation Criteria | 2207 |
| | Sec. 26.4.6 | Existing Non-Conforming Fire Detector Assemblies | 2207 |
| Sec. 26.5 | | Backflow Prevention Assembly Testing | 2207 |
| | Sec. 26.5.1 | General Provisions..... | 2207 |
| | Sec. 26.5.2 | Testing | 2218 |
| | Sec. 26.5.3 | Approved Testers..... | 2229 |

ARTICLE 27. CALIFORNIA ENVIRONMENTAL QUALITY ACT

22330

Sec. 27.1 District Guidelines

22330

Sec. 27.2 Compliance with Guidelines

22330

ARTICLE 28. REIMBURSEMENT AGREEMENTS

22431

Sec. 28.1 Reimbursement Agreements

22431

ARTICLE 29. TORT CLAIMS ACT POLICY AND PROCEDURE

225232

Sec. 29.1 General: Policy (Rev. 04/17/2502/19/26; Resolution No. 25-0526-02)

225232

Sec. 29.2 Claims Presentation Procedure

225232

Sec. 29.2.1 Notice of Claims (Government Code §§ 905, 915.4, 945.4)
(Rev. 04/17/25; Resolution No. 25-05)

225232

Sec. 29.2.2 Claims Subject to Claims Presentation Procedure

225232

Sec. 29.2.3 Purpose of Claims Presentation Procedure

226233

Sec. 29.2.4 Party Responsible to Allow or Reject Claims (Rev. 04/17/25;
Resolution No. 25-05)

226233

Sec. 29.3 Written Claim: Sufficiency

227234

Sec. 29.3.1 Written Claim: Required Information
(Government Code § 910)

227234

Sec. 29.4 Written Claim: Insufficiency (Government Code §§ 910.8 And 911)

227234

Sec. 29.4.1 Claim Insufficiency (Rev. 04/17/25; Resolution No. 25-05)

227234

Sec. 29.5 Timeliness (Government Code § 911.2)

~~228235~~

Sec. 29.5.1 Claims Which Must be Presented Within Six Months
(Rev. 04/17/25; Resolution No. 25-05)

~~228235~~

Sec. 29.5.2 Claims Which Must be Presented Within One Year

~~228235~~

Sec. 29.6 Rejection/Allowance of Sufficient and Timely Filed Claims

~~228235~~

Sec. 29.6.1 Board Action Within Forty-Five Days (Government
Code § 912.4)

~~228236~~

Sec. 29.6.2 Actions the Board or its Designee May Take (Government
Code § 912.6)

~~229236~~

Sec. 29.6.3 Reject or Allow only Timely, Proper and Sufficient Claims

~~229236~~

- Sec. 29.6.4 Board Action Within Forty-Five Days on Amended Claim
(Government Code § 912.4(a))
~~229~~236
- Sec. 29.6.5 Extension of Time by Agreement
~~229~~236
- Sec. 29.6.6 Written Rejection (Government Code § 913)
~~23~~07
- Sec. 29.6.7 Rejection by Operation of Law (Government Code § 912.4)
~~23~~07
- Sec. 29.7 Late Claims (Government Code §§ 911.4, 911.6 and 911.8)
~~23~~08
 - Sec. 29.7.1 *(Rev. 04/17/25; Resolution No. 25-05)*
~~23~~08
 - Sec. 29.7.2 Application to Present a Late Claim (Government
Code § 911.4)
~~23~~18
 - Sec. 29.7.3 Acceptance of Application to Present a Late Claim (Government
Code § 911.6) *(Rev. 04/17/25; Resolution No. 25-05)*
~~23~~18
 - Sec. 29.7.4 Denial of Application to Present a Late Claim (Government Code
§§ 911.8, 946.6) *(Rev. 04/17/25; Resolution No. 25-05)*
~~23~~29
- Sec. 29.8 Amendment Of Claims (Government Code § 910.6)
~~233~~40
 - Sec. 29.8.1 Time to Amend Claim
~~233~~40
 - Sec. 29.8.2 Amended Claim Must Relate to Original Claim
~~233~~40

ARTICLE 4. ORGANIZATION

SEC. 4.1 BOARD OF DIRECTORS

The District is governed by a five-member Board of Directors elected by the voters of the District from five separate divisions. All powers, privileges, and duties vested in and imposed upon the District by law and the Irrigation District Act shall be exercised and performed by the Board, except as such Board shall delegate executive, administrative, and ministerial powers to officers and employees of the District, as provided in this Code. The District's policies, mission, goals, and programs are established by a majority of the Board at public meetings.

Sec. 4.1.1 Term of Office – Directors

The term of office of each Director is four years (or until their successor qualifies and takes office), starting at noon on the first Friday of December following a general election. The terms of the five Directors are staggered so that an election is held on the first Tuesday after the first Monday in November in even years and is conducted in accordance with the Uniform District Election Law (Elections Code §§ 10500 et seq.). Each Director shall take and file the official oath of office prior to taking office and shall file the required financial disclosure statement within thirty (30) days of taking office.

Sec. 4.1.2 Officers – Designation

The officers of the Board shall consist of the President, Vice-President, Treasurer, and Secretary.

Sec. 4.1.2.1 President

The President is the presiding officer at the Board meetings. The duties of the President are to assure that the business of the Board is conducted in an orderly and businesslike manner, to appoint committees, and to perform such other duties as may be required by law or delegated by the Board.

Sec. 4.1.2.2 Vice President

In the absence of the President, or in the event of their inability to perform the duties of the President, the Vice President shall perform the duties of the President.

Sec. 4.1.2.3 Secretary

The Secretary shall cause the recording of all minutes of the meetings of the Board and the retaining of District records and perform other duties as may be delegated by the Board.

Sec. 4.1.2.4 Treasurer

The Treasurer shall cause the accurate accounting of all funds collected by and for the District and records to be kept of all deposits, bonds, and securities held by the District. The Treasurer is responsible for making investment decisions according to District policy. The Treasurer shall cause the making of all payments by warrants drawn against the District funds.

Sec. 4.1.3 Officers – Selection

At the first meeting in December of each even numbered year, following the election and seating of Directors, the Board shall elect from its members a President and Vice President and shall appoint a Secretary and Treasurer who shall each hold office at the pleasure of the Board.

SEC. 4.2 STANDING COMMITTEES

Standing committees may be established by the Board that are advisory to the Board with respect to the matters within their respective responsibility. A standing committee has jurisdiction to consider and make recommendations to the Board regarding any item of business within the delegated responsibility of the committee. Committee recommendations may be communicated to the Board in any manner necessary and convenient to the transaction of Board business and consistent with the provisions of the Brown Act. A standing committee may consider other matters referred to it by the Board, the Chair, or the General Manager.

Sec. 4.2.1 Committees and Duties

At the first Board meeting in the January following an election year the Board shall determine which committees shall be activated and the President shall appoint two members of the Board to serve on each committee. Committee member terms will be two years, with the Board President having authority to change an appointment with a majority of the Board's approval.

Sec. 4.2.2 Executive Committee

This committee shall review and consider legal, legislative, and governmental affairs, and shall meet with the General Manager to review preparation of the agenda for Board meetings. When authorized by the Board, the committee shall meet and confer with the General Manager regarding the terms and conditions of the General Manager's employment by the District. This committee shall review and consider personnel matters and employment policies, shall meet with the General Manager regarding wages, hours, and other terms and conditions of employment of employees, and when authorized by the Board shall meet and confer with representatives of duly recognized employee organizations and with employees not represented by a duly recognized employee organization.

Sec. 4.2.3 Administrative and Finance Committee

This committee shall work with the General Manager and other officers of the District on annual budgets, projections, and other administrative and financial matters. This committee shall review programs and policies regarding public affairs and community outreach. The committee shall review the General Manager and Directors' expenses, annual audit, the annual financial statement before publication and other financial records and operations of the District. This committee shall also work with the General Manager and other officers on water rate structures and other District charges. This committee will have the responsibility to review on a monthly basis all investments of the District. The committee will ensure that investment policies are being followed and that funds are invested in a prudent manner with adequate protections to insure funds are not misused. This Committee will also have the responsibility for District security and related matters.

Sec. 4.2.4 Water Resources Committee

This committee shall work with the General Manager and other officers of the District on water resource and facility planning. The committee will review matters related to engineering and operations, and the District's long range capital improvement plans. This committee shall also work with the General Manager on right-of-way and real property matters.

Sec. 4.2.5 Other Committees

The Board may authorize other committees (including ad hoc committees) to perform specific tasks or studies or assign special duties to standing committees.

SEC. 4.3 REPRESENTATIVE OF THE SAN DIEGO COUNTY WATER AUTHORITY

One representative of the District shall be designated and appointed by the President, with the consent of the Board, to serve a six-year term beginning on December 13, as a member of the Board of Directors of the Authority. The appointment will be made in the month prior to December of the year in which the prior term ends. The representative may be recalled by a majority vote of the District Board. The representative shall periodically report to the Board of the District regarding the activities of the Authority.

SEC. 4.4 MEETINGS

Sec. 4.4.1 Time and Place of Meetings

The regular meetings of the Board shall be held on the third Thursday of each month, at 8:30 a.m. in the Board Room or the District's Emergency Operations Center at the District office campus.

Sec. 4.4.2 Order of Proceedings at Meetings

Except as otherwise required by law or otherwise specified in this Article 4, the business of the meetings of the Board of Directors and the order of procedure for same shall be as provided by "Rosenberg's Rules of Order, as amended."

Sec. 4.4.3 Chairperson

The President shall act as Chairperson at all of the meetings of the Board, and in their absence the Vice-President shall act as Chairperson. In the absence of the President and Vice-President, the Chairperson shall be selected by a majority vote of the members of the Board present at such meeting.

Sec. 4.4.4 Quorum

A quorum necessary for the transaction of business at any meeting of the Board shall be declared to exist whenever there are at least three Directors present. Any meeting of the Board at which a quorum is not present may be continued until a quorum is present to transact the business of the District.

Sec. 4.4.5 Voting

Except as otherwise provided by law, the decisions of the Board shall be expressed and determined by motions made and adopted by a majority of the members of the Board. A roll call vote shall be taken if requested by any Director. A roll call vote shall be taken on all resolutions and on all items whenever any Director participates in the meeting by teleconference or by other technological means.

Sec. 4.4.6 Ralph M. Brown Act

All meetings of the Board, whether regular, adjourned regular, special, or adjourned special, shall be conducted in accordance with the provisions of the Ralph M. Brown Act (the "Brown Act"). (Gov. Code, § 54950-54963.) Additionally, under the Brown Act, standing committees are considered "legislative bodies" and are subject to the provisions of the Brown Act. (Government Code § 54952(b).)

Sec. 4.4.7 Adjourned Meetings

The Board may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in order of adjournment. If all members are absent from any regular or adjourned regular meeting, the Secretary may declare the meeting adjourned to a stated time and place and shall cause a written notice of adjournment to be given. A copy of [the](#) order or notice of adjournment shall be conspicuously posted on the public bulletin board at the District office within 24 hours after the time of adjournment.

Sec. 4.4.8 Continuance

Any meeting or hearing continued to another date may be continued to a subsequent time. If the meeting or hearing is continued to a time less than 24 hours after the time specified in the order or notice of meeting or hearing, a copy of the order or notice of continuance shall be posted immediately following the meeting at which the order was adopted.

Sec. 4.4.9 Disruption of Meetings

In the event any meeting of the Board is willfully interrupted by a group or groups of persons so as to render the orderly conduct of such meeting unfeasible, and order cannot be restored by removal of individuals who are willfully interrupting the meeting, the Board member conducting the meeting may order the meeting room cleared and continued in session. Only matters appearing on the agenda may be considered in such a session. Duly accredited representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any open session held pursuant to this section. The Board may establish procedures for readmitting an individual or individuals not responsible for willfully disturbing the orderly conduct of the meeting.

Additionally, the Board member conducting a meeting of the Board may remove, or cause the removal, of an individual disrupting the meeting. Prior to removing the individual, the Board member conducting the meeting shall warn the individual that their behavior is disrupting the meeting and that their failure to cease their behavior may result in their removal. The Board member conducting the meeting may then remove the individual if they do not promptly cease their disruptive behavior. However, this prior warning shall not be required if the individual is engaging in behavior that constitutes use of force or a true threat of force. For purposes of this paragraph, "disrupting" and "true threat of force" shall have the same meaning as in Section 54957.95 of the Government Code. For purposes of this paragraph, "disrupting" means engaging in behavior during a meeting of a legislative body that actually disrupts, disturbs, impedes, or renders infeasible the orderly conduct of the meeting and includes, but is not limited to: (1) a failure to comply with reasonable and lawful regulations adopted by a legislative body pursuant to Government Code section 54954.3 or any other law; and (2) engaging in behavior that constitutes use of force or a true threat of force. For purposes of this paragraph, "true threat of force" means a threat that has sufficient indicia of intent and

seriousness, that a reasonable observer would perceive it to be an actual threat to use force by the person making the threat.

SEC. 4.5 MINUTES

- a) The minutes of the meetings of the Board shall be prepared and kept permanently by the Secretary. Unless otherwise expressly directed at the time of their adoption, the resolutions adopted by the Board may be referred to in the minutes by number and title only, but the same shall be recorded in their entirety and kept permanently by the Secretary.
- b) The President and Secretary shall authenticate the minutes and resolutions after they have been approved and adopted by the Board, and when so authenticated they shall constitute the official minutes and resolutions of the Board
- c) Minutes shall be prepared in condensed form and shall satisfy all legal record-keeping requirements and provide in a clear and concise manner an accurate report of all actions taken by the Board. Each Public Comment shall be recorded in a one to two sentence summary, including the subject of the comments.

e)

SEC. 4.6 AGENDAS

- a) Posting. Agendas for all meetings of the Board and its committees shall be posted in a location accessible to the public in accordance with the provisions of the Brown Act.
- b) Distribution. Each member of the Board/a committee shall receive a copy of the agenda prior to the meeting.
- c) Public Comments. Meeting agendas shall provide an opportunity for members of the public to address the Board on any item within the jurisdiction of the District at the beginning of the agenda. Directors and staff may respond to statements made or questions asked by members of the public during the period for public comment and may refer such matters to staff for review and subsequent discussion; however, no action may be taken on a public comment item until it has been put on the agenda.
- d) Consent Calendar. The consent calendar shall consist of items which appear to be routine or ministerial in nature on which no Board discussion will be required. Items may be added to or removed from the consent calendar upon request from a Board member prior to action to approve the consent calendar.
- e) Closed Sessions. The Board may hold closed sessions on items as provided in the Brown Act. All information discussed by the Board in closed session shall be kept strictly confidential unless otherwise directed by a majority of the Board.

- f) The General Manager or designee will be responsible for developing the agenda for each Board meeting. Agenda items will be determined by the need to conduct the District's business in a timely manner.

The General Manager is responsible for presenting the agenda and all necessary background materials and staff reports to the Board for its consideration. The General Manager shall review with the Executive Committee the agenda for regular meetings of the Board, or with the President if no Executive Committee meeting is held.

By providing a written request to the General Manager, any Director may place an item on the agenda of a Board meeting for initial discussion. Requests must be submitted to the General Manager no later than two weeks prior to a regularly scheduled Board meeting. Once placed on the agenda, the item will be presented to the Board by the proponent Board member. Additionally, any Director may request an item for future Board consideration during the "Future Agenda Items" item on the Board agendas.

The Board must authorize the preparation of agenda materials when an item placed by an individual Director on the agenda for initial discussion would require a significant expenditure of staff time or other resources.

- g) Special Meeting Agendas. Section 54956 of the Brown Act provides that a special meeting may be called at any time by the President of the legislative body of a local agency or by a majority of the members of the legislative body. Notice of the Special Meeting shall be posted at least 24 hours before the time of such meeting as specified in the notice. In case of an emergency as described in Government Code section 54956.5, the Board may hold an emergency meeting without complying with the 24-hour notice requirements.
- h) Written Requests to Receive Agendas. Members of the public wishing to receive agendas shall submit a request in writing to the Secretary.
- i) Modifications. With the consent of the Board, the President may modify the order of items on the agenda. No action or discussion may be undertaken on any item not appearing on the posted agenda, with the following exceptions:
 - 1. Directors may take action on items not appearing on the posted agenda when any of the following occur:
 - a. Upon a determination by a majority vote of the Board that an emergency exists as defined in the Brown Act;
 - b. Upon a determination by two-thirds vote of the Directors present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the District subsequent to the agenda being posted; or

- c. The item was posted for a prior meeting of the Board occurring not more than five calendar days prior to the date action was taken on the item, and at the prior meeting the item was continued to the meeting at which the action was taken.

ARTICLE 5. DIRECTOR POLICIES

It is the policy of the District to maintain the highest ethical standards for its Board of Directors. The proper operation of the District requires that decisions and policy be made within the proper channels of governmental structure, that public office not be used for personal gain, and that Directors remain objective and responsive to the needs of the public they serve. Accordingly, it is the policy of the District that Directors and District employees maintain the highest standard of honesty and fairness in carrying out their duties as exemplified in the District Mission Statement and Vision Statement, and Core Values:

MISSION

The mission of Santa Fe Irrigation District is to meet the water supply needs of all its customers — safely, sustainably, reliably, and cost-effectively.

VISION

Santa Fe Irrigation District will proactively ensure:

Sustainable water supplies — providing, efficiently using, and managing water resources to cost-effectively meet long-term needs.

Reliable infrastructure — planning, improving, and managing facilities to cost-effectively meet customer needs.

High-performing staff — creative, forward-thinking staff that provide excellent service in an inclusive, team-oriented environment.

Cost-effective operations — continually improving operations to efficiently deliver quality services.

Customer service focus — transparently communicating and engaging with customers, considering their interests, and exceeding expectations.

Environmental stewardship — adapting to our changing climate and decreasing our environmental impact.

Resiliency — planning and preparing for potentially significant events and threats to mitigate their effects.

VALUES

In our actions and decisions, we prioritize:

Teamwork — Our success is built on cooperation, collaboration, and respect for each other, our customers, communities, neighboring agencies, and staff.

Inclusiveness — Our organization is positive and respectful, embracing diversity, and listening to every voice.

Continuous improvement – We are dedicated to excellence and innovation in everything we do.

Transparency — We communicate freely, report honestly, listen attentively, and make decisions transparently.

Accountability — We are all responsible—individually and collectively—for providing cost-effective, high-quality service to our customers.

Sustainability — We are good stewards of our resources and our environment, benefiting current and future customers.

This article sets forth the minimum ethical standards to be followed by the Board. The objectives of this policy are to (1) provide guidance for dealing with ethical issues, (2) heighten awareness of ethics and values as critical elements in Directors’ conduct, and (3) improve ethical decision-making and values-based management.

SEC. 5.1 RESPONSIBILITIES OF PUBLIC OFFICE

Directors are obligated to uphold the Constitution of the United States and the Constitution of the State of California. Directors will comply with applicable laws, including but not limited to, laws regulating their conduct, including conflict of interest, financial disclosure and open government laws. Directors will strive to work in cooperation with other public officials unless prohibited from so doing by law or officially recognized confidentiality of their work.

SEC. 5.2 FAIR AND EQUAL TREATMENT

Directors, in the performance of their official duties and responsibilities, will not discriminate in any way, against any person, on the ground of race, color, national origin, religion, religious creed, age (over 40), sex and gender (including pregnancy, childbirth, breastfeeding or related medical conditions), sexual orientation, gender identity, gender expression, disability (mental and physical), medical condition, genetic information, marital status, or military and veteran status. A Director will not grant any special consideration, treatment, or advantage to any person or group beyond that which is available to every other person or group in similar circumstances.

SEC. 5.3 PROPER USE AND SAFEGUARDING OF DISTRICT PROPERTY AND RESOURCES

Except as specifically authorized, the California Constitution prohibits a Director from making a “gift of public funds” by utilizing or permitting the use of District-owned vehicles, equipment, telephones, materials, or property for the primary purpose of providing the Director with a personal benefit or profit of third parties. A Director will not ask or require a District employee to perform services for the personal benefit or profit of a Director. Each Director must protect and properly use any District asset within their control, including information recorded on paper or in electronic

form. Directors will safeguard District property, equipment, moneys, and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust.

Sec. 5.3.1 District Owned Mobile Computing Devices

This Section 5.3 is intended to guide the use of mobile computing devices by the Board. However, it does not cover every situation that may arise. All existing District policies continue to apply to a Director's conduct while using a mobile computing device. Section 5.3 is adopted by the Board and constitutes its mutual statement of what are, and are not, appropriate uses for important technology tools, as well as the proper standards of care and maintenance of District provided mobile computing devices.

Compliance

The District reserves the right to inspect any and all files stored on tablets or laptops that are District property, in order to ensure compliance with Section 5.3. Directors do not have any personal privacy right in any matter created, received, stored in, or sent from any District issued tablet or laptop, and the Board shall institute appropriate practices and procedures to ensure compliance with Section 5.3.

Details related to the procedures, care, maintenance, and acceptable use are provided in the "Mobile Computer Devices Agreement," (Exhibit 5.3).

Sec. 5.3.2 Public Records Act Requirements

Limited use of a private device for public business is permissible, though not encouraged. Regardless of whether the device is public or private, electronic communications regarding District business that are created, sent, received, or stored on an electronic messaging account, may be subject to the California Public Records Act (Government Code § 7920.000, *et seq.*) and the requirements of Article 9 (Public Records Policy), including but not limited to Section 9.3.

SEC. 5.4 USE OF CONFIDENTIAL INFORMATION

A Director is not authorized, without approval of the Board, to disclose information that qualifies as confidential information to a person not authorized to receive it. Under applicable provisions of law, information qualifies as confidential if it (1) has been received for, or during, a closed session meeting of the Board, (2) is protected from disclosure under the attorney/client or other evidentiary privilege, or (3) is not required to be disclosed under the California Public Records Act.

This section does not prohibit a Director from taking any of the following actions: (1) making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury that are necessary to establish the alleged illegality of an action taken by the District, an elected official or employee or

~~the potential illegality of an action that has been the subject of deliberation at a closed session if that action were to be taken by a legislative body of the District,~~ (2) expressing an opinion concerning the propriety or legality of actions taken by the District in closed session, including disclosure of the nature and extent of the allegedly illegal or potentially illegal action, or (3) disclosing information ~~pursuant to (1) or (2) above~~acquired by being present in a closed session that is not confidential information. ~~Prior to taking an action described above, Aa~~ Director will first bring such matter to the attention of either the President of the Board or ~~the full Board~~General Counsel, to provide the Board an opportunity to cure an alleged violation.

A Director who willfully and knowingly discloses, for pecuniary gain, confidential information received in the course of their official duties, or uses any such information for pecuniary gain, may be guilty of a misdemeanor under Government Code section 1098.

SEC. 5.5 CONFLICT OF INTEREST

- a) Directors will not have a financial interest in a contract with the District, be a purchaser at a sale by the District, or a vendor at a purchase made by the District, unless the Director's participation was authorized under Government Code sections 1091 or 1091.5, or other provisions of law. A Director will not make, participate in the making (including participating in the discussion, deliberation, or vote on a matter before the Board of Directors) or in any way attempt to use their official position to influence a decision of the Board, if they have reason to know they have a disqualifying financial interest with respect to the matter, as defined in the Political Reform Act of 1974 (Government Code § 81000 *et seq.*) relating to conflicts of interest.

Generally, a Director has a disqualifying financial interest in a matter if it is reasonably foreseeable that the Board decisions would have a material financial effect, that is distinguishable from the effect on the public generally, on the Director or their immediate family or on any of the following: (a) a business entity in which the Director has a direct or indirect investment in the amount specified in Fair Political Practices Commission ("FPPC") regulations; (b) real property in which the Director has a direct or indirect interest, with a value in the amount specified in FPPC regulations; (c) a source of income for the Director in the amount specified in FPPC regulations, within 12 months before the Board decision; (d) a source of gifts to the Director in an amount specified in FPPC regulations within 12 months before the Board decision; or (e) a business entity in which the Director holds a position as a director, trustee, officer, partner, manager, or employee. An "indirect investment or interest" means any investment or interest owned by the spouse or dependent child of the Director, by an agent on behalf of the Director, or by a business entity or trust in which the Director, or the Director's spouse, dependent child, or agent, owns directly, indirectly, or beneficially a 10% interest or greater. An elected official will not accept honoraria or gifts that exceed the limitations specified in the ~~Fair Political Practices Act~~Political Reform Act or FPPC regulations. Directors will report all gifts, campaign contributions, income, and financial information as required under the District's Conflict of Interest Code and the provisions of the ~~Fair Political Practices~~Political Reform Act and FPPC regulations.

- b) If a member of the Board believes that they may be disqualified from participation in the discussion, deliberations, or vote on a particular matter due to a conflict of interest, the following procedure will be followed: (a) if the Director becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Director will notify the District's General Manager and General Counsel of the potential conflict of interest, so that a determination can be made whether it is a disqualifying conflict of interest; (b) if it is not possible for the Director to discuss the potential conflict with the General Manager and the General Counsel before the meeting, or if the Director does not become aware of the potential conflict until during the meeting, the Director will immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is a disqualifying conflict of interest; and (c) upon a determination that there is a disqualifying conflict of interest, the Director (1) will not participate in the discussion, deliberation, or vote on the matter for which a conflict of interest exists, which will be so noted in the Board minutes, and (2) will leave the room until after discussion, vote, and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters, or the Director has been advised that a specific FPPC exemption or another exception applies.
- c) A Director will not recommend the employment of a relative by the District. A Director will not recommend the employment of a relative to any person known by the Director to be bidding for or negotiating a contract with the District.
- d) A Director who knowingly asks for, accepts, or agrees to receive any gift, reward, or promise thereof for doing an official act, except as may be authorized by law, may be guilty of a misdemeanor under Penal Code section 70.
- e) No Director who leaves office with the District may represent another person or entity before that District for one year after leaving office. This prohibition is very broad and covers any appearance before the District or one of its committees or any written or oral communication with the District for the purpose of influencing any type of decision. The limited exceptions are for the former Director to represent themselves; represent another person or entity without compensation; or where the former Director is an employee, officer, or director of another public agency, and represents that other public agency.

SEC. 5.6 POLITICAL CONTRIBUTIONS

Directors are prohibited from soliciting political funds or contributions at District facilities, or from District employees. A Director must not solicit or direct a political contribution from (a) District employees, officers, consultants, or contractors, or (b) vendors, consultants, or other parties who have a material financial interest in a contract or other matter while that contract or other matter is pending before the District. A Director must not use the District's seal, trademark, stationery, or other indicia of the District's identity, or facsimile thereof, in any solicitation for political contributions contrary to state or federal law.

In addition, Directors shall comply with the provisions of Government Code section 84308 and its implementing regulations of the Fair Political Practices Commission, which provide that a Director shall not accept, solicit, or direct a contribution of more than five hundred dollars (\$500) from any party or a party's agent, or from any participant or a participant's agent while a proceeding involving a license, permit, or other entitlement for use (including certain contracts) is pending, and for 12 months following the date a final decision is rendered in the proceeding, if the Director knows or has reason to know that the participant has a financial interest in the decision.

Before making any decision in a proceeding involving a license, permit, or other entitlement for use (including certain contracts) pending before the District, each Director who received a contribution within the preceding 12 months in an amount of more than five hundred dollars (\$500) from a party or from any participant shall disclose that fact on the record of the proceeding.

A Director shall not make, participate in making, or in any way attempt to use the Director's official position to influence the decision in a proceeding involving a license, permit, or other entitlement for use (including certain contracts) pending before the District if the Director has willfully or knowingly received a contribution in an amount of more than five hundred dollars (\$500) within the preceding 12 months from a party or a party's agent, or from any participant or a participant's agent if the officer knows or has reason to know that the participant has a financial interest in the decision.

Additional details, including detailed definitions, cure provisions, and disclosure requirements for a party or participant in a proceeding, are provided in Government Code section 84308 and [its](#) implementing regulations.

SEC. 5.7 INCOMPATIBLE OFFICES

Another aspect of prohibited conflicts of interest is simultaneous holding of two incompatible public offices unless simultaneous holding of the offices is compelled or expressly authorized by law. When public offices are incompatible, the public officer forfeits the first office upon taking the second.

Offices are incompatible under any of the following circumstances unless the simultaneous holding of the office is compelled or expressly authorized by law.

- a) Either office may audit, overrule, remove members of, dismiss employees of, or supervise the other office or body;
- b) Based on the powers and jurisdictions of the offices, there is a possibility of a significant clash of duties or loyalties between the offices; or
- c) Public policy considerations make it improper for one person to hold both offices.

An employee of a special district is prohibited from taking office as an elected or appointed member of the Board of the same special district unless they resign as an employee. (Government Code § 53227.) If the employee does not resign, their employment shall automatically terminate upon his or her being sworn into office.

SEC. 5.8 DIRECTOR–GENERAL MANAGER RELATIONSHIP

- a) The Board sets policy for the District.
- b) The General Manager serves at the pleasure of the Board. The Board will provide policy direction and instructions to the General Manager on matters within the authority of the Board by majority vote of the Board during duly convened Board and Board committee meetings.
- b) The Board will retain and periodically review the work of an auditor as an independent contractor of the District (or other Financial Officer/Treasurer), who will report to the Board, to conduct an annual audit of the District’s books, records, and financial affairs.
- d) The District’s General Manager (a) has full charge and control of the construction, maintenance, and operation of the water system and other facilities of the District, (b) has full power and authority to employ and discharge employees and assistants, consistent with District policy and other provisions of the law, (c) prescribes the duties of employees and assistants, consistent with District policy, and (d) fixes and alters the compensation of employees and assistants, subject to approval by the Board.
- e) Members of the Board will deal with matters within the authority of the General Manager through the General Manager, and not through other District employees. Members of the Board will refrain from making requests directly to District employees (rather than to the General Manager) to undertake analyses, perform other work assignments, or change the priority of work assignments.

SEC. 5.9 IMPROPER ACTIVITIES AND THE REPORTING OF SUCH ACTIVITIES; PROTECTION OF “WHISTLE BLOWERS”

- a) The General Manager has primary responsibility for (1) ensuring compliance with the District’s Personnel Manual and ensuring that District employees do not engage in improper activities, (2) investigating allegations of improper activities, and (3) taking appropriate corrective and disciplinary actions.
- b) The Board has a duty to ensure that the General Manager is operating the District according to law and the policies approved by the Board.

- c) Directors are encouraged to fulfill their obligation to the public and the District by disclosing to the General Manager, to an extent not expressly prohibited by law, improper activities within their knowledge.
- d)** The General Manager's responsibility is to identify, investigate, and correct improper activities, unless the Board determines that the General Manager is not properly carrying out these responsibilities.
- d)**
- e) A Director will not directly or indirectly use or attempt to use the authority or influence of their position for the purpose of intimidating, threatening, coercing, commanding, or influencing any other person for the purpose of preventing such person from acting in good faith to report or otherwise bring to the attention of the General Manager or the Board any information that, if true, would constitute a work-related violation by a Director or District employee of any law or regulation, gross waste of District funds, gross abuse of authority, a specified and substantial danger to public health or safety due to an act or omission of a District official or employee, use of a District Director office or position or of District resources for personal gain, or a conflict of interest of a Director or employee.
- f) A Director will not use or threaten to use any official authority or influence to effect any action as a reprisal against a Director or District employee who reports or otherwise brings to the attention of the General Manager any information regarding the subjects described in this section.

SEC. 5.10 COMPLIANCE WITH THE BROWN ACT

The members of the Board, and persons elected but who have not yet assumed office as members of the Board, will fully comply with the provisions of the State's open meeting law for public agencies: the Ralph M. Brown Act (Gov. Code, § 54950 et seq.).

SEC. 5.11 DIRECTOR COMPENSATION (REV. 03/20/25; RESOLUTION NO. 25-03)

- a) Pursuant to Resolution No. 25-03, adopted March 20, 2025, Directors shall receive compensation in the amount of one hundred seventy five dollars (\$175) daily for attending authorized meetings, conferences, and activities.
- b)** Pursuant to Water Code Section 20202, per diem compensation may not be paid for more than a total of 10 days in any calendar month.
- b)**
- c) Changes in Director compensation shall require the approval of the Board in an open meeting of the Board held at least sixty (60) days prior to the effective date of the change, following a noticed public hearing.

- d) Changes in Director compensation shall be considered on an annual basis in conjunction with the development of the District’s annual budget.
- e) For a Director to be paid a lawfully-established per diem for an authorized meeting, conference, or activity, or for reasonable and necessary travel time to and from an authorized meeting, conference, or activity, it must be: (1) a “meeting” as defined in subdivision (a) of Government Code Section 54952.2 of the Brown Act; (2) committee meetings of the ~~public agency~~District; (3) a conference or organized educational activity conducted in compliance with subdivision (c) of Section 54952.2 of the Government Code; or (4) other meetings or activities specifically listed in this section.
- f) Without receiving prior approval of the Board, Directors shall receive compensation daily, up to a maximum of ten (10) days of service monthly for:
 - 1) Each day’s attendance at regular, special, and adjourned meetings of the Board of Directors; and
 - 2) Each day’s attendance at regular, standing, or ad hoc committee meetings; and
 - 3) Each day’s attendance at authorized meetings, conferences, or activities listed in the *Authorized Meetings, Conferences, and Activities* that are open to the public, at which topics of general interest to the public or to public agencies are discussed and which are hereby deemed as functions attended in an official capacity as a member of the Board.
- g) The Board may authorize the payment to a director for acting under the order of the Board for attending any additional meetings. Any director attending an activity not listed in the Authorized Meetings, Conferences, Activities must receive the Board President’s prior approval if compensation will be requested.

SEC. 5.12 (RESERVED) (REV. 03/20/25; RESOLUTION NO. 25-04)

SEC. 5.13 DIRECTOR EXPENSES

General Principles

Each member of the Board is encouraged to participate in those outside activities and organizations that, in the judgment of the Board, further the interests of the District. Expenses incurred by Directors in connection with meetings, conferences, or activities authorized in this policy are reimbursable, in accordance with the limits set forth herein. The following rules apply:

- a) All expenses must be actually incurred and necessary for the performance of the Directors’ duties, and Directors shall exercise prudence in all expenditures.

- b) This policy is intended to result in no personal gain or loss to a Director.
- c) Upon incurring expenses, Directors shall submit a request for reimbursement on the expense report form provided by the District, accompanied by evidence of payment of such expenses or receipts for all amounts. Expense reports shall clearly document that the expenses were incurred in connection with an authorized meeting, conference, or other activity. The expenses may not exceed the maximum limits set forth herein.
- d) All requests for reimbursement will be submitted to the Board (or its designee) within 60 days after the expenses have been incurred or expenditures made. Expenditures that are improper or otherwise not properly accounted for, or not consistent with this policy, will not be reimbursed. Where the District has paid such improper expenses, they will be promptly refunded to the District or deducted from moneys otherwise due to a Director.
- e) To implement the reporting requirements of Government Code section 53065.5, the District will prepare a list of the amount and purpose of each expense reimbursement made to each Director for the preceding fiscal year, which will be available to the public.

Maximum limits for reimbursement are as follows, unless the Board at a public meeting, in advance of the expense being incurred, authorizes a higher amount.

Sec. 5.13.1 Travel/Transportation

- a) Air travel is authorized whenever, due to distance or time constraints, air travel is more economical than use of the Director's vehicle for transportation to and from authorized meetings, conferences, and activities. Reimbursement for airfare shall not exceed the most economical coach fare available for the required travel dates from the airport nearest the Director's residence or place of business to the airport nearest the destination.
- b) Directors shall use the most economical means of transportation to and from the airport and the location of the authorized meeting, conference, or activity whether by rental car, taxi, rideshare, or airport shuttle. Provided the most economical transportation is used, Directors may be reimbursed the full cost actually incurred for car rental and fuel, taxicab or ridesharing fare with tips, or airport shuttle with tips. Reimbursement for tips shall not exceed 15%.
- c) Mileage reimbursement for use of the Director's vehicle for travel to authorized meetings, conferences, or activities shall be reimbursed at the current standard mileage reimbursement rate specified by the IRS for business travel.

Sec. 5.13.2 Lodging

Lodging expenses actually and reasonably incurred by Directors in connection with attending authorized meetings, conferences, or activities at least 50 miles outside the District's service area will be reimbursed. Lodging expenses in connection with an authorized meeting, conference, or activity shall not exceed the maximum group rate published by the authorized meeting, conference, or activity, provided that the lodging at the group rate is available to the Director at the time of booking. Directors shall use government or group rates offered by providers of lodging services when available.

Lodging for the night prior to or after the authorized meeting, conference, or activity will be reimbursable only when the starting or ending time for the event makes it impractical to travel to or from the Director's residence on the same date as the activity.

Sec. 5.13.3 Meals

Reimbursement will be provided for meals while a Director is attending authorized meetings, conferences, or activities and shall not exceed \$125 per day, including tips and beverages. No reimbursement will be allowed for alcoholic beverages.

Sec. 5.13.4 Incidental Expenses

Incidental expenses for items actually and reasonably incurred in connection with attendance at authorized meetings, conferences, or activities, including reasonable tips for luggage handling, telephone and facsimile charges, parking and similar expenses, will be reimbursed.

- a) Directors will be reimbursed for actual telephone and fax expenses incurred for District business. Telephone bills should identify which calls were made for district business.
- b) Long-term parking should be used for travel exceeding 24 hours.
- c) No reimbursement shall be allowed for transportation, lodging, meals, or incidental expenses of family members or guests of a Director traveling with the Director to an authorized meeting, conference, or activity.
- d) No reimbursement shall be allowed for personal expenses such as entertainment, barbering, personal grooming, or the personal portion of any trip.

SEC. 5.14 MISCELLANEOUS EXPENSES OF OFFICE

Expenses for items actually and reasonably incurred in connection with carrying out the duties of a Director will be reimbursed. These miscellaneous expenses include office supplies, phone/fax and internet access charges. The District will provide a standard laptop computer to Directors for use in carrying out business and duties related to the District.

SEC. 5.15 REPORTS TO GOVERNING BOARD

At the regular meeting of the Board following any authorized meeting, conference, or activity for which per diem compensation or reimbursement is requested, the Director attending the authorized meeting, conference, or activity shall give a brief report of the authorized meeting, conference, or activity. If more than one Director of the District attended, a joint report may be made. Reports may be written or oral, but in the event a written report is submitted, the Director shall give a brief oral summary of the report at the Board meeting following the authorized meeting, conference, or activity.

SEC. 5.16 PENALTIES FOR VIOLATION OF REIMBURSEMENT POLICIES

A Director who falsifies an expense report, or claims reimbursement in violation of the expense reimbursement policy, will be subject to one or more of the following penalties:

- a) The loss of reimbursement privileges;
- b) Restitution to the District;
- c) Civil penalties for misuse of public resources pursuant to Government Code section 8314; or
- d) Prosecution for misuse of public resources pursuant to Penal Code section 424.

SEC. 5.17 EXHIBITS

Mobile Computer Devices Agreement
Authorized Meetings, Conferences, and Activities

ARTICLE 8. EMPLOYMENT POLICIES

SEC. 8.1 INTRODUCTORY POLICY

Sec. 8.1.1 Introduction

This article of the Administrative Code is meant to serve as a general guide to employment policies and practices of the Santa Fe Irrigation District (“District”). This article, hereinafter referred to as the Employee Handbook (or “Handbook”) describes some basic terms and conditions of employment with the District.

Employees are expected to read this Handbook carefully and to know and understand its contents. The District reserves the right to make changes to this Handbook. Employees are responsible for knowing about and understanding those changes once they have been disseminated. The District also reserves the right to interpret the provisions of this Handbook. For this reason, employees should check with the Human Resources Department to obtain information regarding specific employment guidelines, practices, policies or procedures.

Employees should not interpret anything in this Handbook as creating a contract or guarantee of continued employment. In addition, this Handbook is not intended to cover all possible situations that may arise in your employment relationship with the District.

This Handbook is the property of the District, and it is intended for personal use and reference by employees of the District.

Every employee is responsible for completing the following within two weeks of receiving this Handbook: reading and signing the Handbook Acknowledgment Form and returning it to the Human Resources Department. This Acknowledgment Form contains important points for employees and provides the District with a record that each employee has received this Handbook

Sec. 8.1.2 Policy Changes

While we have attempted to be as comprehensive as possible in preparing this article, it is inevitable that new policies and benefits will need to be written from time to time and that old policies and benefits will need to be revised. Subject to provisions stated in the Rules Governing Employer-Employee Relations, the District reserves the right to revise, modify, delete, or add to any and all policies, procedures, work rules, or benefits stated in this article or in any other document. However, any such changes must be in writing and must be approved by the Board of Directors.

Any written changes to this article will be distributed to all employees so that employees will be aware of the new policies or practices. No oral statements or representations can in any way change or alter the provisions of this article.

Sec. 8.1.3 Entire Agreement

This Handbook contains the employment policies and practices of the District in effect at the time of publication. All previously issued handbooks and any inconsistent policy statements or memoranda are superseded. This Handbook is also intended to be in conformity with all applicable employment and wage-related laws and should be interpreted as such. The District 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. The District shall meet and confer in good faith with the SFID Employees Association to the extent that any such modifications concern the wages, hours and other terms and conditions of employment. Any written changes to this Handbook will be distributed to all employees so that employees will be aware of the new policies or procedures.

Nothing in this Employee Handbook or in any other personnel document, including benefit plan descriptions, creates or is intended to create a promise or representation of continued employment for any employee.

Sec. 8.1.4 Equal Employment Opportunity/ADA

The District is an equal opportunity employer and makes employment decisions on the basis of merit. The District wants the best available person for each job. District policy prohibits unlawful discrimination on the basis of race (including but not limited to, hair texture and protective hairstyles such as braids, locks, and twists), color, religious creed (including religious dress and religious grooming practices), national origin, ancestry, citizenship status, age (40 years and older), sex (including pregnancy, perceived pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity and expression (including transgender identity and expression), because an individual has transitioned (to live as the gender with which they identify), is transitioning (or is perceived to be transitioning), sexual orientation, sex stereotyping, marital status, domestic partner status, military service and veteran status, physical and/or mental disability (including HIV and AIDS), legally protected medical condition or information (including genetic information,) protected medical leaves (requesting or approved), status as a victim of domestic violence, sexual assault or stalking, enrollment in a public assistance program, or any other basis protected by local, state or federal laws. Any such discrimination is unlawful, and all persons involved in the operations of the District are prohibited from engaging in this type of conduct. Please contact the Human Resources Administrator if you have any questions or concerns.

The District's management team is dedicated to this policy with respect to recruitment, hiring, placement, promotion, transfer, training, compensation, benefits, employee activities, access to facilities and programs and general treatment during employment.

The District prohibits unlawful harassment, discrimination, and retaliation based on:

1. Any combination of the above characteristics;
2. A perception that the person has any of the above characteristics or any combination of those characteristics;
3. A perception that the person is associated with a person who has, or is perceived to have, any of those characteristics of any combination of the above characteristics.

Any employees with questions or concerns about equal employment opportunities in the workplace are encouraged to bring these issues to the attention of the Human Resources Administrator. To ensure our workplace is free of artificial barriers, violation of this policy including any improper retaliatory conduct will lead to discipline, up to and including discharge. All employees must cooperate with all investigations conducted pursuant to this policy.

The District utilizes the same complaint procedures for complaints of discrimination as it does for complaints of harassment. Please see the separate policy prohibiting employee harassment. California law, and the District, also prohibit retaliation against any employee for making a good faith complaint of discrimination or for cooperating, assisting, testifying, or participating in any of the discrimination complaint procedures in the separate policy prohibiting employee harassment.

Sec. 8.1.5 Reasonable Accommodation/ADA Policy

To carry out the District's commitment to providing equal opportunity for all applicants and employees, the District will provide reasonable accommodations, including as required under applicable laws, in accordance with this policy.

Reasonable Accommodations Related to Disability and Religion: The District will provide reasonable accommodations for applicants and employees with disabilities in accordance with the Americans with Disabilities Act (the "ADA") and California law, and for applicants and employees based on their sincerely held religious beliefs, practices, or observance under state and federal law. Employees seeking such accommodations should promptly notify the District's Human Resources Department.

Reasonable Accommodations Relating to Pregnancy: The District will provide reasonable accommodations to employees who are affected by a pregnancy, childbirth, or related medical conditions, as medically advisable. Such accommodations may consist of:

- Modified work duties or a modified schedule to permit earlier or later hours or more frequent breaks; stools, chairs, or other furniture; modified or acquired equipment or devices; reduced work hours; or other accommodations,
- Temporary transfers to a less strenuous or less hazardous position, if such transfer can be reasonably accommodated, or

- A “Pregnancy-Related Disability Leave” if the employee is disabled by pregnancy, as described in the District’s leave of absence policy.

Employees seeking pregnancy-related accommodation, including transfer under this policy, should notify the District’s Human Resources Department. This notice must be timely and be provided by employees in advance when the need for reasonable accommodation is foreseeable; in all other circumstances, notice must be provided as soon as practicable. Failure to give advance notice when the need is foreseeable may delay the reasonable accommodation or transfer until 30 days after the date the employee provides notice (unless such delay would endanger the health of the employee, her pregnancy or her coworkers).

Reasonable Accommodations for Victims of Domestic Violence, Stalking, or Sexual Assault: The District will also provide reasonable accommodations for an employee who is the victim of domestic violence, stalking or sexual assault if: (i) the employee has disclosed that status to the District, and (ii) the employee requests an accommodation for the employee’s safety while at work.

In such circumstances, the District will engage, in good faith, in a timely and interactive process with the employee to determine effective reasonable accommodation. In this process, the employee may be asked to provide: (i) a written statement, signed by the employee or someone acting on the employee’s behalf, certifying that the accommodation is for the purposes stated above, and (ii) a certification confirming the employee’s status as a victim of domestic violence, sexual assault or stalking. Six months after the date of each previous certification, the District may request a recertification of such status. The District will maintain any such certification as confidential if it identifies the employee as a victim of domestic violence, sexual assault or stalking, disclosing such information only as required by law, or as needed to protect the employee’s workplace safety, and with prior notice of such disclosure to the employee.

Retaliation and Discrimination Prohibited: The District prohibits discrimination, discharge, retaliation, or any other unlawful acts against an individual because such person requests or receives an accommodation under this (or another applicable) policy, or because such individual engaged in any other conduct protected by the law. Additionally, as addressed in the District’s separate policy on harassment, discrimination and retaliation, the District prohibits unlawful harassment, discrimination, or retaliation against any employee on the basis of an individual’s disability, religion, religious creed, sex (including pregnancy, childbirth and related medical conditions), status as a victim of domestic violence, sexual assault or stalking, or any other status as protected by law.

Sec. 8.1.6 Lactation Policy

The District provides accommodations to lactating employees who need to express breastmilk during work hours in accordance with applicable law. The District will provide a room or other location (not a bathroom) for employees to express breastmilk in private. The District will ensure that the lactation room or location will:

- Be in close proximity to the employee's work area, shielded from view, and free from intrusion while the employee is expressing milk;
- Be clean, safe and free of hazardous materials;
- Contain a surface to place a breast pump and other personal items;
- Contain a place to sit; and
- Have access to electricity or alternative devices, including, but not limited to, extension cords or charging stations, needed to operate an electric or battery powered breast pump.

In addition, the District will provide access to a sink with running water and a refrigerator suitable for storing milk (or other cooling device suitable for storing milk) in close proximity to an employee's workspace. In the event that more than one employee needs use of the lactation room, the District will discuss alternative options with the employees to determine what arrangement addresses their needs, such as finding an alternative space or creating a schedule for such use.

The District shall also provide a reasonable amount of break time for an employee to express any breast milk each time that she needs to do so. The break time, if possible, should run concurrently with any break time already provided to the employee. Break time for a nonexempt employee that does not run concurrently with rest time already authorized for the employee is unpaid. However, if the employee performs any work during such a break, she must accurately record all time worked and the District will compensate her for such time.

Employees who are nursing have a right to request lactation accommodation. Such requests may be made verbally or in writing, should indicate the need for accommodation in order to express breastmilk at work, and should be directed to the District's Human Resources Department. The District shall respond to such requests in a reasonable manner, not exceeding five business days. If the District cannot provide break time, location, or other reasonable accommodations in accordance with this policy, it will inform the requesting employee in writing. Because lactation accommodation needs may change over time, employees may request changes to existing accommodations by a written request to the District's Human Resources Department that describes the nature of the change that is requested.

The District prohibits any form of retaliation or discrimination against an employee for exercising or attempting to exercise any rights provided under the above policies. Any such conduct or violations of the above-referenced policies should be reported to the Human Resources Department. Employees also have the right to file a complaint with the California Labor Commissioner for violation of a lactation accommodation right described in the policy above.

SEC. 8.2 EMPLOYMENT

Sec. 8.2.1 Employment Status Definitions

Sec. 8.2.1.1 Probationary Employees

During the first six months of employment a new employee must successfully complete an initial employment period. During this initial employment period, the employee serves at the pleasure of the District and may be discharged or suspended for any reason or cause. Regular Employees who are promoted to or transfer to a new position will also be required to serve a six-month probationary period.

If the employee fails to satisfactorily complete the probationary period in the promotional position, the employee may be entitled to return to the position held prior to promotion at the pay range held prior to promotion, if there is a vacancy in the prior position and if the performance deficiency in the new position was not subject to discipline. If the prior position has been filled with a probationary employee, the probationary employee shall be "bumped" and the employee who failed probation in the promotional position shall be entitled to return to the position held prior to promotion. The District may use its discretion to find another position within the District or separate the "bumped" employee from the District.

If there is no vacancy in the position held prior to promotion, and the employee would otherwise be eligible, the employee may be assigned to a vacant position which is nearest the employee's classification and pay range prior to the promotion. In no event shall the employee be assigned to a vacant position which is in a higher classification or pay range than the position held by the employee prior to the promotion.

An employee who does not satisfactorily complete the probationary period in a promotional position is not entitled to notice or a hearing.

Sec. 8.2.1.2 Part-Time and Limited-Term Employee

During this employment, the employee serves at the pleasure of the District and may be discharged or suspended for any reason or cause. The Part-Time Employee receives no benefits other than required by the State of California unless approved by the General Manager. If Holidays, Vacation, Personal Leave and/or Sick Leave are given, such leave time will be pro-rated based upon the employee's hours worked. Any additional leave that a part-time employee may be entitled to, as included in the leave section of this handbook, shall be provided on a pro-rated basis.

Sec. 8.2.1.3 Regular Employee

Employee who has successfully completed the initial employment period and has received a satisfactory performance review by their supervisor. A regular employee shall be subject to disciplinary action under the procedures set forth in these rules.

Sec. 8.2.1.4 General Manager

The General Manager is employed at the mutual consent of the General Manager and the District. Consequently, either the General Manager or the District may terminate the employment relationship at any time, with or without cause.

Sec. 8.2.1.5 Exempt Employee

Employee whose position meets specific tests established by the Fair Labor Standards Act (FLSA) and is exempt from overtime pay requirements.

Sec. 8.2.1.6 Non-Exempt Employee

Employee whose position is paid on an hourly basis and is paid a multiple of one and one-half times their hourly wage for overtime.

Sec. 8.2.2 Rules Governing Employer-Employee Relations

The purpose of this section is to implement the Meyers-Milias-Brown Act (Chapter 10, Division 4, Title 1 of the Government Code of the State of California, commencing with Section 3500), by providing orderly procedures for the administration of employer-employee relations between the District and employee organizations.

Sec. 8.2.2.1 Right of Employees to Join Recognized Employee Organizations

Employees shall have the right to form, join, and participate in the activities of the recognized employee organization for the purpose of representation on all matters of employer-employee relations. Due to the small size of the District and to more efficiently facilitate employer-employee relations, the District shall recognize an organization representing a majority of all non-Director employees. Director employees may only be included in an organization consisting solely of Director employees. Director employees are defined as employees having responsibility for formulating, administering, or managing the implementation of District policies and programs. Director employees may not represent or bargain on behalf of the employee organization representing non-management employees.

Sec. 8.2.2.2 Right of Employees to Abstain from Joining Employee Organization

Employees shall have the right to refuse to join or to refuse to participate in the activities of the recognized employee organization.

If there is no recognized employee organization or if there are employees who are unrepresented, the District may establish an employee committee representing each of the following groups:

- a) Non-management filtration plant employees;
- b) Non-management distribution employees;
- c) Non-management office employees;
- d) Management/confidential employees

Sec. 8.2.2.3 Discrimination Prohibited

Employees shall not be discriminated against, interfered with, intimidated, restrained, or coerced (by either the District or the recognized employee organization) because: they form, join, and participate in the activities of the recognized employee organization; they refuse to join or refuse to participate in the activities of the recognized employee organization.

Sec. 8.2.2.4 Recognition Requirements

An employee organization that seeks formal acknowledgment by the Board of Directors as the recognized employee organization which represents a majority of the employees of the District must be currently designated in writing as their representative, and shall file with the General Manager a petition, signed under penalty of perjury by a duly authorized officer of the Organization. Such petition shall contain the following information and documentation:

- a) Name and address of the employee organization.
- b) Names and titles of its officers.
- c) Names of employee organization representatives who are authorized to represent its members.
- d) A statement whether the employee organization is a chapter or local of or affiliated directly or indirectly in any manner with a regional, state, national, or international organization, and, if so, the name and address of each such regional, state, national, or international organization.
- e) Copies of the employee organization's constitution and bylaws.
- f) A designation of those persons, not exceeding three in number, and their addresses, to whom notice sent by regular United States mail will be deemed sufficient notice to the employee organization for any purpose.
- g) A statement that the employee organization has no restriction on membership based on race, color, creed, sex, national origin, marital status, or age.
- h) The names of all District employees currently represented by the employee organization.

- i) A statement that the employee organization has in its possession written proof, dated within three months of the date upon which the petition is filed, to establish that a majority of the District's employees have designated the employee organization in writing to represent them in their employment relations with the District.
- j) A request that the Board of Directors formally acknowledges the petitioner as the recognized employee organization, which represents a majority of the employees of the District.

Sec. 8.2.2.5 Processing of Recognition Petition

Within a reasonable time after receipt of the petition, the General Manager shall determine whether:

- a) The petition fully complies with the requirements of these rules.
- b) The petitioner represents the majority of the employees of the District, as listed in the petition.
- c) The petitioner qualifies as a recognized employee organization.

In doing so, the General Manager may require the employee organization to submit such written proof as the employee organization has that it has been designated by the majority of the District's employees, as listed, to represent them, including all written authorizations signed by employees designating the employee organization to represent them.

Submit the petition to the Board of Directors with a report as to the Manager's determinations and his/her recommendations with regard to formal acknowledgment.

Sec. 8.2.2.6 Determination by Board of Directors

Within a reasonable time after receipt of the report and recommendations of the General Manager, the Board of Directors shall determine if the petitioner qualifies as the recognized employee organization representing the majority of the employees of the District. The Board of Directors may direct the General Manager to make further determinations to assist the Board of Directors in making its decision. The Board of Directors shall formally acknowledge that the petitioner is the recognized employee organization if the petitioner qualifies as such under these rules.

Sec. 8.2.2.7 Current Information

The information contained in the petition shall be kept current by the recognized employee organization. The General Manager may, from time to time, require verification by the recognized employee organization of any information contained in the petition (and current supplements thereto), including submission of such written proof as the recognized employee organization has it has been designated by a majority of the employees, as listed, to represent them.

Sec. 8.2.2.8 Representation of Members

Subject to these rules, as they may be from time to time amended, a recognized employee organization shall have the right to represent District employees who are members of said organization in such employees' employment relations with the District.

Sec. 8.2.2.9 Scope of Representation

The scope of representation may include all matters concerning employment conditions and employer-employee relations, including, but not limited to; wages, hours, and other terms and conditions of employment; except, however, that the scope of representation shall not include consideration of the merits, necessity, or organization, or any service, or activity provided by law or established by the District.

Sec. 8.2.2.10 District Representatives

The General Manager has been appointed as the District's Employee Relations Officer to meet and confer with the representatives of the recognized employee organization. The Board of Directors may appoint one or more other representatives, including the Executive Committee of the Board of Directors or one or more other members of the Board, to assist the Employee Relations Officer or to act as the Employee Relations Officer in place of the General Manager on specific matters.

Sec. 8.2.2.11 Conferences

The Employee Relations Officer or his/her designee shall, upon written request, meet and confer in good faith regarding wages, hours and other terms and conditions of employment with the representatives of the recognized employee organization and shall consider fully such presentations as are made on behalf of employees who are members of the recognized employee organization. Meetings and conferences shall be held within a reasonable time after receipt of the written request, which shall set forth the matters desired to be presented. The Employee Relations Officers may utilize consultants, Board members, and other staff of the District to assist them and attend conferences with them.

"Meet and confer in good faith" means that the Employee Relations Officer and representatives of the recognized employee organization, or individual employees, shall have the mutual obligation personally to meet and confer promptly upon written request by either party and to continue for a reasonable period of time in order to exchange freely information, opinions, and proposals, and to endeavor to reach agreement on matters within the scope of representation prior to adoption by the District of its final budget for the ensuing fiscal year.

Sec. 8.2.2.12 Mediation

Pursuant to Government Code 3505.2, if after a reasonable period of time, representatives of the public agency and the recognized employee organization fail to reach agreement, the public agency and the recognized employee organization or recognized employee organizations together may agree upon the appointment of a mediator mutually agreeable to the parties. Costs of mediation shall be divided one-half to the public agency and one-half to the recognized employee organization or recognized employee organizations.

Sec. 8.2.2.13 Memorandum of Understanding

If agreement is reached by the Employee Relations Officer and a recognized employee organization, they shall jointly prepare a written memorandum of such understanding, signed by the Employee Relations Officer and the representative of the recognized employee organization, which shall not be binding, and present it to the Board of Directors for determination.

Sec. 8.2.2.14 Closed Sessions

Pursuant to Section 54957.6 of the Government Code, the Board of Directors may hold closed sessions with the Employee Relations Officer and other staff members who are assisting them prior to and during confrontations and discussions with representatives of the recognized employee organization and unrepresented employees regarding the salaries, salary schedule, or compensation paid in the form of fringe benefits of employees, in order to review the Board's position and to instruct the Employee Relations Officer.

Sec. 8.2.2.15 Reasonable Time Off to Meet and Confer

The recognized employee organization may select the smaller of three employee members or 10% of the employee members of the organized employees, but not less than one person, to attend scheduled meetings with the Employee Relations Officer on subjects within the scope of representation during regular work hours without loss of compensation. The recognized employee organization shall submit the names of the employee representatives to the General Manager at least five working days in advance of such meetings. Any such meeting is subject to scheduling by the General Manager in a manner consistent with operating needs and work schedules of the District.

Sec. 8.2.2.16 Advance Notice

Reasonable written notice shall be given to the recognized employee organization affected by any rules, resolution, or regulation directly relating to matters within the scope of representation proposed to be adopted by the Board of Directors. The recognized employee organization shall be given the opportunity to meet and confer with the Employee Relations Officer regarding the proposed rules, resolution, or regulation prior to adoption. In cases of emergency when the Board of Directors determines that a rule, resolution, or regulation

must be adopted immediately without prior notice or meeting with the recognized employee organization, the Board of Directors shall provide such notice and opportunity to meet at the earliest possible time following the adoption of such rule, resolution, or regulation.

Sec. 8.2.2.17 Use of Bulletin Boards

The District will furnish, for the exclusive use of the recognized employee organization, adequate bulletin board space at reasonable locations. The board shall be used for the following subjects:

- a) Information on the recognized employee organization's elections, reports, and notices.
- b) Reports of official business of the recognized employee organization, including reports of committees or the governing board thereof.
- c) Scheduled recognized organization membership benefits, programs, and promotions.
- d) Recognized employee organization membership benefits, programs, and promotions.
- e) Any other written material pertaining to the official business of the recognized employee organization.

Sec. 8.2.2.18 Activities on District's Premises

Membership meetings, organizing activities, membership campaigns, or dues collecting by the recognized employee organization or its representatives on District premises or at work locations during business hours shall not be permitted. Representatives of the recognized employee organization shall be granted reasonable access to employee work locations to investigate matters relating to employer-employee relations only if such investigation cannot be conducted elsewhere, unless such access to given work locations would constitute a safety hazard or would interfere with operations of the District. Access to work locations may be regulated by the General Manager so as not to constitute a safety hazard or to interfere with the operations of the District. Representatives of the recognized employee organization shall not enter a work location without the consent of the General Manager or his/her designee in his/her absence.

Sec. 8.2.2.19 Collection of Association Dues

The District may allow the collection of association dues for recognized employee organizations.

Sec. 8.2.2.20 Availability of Data

The District shall make available to the recognized employee organization such non-confidential information pertaining to employment relations as is contained in the public records of the District, subject to the limitations of the California Public Records Act (Government Code sections 6250, et seq.) A request for such information shall be made to the General Manager, and such information shall be made available during regular office hours after payment of reasonable costs of duplication, if duplication is requested. Nothing

herein shall be construed as requiring the District to furnish confidential information or to do research, to assemble information, or to compile data.

Sec. 8.2.2.21 Amendments

The Board of Directors may amend these rules by changes, additions, or deletions. Except in emergencies, such amendments shall be adopted after consultation in good faith with representatives of the recognized employee organizations.

Sec. 8.2.2.22 Job Classifications, Certification Requirements, and Job Descriptions

If the District wishes to revise or alter current Association classifications or job descriptions, the District shall propose such changes to the Association by providing written notice to the Association Representatives. Such notice shall contain the specific changes the District is proposing and the reason for the proposed change.

The parties agree to meet and confer, if necessary, as required under the MMBA. If the Association wishes to meet and confer over the District's proposed changes, it shall notify the District within 14 business days after receiving the written notice from the District.

Sec. 8.2.2.23 Quarterly Labor Management Meetings

Management and Representatives from SFIDEA agree to meet on a quarterly basis to effectively share concerns and resolve issues. These meetings are not intended to be or to replace formal labor negotiations and are not subject to the rules and procedures of collective bargaining. These meetings are also not intended to replace steps in the grievance procedures, but issues related to grievances may be discussed, either before or after a grievance is filed, with the intention of resolving them, if possible.

At least two days before the scheduled Labor-Management Meeting, each party will provide the other party a written list of topics they wish to discuss. The discussions will be informal, collegial, and non-adversarial, undertaken to promote shared understanding and cooperation. The parties agree that it is important to make the best and most efficient use of the available time.

Sec. 8.2.3 Standby Duty Response Time

All personnel that are subject to call for emergencies or standby duty shall respond without delay and within sixty (60) minutes or less. Response time is measured from the time the employee receives the call to the time the employee arrives at the incident site.

The purpose of this policy is to ensure an acceptable response time to customer requests for assistance during non-working hours or for response to emergency repairs to District systems during non-working hours.

Sec. 8.2.4 Personnel Records

An employee has the right to review certain documents in their Personnel file, as provided by law. All employees must submit their requests to review these files to Human Resources. The review of Personnel files will take place in the presence of a Human Resources representative at a time that is mutually convenient. The District does not allow the duplication of any documents in an employee file except for those which have the employee's signature on it. An employee may, however, add their interpretation of any disputed item to the file.

The information in an employee's Personnel file is permanent and confidential and must be kept up-to-date. Employees should inform Human Resources 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 emergency.

The District will try to restrict the release of any Personnel information to outside sources; however, where legally required, the District will cooperate with authorized local, state, or federal agencies that request information. All outside agencies must submit their request for confidential Personnel information to Human Resources.

Sec. 8.2.5 Employee References

Human Resources or a designee will respond to all requests for employee references. No other supervisor or employee is authorized to release references for current or former employees.

The District's policy as to references for employees who have left the District is to disclose only the dates of employment and the title of the last position held. If an employee authorizes disclosure in writing, the District will also provide a prospective employer with information on the amount of salary or wage they last earned.

Sec. 8.2.6 Conflict of Interest

All employees are expected to work for the best interests of the District at all times. Every employee has an obligation to avoid any activity, agreement, business investment or interest, or other situation which could be construed as a conflict with the District's best interests or as an interference with the employee's duty to serve the District to the best of the employee's ability.

Employees are not specifically prohibited from holding outside employment while being employed with the District, although such dual employment is discouraged. Employees should be guided by the following principles in this matter: such employment must not be with an organization that could constitute a potential conflict of interest. Any outside employment responsibilities should be disclosed to and discussed in advance with the General Manager.

Sec. 8.2.7 Reduction in Work Force

Notwithstanding any other provision of these rules, nothing provided herein shall prohibit the District from discharging, suspending, or transferring an employee upon a determination by the District that the needs of the District do not require continuance of the employee's position. Thirty working days before the effective day of any layoff, the General Manager shall notify the employee and the recognized employee organization of the intended action and reasons therefore and a statement certifying whether or not the services of the employee have been satisfactory. If certified as having given satisfactory service, the name of the employee laid off shall be placed on a reemployment list which shall be maintained for two years and they, if fully qualified, shall be given priority recognition for return to employment should a suitable opening become available during that period. If an employee is laid off after five years satisfactory employment and they are reemployed within two years of termination in the classification the employee formerly was assigned, they shall be reemployed as a regular employee rather than as a probationary employee. Any such employee rehired shall be eligible to use previous service in retaining leave accrual and other benefits.

Employees will be laid off in the inverse order of their seniority in their classification in the department (Administration, Distribution, Engineering, and Treatment Plant). Seniority is determined based upon date of hire in the classification and higher classification in the department. A lay-off out of the inverse order of seniority may be made, in the District's judgment, in conjunction with the consideration of job performance and if retention of special job skills is required. Within each class, employees will be laid off in the following order, unless special skills are required: part-time, probationary, regular.

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

First all employees having ratings of "some deficiencies evident"; Second, all employees having ratings of "satisfactory"; Third, all employees having ratings of "exceptional."

Sec. 8.2.8 Employment Separation

Upon separation from employment with the District, the employee must immediately turn in all District-owned property to Human Resources. Employees are thereafter continually bound to maintain the confidentiality of any proprietary information obtained during the course of the employee's employment with the District.

Sec. 8.2.9 Rehiring

An employee who is rehired following a break in service of more than one year, other than an approved leave of absence, may be required to complete a probationary period of no less than

six months. The District will consider any employee returning to service after more than one year a new employee as of the date they are rehired for the purpose of all benefits.

Sec. 8.2.10 Emergency Policy

When an emergency is declared by the General Manager and the Emergency Operations Center (EOC) is activated, employees will be subject to disaster service activities as may be assigned to them by their superiors or by law, per government code. Employees are required to check in daily with their supervisor to ascertain their assignment, based on the needs of the EOC. Per the Emergency Response Plan, employees will remain on standby during an emergency. District personnel not assigned to the EOC will observe normal working hours and locations unless otherwise directed by their supervisor or per the Emergency Response Plan. If an employee that has previously signed the Loyalty Oath, reports to the EOC or checks in with their supervisor, they will be paid, regardless of whether their services are needed, or they are sent home or instructed to stay home. If an employee elects not to call or come in, then they must use their own vacation or sick time, in order to be compensated. If an employee that has previously signed the Loyalty Oath, is physically blocked from reporting to the EOC or the District by a road closure, they will be paid.

SEC. 8.3 COMPENSATION

Sec. 8.3.1 Work Hours

Work hours shall be established to accommodate our customers, properly operate the business, and otherwise meet the needs of the District. The District is normally open for business between the hours of 7:30 a.m. and 5:00 p.m. Monday through Thursday, and 7:30 a.m. and 4:00 p.m. on open Fridays, except on holidays. The R.E. Badger Filtration Plant is normally open for business between the hours of 6:30 a.m. and 4:00 p.m. Monday through Thursday, and 6:30 a.m. and 3:00 p.m. on open Fridays, except on holidays. Some departments or work groups may have scheduled work shifts that are different than District or Plant business hours. Such scheduled work shifts are subject to approval by the General Manager. Employees receive a thirty-minute unpaid lunch break and two ten-minute paid breaks.

The District expects all employees to be at their workstations at the start of their scheduled shifts, ready to perform their work. An employee who is unable to report to work at the scheduled time should notify their supervisor prior to, or within thirty minutes after the beginning of their workday. Notification should include an explanation of the absence and its anticipated duration. An employee must also advise the supervisor of any changed condition in the duration of their absence.

Sec. 8.3.2 Definition of Workweek

Sec. 8.3.2.1 District Employees

District employees work on a 9/80 schedule. The work period will be forty hours per week. District employees will work eight days for nine (9) hours a day and one day for eight (8) hours; for a total of eighty (80) hours in a two-week period. District employees will have alternate Fridays off.

The workweek will begin four hours and one minute into each employee's workday on Friday and end the following Friday four hours into the employee's workday. By beginning and ending the work period four hours into the workday on Fridays, each seven-day work period is limited to equal 40-hour blocks.

Sec. 8.3.2.2 Filtration Plant Operators

The workweek begins at 7:00am on Saturday and ends at 6:59am on the following Saturday, except as otherwise designated for employees on a flexible schedule. Operators rotate the following shifts:

- a) Day shift: 7:00am to 3:00pm
- b) Swing shift: 3:00pm to 11:00pm
- c) Midnight shift: 11:00pm to 7:00am
- d) Weekend shift: 11:00pm Friday to 11:00pm Sunday

Sec. 8.3.3 Time Keeping Requirements

All employees must record their time worked on a standard Santa Fe Irrigation District time sheet for payroll purposes. Each employee is responsible for the daily recording of all time worked on this time sheet. The time sheets will be certified "true and correct" by the supervisor directing the work, and by the payroll department. These time sheets need to be signed by the employee and supervisor and may, from time to time, be audited by the General Manager or a designee.

Sec. 8.3.4 Reporting to Work

The District expects employees to report to work on a reliable and punctual basis. Absenteeism, early departures from work, and late arrivals burden fellow employees and the District. If an employee cannot avoid being late to work or is unable to work as scheduled, the employee must call their immediate supervisor as soon as possible.

Every time an employee is absent or late, or leaves early, the employee must provide their Director employee with an honest reason or explanation. Employees must also inform their Director employee of the expected duration of any absence. The District will comply with applicable laws relating to time off from work, including paid sick leave, but it is the

employee's responsibility to provide sufficient information to enable the District to make a determination. Employees must notify their Director employee of any change in status as soon as possible.

Individuals with disabilities may be granted reasonable accommodation in complying with these policies if undue hardship does not result to the District's operations. However, regular attendance and promptness are considered part of each employee's essential job functions.

Sec. 8.3.5 Salary and Performance Review

It is the policy of the District to review salary and performance from time to time. In determining whether an adjustment in salary is warranted, the District will evaluate the employee's performance, including proficiency and knowledge of their job, cooperation, teamwork, initiative, and willingness to handle difficult assignments, work habits, attitudes, attendance, and punctuality. In addition, the District will consider the length of service of the employee, comparable salaries in the industry, cost of living changes, District performance, and other relevant factors.

District employees will receive periodic evaluations on their work performance. An employee's initial evaluations will take place at the end of their six-month probationary period and one year from their date of hire. All evaluations thereafter will normally occur on a yearly basis. The frequency of these performance evaluations may vary depending upon the length of service, job position, past performance, changes in job duties, or recurring performance problems. On occasion, a supervisor may request an informal meeting with an employee to determine their progress in reaching previously stated performance goals.

All evaluations are performed in a confidential manner between an employee and their supervisor. A supervisor will clearly explain all aspects of the evaluation and answer any questions or concerns an employee may have at that time. When completed, an employee will sign the evaluation to acknowledge they have seen and understood its contents. A positive evaluation does not guarantee a salary increase for an employee. Employees with salaries above their position's salary range maximum will be ineligible for merit increases until their position's salary range maximum moves above their salary. When applicable, merit increases are given effective during the pay period following an employee's review date.

Sec. 8.3.6 Payment of Wages

The District's payroll is calculated according to bi-weekly pay periods. There will usually be 26 such pay periods each year. All employees will receive payment of wages on the Wednesday that follows the end of each pay period. If the regular payday falls on a holiday, payment will be made on the preceding workday. If a payday is to occur when an employee is on vacation or another type of leave, payment will be held unless the employee picks it up in person at the office or the employee authorizes the District in writing to make other arrangements.

Employees who are terminated will receive compensation for all outstanding wages and accrued benefits.

Sec. 8.3.7 Overtime

Sec. 8.3.7.1 Prior Approval Required

Overtime-eligible employees are not permitted to work overtime except as the department director authorizes or directs. No employee may work overtime without receiving the approval of the appropriate supervisor prior to performing the work. Working overtime without advanced approval may be grounds for discipline.

Sec. 8.3.7.2 "Overtime" Defined

Unless otherwise stated in a memorandum of understanding, "overtime" is all hours an overtime-eligible employee actually works over 40 in their work week. Overtime is compensated for at 1.5 times the Fair Labor Standards Act regular rate of pay. Only hours worked shall be counted toward the 40-hour threshold for purposes of calculating FLSA overtime pay. Hours worked shall include all paid leave. No overtime shall be recorded or reported for less than 8 minutes of work.

The District provides compensation for all overtime hours worked by non-exempt employees in accordance with state and federal laws as follows:

- a) All hours that a non-exempt employee works in excess of forty (40) hours in one week are considered overtime.
- b) Compensation for hours in excess of forty (40) hours in one week will be paid at a rate one and one-half times the employee's regular straight time pay.

Sec. 8.3.7.3 Compensatory Time

In lieu of receiving overtime pay, an employee may elect to receive compensatory time off on a time and one-half basis. No employee shall accrue more than eighty (80) hours of such compensatory time. An employee may use such compensatory time within a reasonable period after making the request, subject to supervisor approval. Unused compensatory time may not be carried over to a subsequent calendar year. Any compensatory time balances will be cashed out to the employee at his/her regular rate of pay on the payday that concludes the final pay period of each calendar year and no compensatory time may be accrued during that pay period.

Sec. 8.3.8 Standby Pay

Standby pay is compensated at 1.5 times an employee's regular rate of pay. For each workday of standby duty, an employee receives one (1) hour of standby pay. For each closed Friday,

District-recognized holiday or weekend day of standby duty, an employee receives two (2) hours of standby pay. Additionally, standby hours worked will be calculated at the standby duty rate. Employees will receive a minimum of 2 hours pay for responding to emergency callouts.

Sec. 8.3.9 Recovery Period

For safety reasons, all employees of the District are eligible for paid recovery time if subject to night work. If an employee is required to work beyond their regular scheduled workday until after 10:00 pm, or is called back to work after 10:00 pm, the employee may be allowed up to nine (9) recovery hours off from the time of release from night work before reporting for their next regular scheduled workday to ensure the employee gets enough rest to return to work safely. These hours are only provided if needed and per the discretion of the employee's supervisor. If the recovery hours fall into the regular scheduled workday, the employee will be paid, at their regular hourly rate, for those overlap hours and report for work at the end of the recovery period to complete the regular scheduled workday. With permission of the supervisor, the employee may use vacation, sick, personal, floating holiday, or compensatory time off for any additional regular work hours beyond the recovery period. If the recovery period extends past the end of the regular workday, no additional payments for recovery hours will be made. If there are less than two hours remaining in the regular scheduled workday, the employee shall return at their next regular workday and be paid for their regular workday that was missed to satisfy the recovery period permitted by their supervisor.

Sec. 8.3.10 Holiday Pay

Hours worked on a holiday recognized by the District are compensated at two (2) times the employee's regular rate of pay. If an employee who is normally required to work on an approved holiday because he/she works in a position that requires scheduled staffing without regard to holidays, then the two times rate of pay will be reported to CalPERS in the following manner: 9 hours as regular pay and 9 hours as holiday pay (special compensation), unless the holiday falls on a Friday on which the employee is scheduled to work and then it will be 8 hours. The day of a holiday recognized by the District may be different than the day the holiday is nationally observed. See Sec. 8.4.1 Holidays. In such a scenario, holiday pay will apply to the day that is recognized by the District as the holiday.

Sec. 8.3.11 Shift Differential Pay

When Filtration Plant Operators work on the swing, midnight, and/or weekend shifts, they receive a 5% shift differential for hours worked, to be calculated on base pay, including longevity if applicable.

Sec. 8.3.12 Expense Reimbursement

The District will reimburse its employees for all authorized expenses incurred on behalf of the

District. To be authorized, all attendance at meetings, conferences, and activities subject to reimbursement of expenses must be approved in advance by the General Manager of the District, or if that is impractical, by the employee's supervisor. Expense claims should be made on the approved form available from Accounting.

For authorized attendance, the following criteria are applicable to all employee expense reimbursements:

Sec. 8.3.12.1 Travel/Transportation

- a) Air travel is authorized whenever, due to distance or time constraints, air travel is more economical than use of the Employee's vehicle for transportation to and from authorized meetings, conferences, and activities. Reimbursement for airfare shall not exceed the most economical coach fare available for the required travel dates from the airport nearest the Employee's residence or place of business to the airport nearest the destination.
- b) Employees shall use the most economical means of transportation to and from the airport and the location of the authorized meeting, conference, or activity whether by rental car, taxi, or airport shuttle. Provided the most economical transportation is used, Employees may be reimbursed the full cost actually incurred for car rental and fuel, cab fare with tips, or airport shuttle with tips. Reimbursement for tips shall not exceed 15%.
- c) Mileage reimbursement for use of the Employee's vehicle for travel to authorized meetings, conferences, or activities shall be reimbursed at the then current standard mileage reimbursement rate specified by the IRS for business travel.

Sec. 8.3.12.2 Lodging

Lodging expenses actually and reasonably incurred by Employees in connection with attending authorized meetings, conferences, or activities at least 50 miles outside the District's service area will be reimbursed. Lodging expenses in connection with an authorized meeting, conference, or activity shall not exceed the maximum group rate published by the authorized meeting, conference, or activity, provided the lodging at the group rate is available to the Employee at the time of booking. Employees shall use government or group rates offered by providers of lodging services when available.

Lodging for the night prior to or after the authorized meeting, conference, or activity will be reimbursable only when the starting or ending time for the event makes it impractical to travel to or from the Employee's residence on the same date as the activity.

Sec. 8.3.12.3 Meals

Reimbursement will be provided for meals while an Employee is attending authorized

meetings, conferences, or activities not to exceed \$125 per day, including tips and beverages. No reimbursement will be allowed for alcoholic beverages.

Sec. 8.3.12.4 Incidental Expenses:

Incidental expenses for items actually and reasonably incurred in connection with attendance at authorized meetings, conferences, or activities, including reasonable tips for luggage handling, telephone and facsimile charges, parking, and similar expenses, will be reimbursed.

- a) Employees will be reimbursed for actual telephone and fax expenses incurred for District business. Telephone bills should identify which calls were made for District business.
- b) Long-term parking should be used for travel exceeding 24 hours.
- c) No reimbursement shall be allowed for transportation, lodging, meals, or incidental expenses of family members or guests of an Employee traveling with the Employee to an authorized meeting, conference, or activity.

SEC. 8.4 EMPLOYEE LEAVE

Sec. 8.4.1 Holidays

An observed holiday consists of nine (9) hours unless the holiday falls on a Friday on which the employee is scheduled to work and then it will be eight (8) hours. Holidays observed by the District are as follows:

- a) New Year's Day
- b) Presidents' Day
- c) Memorial Day
- d) Independence Day
- e) Labor Day
- f) Thanksgiving Day
- g) Day after Thanksgiving
- h) Christmas Day
- i) Holiday before or after Christmas Day
- j) Floating holiday (1)

When a District holiday falls on a Friday the District is closed, a Saturday or a Sunday, the following business day shall be observed as a holiday. Floating holidays may not be accumulated from one year to the next and no pay-out will be received at termination of employment.

Sec. 8.4.2 Vacation

After satisfactory completion of the probationary period (vacation accrual will start retroactive to the original date of hire), vacation will be accrued by the following schedule:

| <u>Years of Employment</u> | <u>Vacation Earned</u> | <u>Maximum</u> |
|--|-------------------------|----------------|
| 0 - completion of 5 years | 80 hours/calendar yr. | 160 hours |
| Beginning of 6 - completion of 11 years | 120 hours/calendar yr. | 240 hours |
| Beginning of 12 - completion of 17 years | 160 hours/calendar yr. | 320 hours |
| Beginning of 18 - completion of 20 years | 176 hours/calendar yr. | 352 hours |
| Beginning of 21 years plus | 200 hours/calendar yr.. | 400 hours |

District employees may take vacation as earned. Employees must seek authorization from their supervisor prior to taking vacation time. In order to make sure necessary staffing arrangements are made, employees shall give their supervisor as much advance notice as possible regarding their intent to take vacation.

Non-exempt employees may use these hours in less than full day increments. If employees have not used their accrued hours at the end of the calendar year, the hours will be carried over into the next calendar year.

Employees are encouraged to use their accrued vacation time each year. Employees may accumulate a maximum of two times their current year's accrual. Employees whose unused vacation accruals exceed this maximum will cease to accrue additional vacation hours until they reduce their balance of accrued, unused vacation hours to below the maximum. Vacation time shall not accrue during leaves of absence without pay.

Annually in December, an employee, at their own request, may receive pay for their accrued vacation hours in excess of eighty (80) hours, provided the employee has taken eighty (80) hours of vacation during the last 365 days in which the vacation reimbursement request is made.

Upon separation from the District, an employee will receive all unused vacation pro-rated to their final day of work in the form of a cash payment. The bi-weekly pay record for each employee will reflect their current vacation leave accumulation.

Sec. 8.4.3 Personal Leave

Twenty-four (24) hours of personal leave a year is available to each regular employee. Personal Leave is not accumulated from one year to the next. There is no payout for unused Personal Leave. The bi-weekly pay record for each employee will reflect their current personal leave accumulation.

Sec. 8.4.4 Administrative Leave

Eighteen (18) hours of personal leave a fiscal year is available to each management and confidential employee. Administrative Leave is not accumulated from one year to the next. There is no payout for unused Administrative Leave. The use of Administrative Leave hours does not apply to the minimum eighty (80) hours of vacation an employee must take to make a vacation reimbursement request. The bi-weekly pay record for each employee will reflect their current personal leave accumulation.

Sec. 8.4.5 Sick Leave

Accrual and Availability of Sick Leave

Commencing on the date of hire, an employee will earn sick leave at the rate of 3.7 hours per pay period (96.2 hours/year). An employee will be able to use their accumulated sick leave after the employee has been employed by the District for ninety calendar (90) days. The bi-weekly pay record for each employee will reflect their current sick leave accumulation. Sick time shall not accrue during leaves of absence without pay.

Use of Sick Leave

Sick leave may be taken for the following prescribed purposes:

- The diagnosis, care, or treatment of an existing health condition of, or preventive care for, an employee or an employee's family member; or
- To attend legal proceedings, or to obtain medical treatment, counseling or other victims' services for domestic violence, sexual assault, or stalking.

A "family member" for these purposes is defined as a child (a biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis), a parent (a biological, adoptive or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child), a spouse or registered domestic partner, a grandparent, grandchild and sibling, or a designated person which is a person identified by the employee at the time the employee requests paid sick days. An employee is limited to one designated person per 12-month period for paid sick days. Additionally, California Paid Sick Leave may be used for an employee who is a victim of domestic violence, sexual assault or stalking.

If an employee has no available sick leave, they may substitute vacation leave with the approval of their supervisor. An employee will not receive any compensation for time missed due to illness or injury if they have no available sick or vacation time to use, unless required by law. Abuse of sick leave benefit is grounds for disciplinary action.

Notice

To the extent possible, employees must provide reasonable advance notice of their need for California Paid Sick Leave under this policy. If the need for leave is not foreseeable, an employee must provide notice as soon as practicable.

Increments

Employees may use California Paid Sick Leave in one-hour increments.

Separation of Employment

Unused sick leave may be accumulated without limitation. Effective starting September 28, 2007, at time of voluntary termination, payment will be made for twenty-five percent (25%) of accumulated unused sick leave pro-rated to their final day of work up to a maximum of six hundred (600) hours; upon termination due to retirement or death, payment will be made for fifty percent (50%) of accumulated unused sick leave pro-rated to their final day of work up to a maximum of six hundred (600) hours. For those employees that had accrued beyond six hundred (600) hours as of September 28, 2007, they will receive payment of either twenty-five percent (25%) (upon voluntary termination) or fifty percent (50%) (upon termination due to retirement or death), whichever applies, of the unused accumulated hours of sick leave pro-rated to their final day of work up to a maximum of their accrual amount as of September 28, 2007 (e.g. an employee who had 800 hours of accumulated sick leave as of September 28, 2007, would be entitled to either 25% or 50% of 800 hours upon separation from employment). In the case of involuntary termination, no payment of accumulated unused sick leave will be made.

In addition, upon retirement, unused accumulated sick leave can be converted to additional CalPERS service credit, since the District contracts with CalPERS for this benefit. Retirees will receive credit for all unused sick leave as certified by the District. It takes 250 days of sick leave to receive one year of service credit.

Sec. 8.4.6 Family Medical Leave

The purpose of this policy is to advise you of your rights under the State and Federal Family Care and Medical Care Leave statutes. Also, it is intended to provide information regarding the District's administration of the Family Care and Medical Leave laws.

Sec. 8.4.6.1 Definitions

The following definitions apply for purposes of this Policy only:

- a) *Disability caused by pregnancy, childbirth or a related medical condition:* If a woman, in the opinion of her own doctor or other health care provider, is unable because of pregnancy, childbirth, or a related medical condition to perform the essential duties of her job or to perform these duties without undue risk to herself or others.

- b) *Employee(s)*: Any person regularly and continuously employed by the District on a full-time or part-time basis for at least twelve (12) months of continuous service.
- c) *Family leave*: Leave taken in accordance with this Policy.
- d) *Personnel officer*: The General Manager or the individual designated by them.
- e) *Child*: A biological, adopted or foster child, a stepchild, a legal ward, a child of a domestic partner, or a child of a person standing in loco parentis who is either (i) under 18 years of age; or (ii) 18 years of age or older who is incapable of self-care because of mental or physical disability.
- f) *Equivalent job position*: A job with corresponding duties, responsibilities, authority, skill, effort, terms, conditions, and privileges of the employee's position before the commencement of family leave, including the same or substantially similar geographic location and shift.
- g) *Parent*: A biological, foster or adoptive parent, a stepparent, a legal guardian, or an individual who stood in loco parentis to an employee when the employee was a child.
- h) *Serious health condition*: An illness, injury, impairment, or physical or mental condition which involves either:
 - 1. Inpatient care (i.e., an overnight stay) in a hospital, hospice, or residential medical care facility, including any period of incapacity, or any subsequent treatment in connection with such inpatient care; or
 - 2. Any period of incapacity requiring absence from work, school, or other regular daily activities of more than three calendar days that also requires continuing treatment by, or under the supervision of, a health care provider; or
 - 3. Continuing treatment by a health care provider for incapacity due to pregnancy or prenatal care, or for a chronic or long-term health condition that is incurable or so serious that, if not treated, would likely result in a period of incapacity of more than three days.

Common colds, flu, earaches, upset stomachs, minor ulcers, routine dental, and orthodontia care, are not considered serious health conditions unless complications arise. Serious health conditions do not include voluntary or cosmetic treatments which are not medically necessary and do not require in-patient hospital care.

- i) *Health care provider:* Any of the following (i) any person duly licensed as a physician, surgeon, or osteopathic physician in California or in another state or jurisdiction who directly treats or supervises the treatment of serious health conditions; or (ii) any other person determined by the Secretary of Labor to be capable of providing health care services.
- j) *Foster care:* The 24-hour care for children in substitution for, and away from, their parent(s) or guardian which involves an agreement between a state and foster family. Foster care may be with a child's relatives.
- k) *Spouse:* Those people considered legally married by the State of California.
- l) *Domestic partner:* Individuals registered as domestic partners with the Secretary of State of California pursuant to the California Family Code.
- m) *Sibling:* relative that shares at least one parent with the employee.
- n) *Grandparent:* a parent of the employee's mother or father.
- o) *Grandchild:* a child of the employee's son or daughter.

Sec. 8.4.6.2 Family Leave Eligibility:

Employees who have worked at least 1,250 hours over the 12-month period immediately preceding the family leave may take up to twelve (12) weeks of unpaid family leave during any 12-month period for one or more of the reasons set forth in *Use of Family Leave* pursuant to this Policy.

Sec. 8.4.6.3 Pregnancy Disability:

Employees disabled as a result of pregnancy, childbirth or a related medical condition are eligible to take leave for a reasonable period of time not to exceed sixteen (16) weeks. See *Pregnancy Disability Leave*.

Sec. 8.4.6.4 Use of Family Leave:

Employees meeting the eligibility requirements set forth in *Family Leave Eligibility* are entitled to family leave under the following requirements:

- a) Because of the birth of a child.
- b) Because of the placement of a child with the employee for adoption or foster care.
- c) To care for child under #1 or #2 above.

- d) To care for an immediate family member (spouse, domestic partner, child of any age, parent, sibling, grandparent, or grandchild) with serious health condition.
- e) Due to employee's own serious health condition (excluding pregnancy) which makes the employee unable to perform the functions of his/her position.
- f) A qualifying military exigency related to the covered active duty or call to covered active duty of an employee's spouse, domestic partner, child (of any age), or parent in the United States Armed Forces, as specified in Section 3302.2 of the Unemployment Insurance Code.

Sec. 8.4.6.5 Family Leave Duration:

Employees taking family leave under *Use of Family Leave* (a, b, or c) must initiate and complete said family leave within one year of the birth or adoption of a child. Family leave does not need to be consecutive. Rather, the family leave is cumulative within a 12-month period. The 12-month period begins from the date the family leave first commences.

If the District employs both parents who are entitled to such leave, both employees are entitled to 12 weeks of leave each.

Sec. 8.4.6.6 Intermittent Family Leave:

- a) Family leave taken under *Use of Family Leave* (d or e) may be taken intermittently (a few hours off or a day or a week off at intervals) or on a reduced work schedule (a regular work schedule which reduces the usual number of hours per work week or per workday) when necessary, because of a serious health condition. If an employee requests a reduced work schedule or an intermittent work schedule, the District may require that the employee transfer to an available alternative position for which the employee is qualified and which provides equivalent pay and benefits and that better accommodates the intermittent or reduced work schedule than the employee's regular position.
- b) The minimum duration of a family leave taken under *Use of Family Leave* (a, b, or c) shall be two weeks. However, the District may also grant a request for family leave periods of at least one day but less than two-week duration on any two occasions during a 12-month period.
- c) The District shall make deductions from an employee's salary for all hours of family leave taken under this Section (a or b) which are unpaid. For the purposes of calculating salary, an employee's salary is based on a 40-hour work week.

- d) For part-time employees and those who work variable hours, the family leave entitlement is calculated on a pro rata basis. A weekly average of the hours worked over the twelve (12) weeks prior to the beginning of the leave shall be used for calculating the employee's normal work week.

Sec. 8.4.6.7 Use of Accrued Leave:

- a) An employee shall substitute all accrued paid vacation and sick leave and may use all personal leave, floating holiday hours and/or compensatory time for family leave taken for the employee's own serious health condition or to care for a family member. When the employee has exhausted all accrued paid time off, the employee may request an additional period of unpaid leave to be granted so that the total of paid and unpaid leave equals twelve (12) weeks.
- b) An employee shall substitute all accrued paid vacation and may use all accrued sick leave, personal leave, floating holiday hours and/or compensatory time for family leave taken for any reason other than the employee's own serious health condition or to care for a family member subject to the provisions of the Section regarding the use of *Sick Leave*. When the employee has exhausted all accrued paid time off, the employee may request an additional period of unpaid leave to be granted so that the total of paid and unpaid leave equals twelve (12) weeks.

Sec. 8.4.6.8 Notice

- a) Employees requesting family leave or leave for disability as a result of pregnancy, childbirth, or a related medical condition must provide Human Resources with not less than thirty (30) days advance written notice before the date the family or disability leave is to begin. When an emergency makes it impossible to provide such advance notice, the employee shall request the family or disability leave as much in advance of the date for the proposed commencement of the family or disability leave as is possible.
- b) In any case in which the need for family leave is foreseeable based on planned medical treatment, the employee must provide Human Resources with not less than thirty (30) days advance written notice before the date the family leave is to begin. When it is impossible to provide such advance notice, the employee shall notify Human Resources of the anticipated dates for the family leave as much in advance as reasonably possible. In addition, the employee shall make a reasonable effort to schedule the treatment, subject to the approval of the health care provider, so as not to unduly disrupt the operations of the District.
- c) Employees requesting family or disability leave shall provide said notice to Human Resources in writing.

Sec. 8.4.6.9 Certification

- a) Employees requesting family leave are required to submit certification from the treating health care provider on a form provided by the District.
 - 1. Said certification shall be provided, when possible, in advance or at the start of the family leave. If the need for family leave does not permit this timing, certification shall be provided as soon as reasonably possible after the family leave commences, typically within two days of the emergency requiring the family leave.
 - 2. The District may require a second opinion at its expense, from a health care provider chosen by the District who is not employed by the District on a regular basis, to verify the serious health condition.
 - 3. In the event of a conflict between the employee or family member's treating health care provider and the findings of the District's health care provider as a result of the second opinion, the District may require a third opinion, by a health care provider chosen jointly by the employee and the District, at the District's expense. The opinion of the third health care provider shall be final.
- b) Upon expiration of the time estimated by the employee's health care provider for family leave on the certification, the District may require the employee to obtain re-certification in accordance with the procedure provided in this Section (#1).
- c) As a condition of restoration to his/her former position, an employee taking family leave may be required to provide the District with certification from his/her health care provider stating that he/she is able to resume his/her essential work functions.

Sec. 8.4.6.10 Employment and Benefits Protection

- a) *Restoration to Position.* When an employee returns from family leave, he/she will be restored to the position held when the family leave began, or to an equivalent job position.
- b) *Denial of Restoration Rights.* The District may refuse to reinstate an employee to his/her former position when either of the following conditions exist:
 - 1. The employee is a salaried eligible employee who is among the highest paid 10% of all full-time employees; and
 - a. the District's operations will suffer substantial and grievous economic injury if the District is forced to reinstate the employee; and
 - b. the District notifies the employee that it does not intend to reinstate them as soon as it determines that such economic injury would occur; and

- c. when family leave has begun, the employee elects not to return to work after receiving notice from the District (b, above).
2. The employee's position and any equivalent job position have ceased to exist because of legitimate business reasons unrelated to the employee's family leave. In this case, the District shall reasonably accommodate the employee through alternative means which will not cause undue hardship to the District's operation. The District may offer an employee any other position which is available and suitable but is not required to create new employment which would not otherwise be created, discharge or transfer another employee, or promote another employee who is not qualified to perform the job.
 - a. *Accrued Benefits.* Family leave will not constitute a break in service and shall not result in the loss of any employment benefits accrued before the date the family leave commenced. However, the employee shall not accrue any employment benefits while on unpaid family leave.
 - b. *Employment Benefits.* Family leave shall not count as time worked for purposes of establishing seniority for layoff, recall, promotion, job assignment, and seniority related benefits such as vacation. Employment benefits other than health benefits shall be handled in the same manner as benefits for employees on a leave of absence without pay.
- c) *Maintenance of Employer Contributions to Employee Health Benefits.* Employees will continue to receive the same medical benefits while on family leave for up to twelve (12) weeks in a 12-month period. The District shall be responsible for the continued payment of the District's share of the employee's health benefits while the employee is on family leave. Benefits for absences beyond the 12-week period will be handled in the same manner as benefits for employees on a leave of absence without pay. An employee who notifies the District that he/she does not intend to return from family leave is not entitled to medical benefits provided by the District as if he/she were on family leave. Instead, the employee is entitled to the same benefits provided to other employees who are on a leave of absence without pay.
- d) *Maintenance of Benefits Requiring Employee Contributions.*
 1. During family leave, an employee may elect to discontinue health insurance coverage for a spouse and/or any dependent(s) as well as any benefits other than the employee's health benefits offered or sponsored by the District to which the employee is required to make monthly contributions.
 2. An employee shall continue to be responsible for making the payment of required contributions towards the cost of benefits not revoked under "d1" above. If any premium amounts are increased or decreased as to other employees similarly situated, the employee shall be required to pay the new premium rates.

3. All contributions required to be made by the employee under “d2” above, are due and payable to the District at the same time as they would be made through payroll deductions.
 4. If any monthly contributions required under this Section are not received within thirty (30) days of their due date, the District may either discontinue said benefit(s) or make the contributions on the employee’s behalf and recover the contributions upon the employee’s return to work.
 5. Employees included in a retirement plan may continue to make contributions in accordance with the terms of the plan during the family leave. However, the District shall not be required to make plan payments for employees during the family leave, and the family leave shall not be counted for purposes of time accrued under the plan.
- e) *Failure to Return from Family Leave.* The District shall recover the premium it paid for maintaining health benefits for an employee during family leave if the employee fails to return to work promptly upon the expiration of family leave for reasons other than the continuation, recurrence, or onset of a serious health condition which entitles the employee to family leave or other circumstances beyond the employee’s control.

Sec. 8.4.7 Pregnancy Disability Leave

Female employees will be given a reasonable leave of absence of up to four months, as needed, during any period of time she is actually disabled by pregnancy, childbirth, or related medical conditions. Pregnancy Disability Leave may be taken intermittently, or on a reduced-hours schedule, as medically advisable. An employee may also be entitled to reasonable accommodation for pregnancy, childbirth, or related medical conditions.

Sec. 8.4.7.1 Employee Eligibility Criteria

To be eligible for Pregnancy Disability Leave, the employee must be disabled by pregnancy, childbirth, or related medical conditions.

Sec. 8.4.7.2 Events That May Entitle an Employee to Leave

The four-month Pregnancy Disability Leave allowance includes any time taken (with or without pay) for any of the following reasons:

- a) The employee is unable to work at all or is unable to perform any one or more of the essential functions of her job or is unable to perform any one or more of the essential functions of her job without undue risk to herself, the successful completion of her pregnancy, or to other persons because of pregnancy or childbirth or because of any

medically recognized physical or mental condition that is related to pregnancy or childbirth (including severe morning sickness); or

- b) The employee needs to take time off for prenatal care.

Sec. 8.4.7.3 Duration of Pregnancy Disability Leave

- a) Pregnancy Disability Leave may be taken in one or more periods but may not exceed four months total.
- b) “Four months” means the number of days the employee would normally work within four months. For a full-time employee who works five eight-hour days per week, “four months” means 88 working and/or paid eight-hour days of leave entitlement, based on an average of 22 working days per month for four months.

Sec. 8.4.7.4 Pay During Pregnancy Disability Leave

- a) An employee on Pregnancy Disability Leave must use all accrued paid sick leave and may use any or all accrued paid vacation personal leave, floating holiday hours and/or compensatory time at the beginning of any otherwise unpaid leave period.
- b) All other Pregnancy Disability Leaves are unpaid leaves.
- c) The receipt of vacation pay, sick leave pay, personal leave, floating holiday hours, compensatory time or short-term disability insurance benefits will not extend the length of the Pregnancy Disability Leave.
- d) Vacation pay and sick pay accrues during any period of paid Pregnancy Disability Leave only until unpaid leave begins.

Sec. 8.4.7.5 Insurance Benefits

Employees will continue to receive the same medical benefits while on Pregnancy Disability Leave for up to four months. The District shall be responsible for the continued payment of the District’s share of the employee’s health benefits while the employee is on Pregnancy Disability Leave. Benefits for absences beyond the four-month period will be handled in the same manner as benefits for employees on a leave of absence without pay. An employee who notifies the District that he/she does not intend to return from Pregnancy Disability Leave is not entitled to medical benefits provided by the District as if he/she were on Pregnancy Disability Leave. Instead, the employee is entitled to the same benefits provided to other employees who are on a leave of absence without pay.

Sec. 8.4.7.6 Seniority

An employee on Pregnancy Disability Leave remains an employee and the leave will not constitute a break in service. An employee who returns from Pregnancy Disability Leave will return with the same seniority she had when the leave commenced.

Sec. 8.4.7.7 Medical Certifications

- a) An employee requesting Pregnancy Disability Leave must provide medical certification from her health care provider on a form supplied by the District. Failure to provide the required certification in a timely manner (within 15 days of the leave request) may result in denial of leave benefits until such certification is provided.
- b) Re-certifications are required if Pregnancy Disability Leave is sought after expiration of the time estimated by the health care provider. Failure to submit required re-certifications can result in termination of the leave.

Sec. 8.4.7.8 Procedure for Requesting and Scheduling Pregnancy Disability Leave

- a) An employee should request Pregnancy Disability Leave by completing a Request for Leave form and submitting it to Human Resources. An employee asking for a Request for Leave form will be given a copy of the District's then-current Pregnancy Disability Leave policy.
- b) Employees should provide not less than 30 days, or such shorter notice as is practicable, if the need for leave is foreseeable. Failure to provide such notice is grounds for denial of a leave request, except if the need for Pregnancy Disability Leave was an emergency or was otherwise unforeseeable.
- c) Where possible, employees must make a reasonable effort to schedule foreseeable planned medical treatments so as not to unduly disrupt the District's operations.
- d) Pregnancy Disability Leave may be taken intermittently or on a reduced leave schedule when medically advisable, as determined by the employee's health care provider.
- e) If an employee needs intermittent leave or leave on a reduced leave schedule that is foreseeable based on planned medical treatment, the employee may be transferred temporarily to an available alternative position for which she is qualified that has equivalent pay and benefits that better accommodates recurring periods of leave than the employee's regular position.
- f) In most cases, the District will respond to a Pregnancy Disability Leave request within two days of acquiring knowledge that the leave qualifies as Pregnancy Disability Leave and, in any event, within 10 days of receiving the request. If a Pregnancy Disability Leave is granted, the District will notify the employee in writing that the leave will be

counted against the employee's Pregnancy Disability Leave entitlement. This notice will explain the employee's obligations and the consequences of failing to satisfy them.

Sec. 8.4.7.9 Return to Work

- a) Upon timely return at the expiration of the Pregnancy Disability Leave period, an employee is entitled to the same position unless the employee would not otherwise have been employed in the same position at the time reinstatement, is requested for legitimate business reasons unrelated to the employee's Pregnancy Disability Leave or each means of preserving the job for the employee (such as leaving it unfilled or filling it with a temporary employee) would have substantially undermined the District's ability to operate the business safely and efficiently. If the employee is not reinstated to the same position, she must be reinstated to a comparable position unless there is no comparable position available, or a comparable position is available but filling that position with the returning employee would substantially undermine the District's ability to operate the business safely and efficiently. A "comparable" position is a position that involves the same or similar duties and responsibilities and is virtually identical to the employee's original position in terms of pay, benefits, and working conditions.
- b) When a request for Pregnancy Disability Leave is granted to an employee, the District will give the employee a written guarantee of reinstatement at the end of the leave (with the limitations explained above.)
- c) Before an employee will be permitted to return from any Pregnancy Disability Leave, the employee must obtain a certification from her health care provider that she is able to resume work.

Sec. 8.4.7.10 Employment during Leave

An employee on Pregnancy Disability Leave may not accept employment with any other employer without the District's written permission. An employee who accepts such employment will be deemed to have resigned from employment at the District.

Sec. 8.4.7.11 Coordination of Leave

In addition to the four months Pregnancy Disability Leave, an employee may also be eligible for up to twelve additional weeks of unpaid California Family Rights Act (CFRA) to bond with the child. If an employee opts and qualifies for CFRA leave in addition to Pregnancy Disability Leave, the total time she may take off is four months for Pregnancy Disability Leave, if eligible, and 12 weeks for CFRA bonding leave, if eligible. The Family Medical Leave Act leave shall run concurrently with any leave taken under the Pregnancy Disability Act.

Sec. 8.4.8 Special Leave Without Pay

A leave of absence may be requested, in writing, by any employee. A leave of absence may be granted if the District can operate without hardship or inconvenience. If the leave is granted, all benefits and compensations will be suspended. If the leave is requested because of sickness, injury or pregnancy of the employee or family member, then refer to *Family Medical Leave* or *Pregnancy Disability Leave*.

In the case of disability or illness of the employee he/she shall give as much notice as possible of the start and duration of the leave. For a leave of absence for reasons other than sickness or disability, the employee must give notice of the date to start and end the leave, 60 calendar days in advance except in an emergency.

Sec. 8.4.9 Fitness for Duty

Upon returning to work after a leave of absence for illness, injury, or other physical or mental health condition, an employee must be able to safely perform the essential functions of their position. Prior to returning to work, the employee may be required to submit to a fitness for duty examination if the employer has a reasonable belief that the employee's ability to safely perform the essential functions of their job may be impaired.

In addition, when it is evident that an employee currently working cannot safely perform the essential functions of their position, the General Manager or their designee should persuade the employee to request appropriate leave and seek proper medical attention. If the employee refuses to request appropriate leave and seek proper medical attention, the General Manager or their designee shall schedule the employee for a Fitness for Duty examination. The District shall provide the physician conducting the Fitness for Duty examination with documentation describing the employee's regular duties and the facts that caused the District to be concerned about the employee's ability to safely perform them. The General Manger shall receive a report from the physician giving the employee's medical limitations and an estimated date when the employee can be expected to recover. The District will identify possible accommodations, if any, that will help eliminate the limitations. If the accommodation is reasonable and will not impose an undue hardship, the District will make the necessary accommodation.

In determining whether there is reason to believe that an employee may be unable to safely perform the essential functions of their position, the employer may consider the nature and severity of the injury or illness, the nature and extent of any treatment received, the date on which the injury occurred, or the illness commenced, the duration of any related leaves of absence, and the probable future duration of the injury or illness.

In the event a fitness for duty examination is required, the examination shall be narrowly tailored to determine whether the employee is fit to perform the essential functions of their position with or without reasonable accommodation.

Employees refusing or failing to submit to a required fitness for duty examination will not be returned to duty and may be subject to discipline up to and including termination.

Sec. 8.4.10 Bereavement Leave

All District employees are given a leave of absence up to five (5) days per incident within three (3) months of the date of death of an immediate family member, on an annual basis. Immediate family is defined as a spouse, child, stepchild, parent, stepparent, grandparent, brother, sister, in-laws (son, daughter, father, mother, brother, sister), Registered Domestic Partner, or legal guardian of an employee. An employee should notify their supervisor of the need to take bereavement leave.

The days of bereavement leave do not need to be taken consecutively, however, you must complete your bereavement leave within three months of your family member's death, at which time any remaining unused bereavement leave will expire.

The initial three (3) days of bereavement leave shall be paid. Any bereavement leave exceeding three (3) days will be unpaid unless an employee utilizes their accrued vacation, personal leave, accrued and available sick leave, or compensatory time off that is otherwise available to the employee.

Sec. 8.4.11 Jury or Witness Duty

An employee must notify their supervisor when summoned for jury or witness duty. In the event that an employee's absence will seriously affect or disrupt work vital to the District, the supervisor may request that an employee seek permission to be excused by the Court. Otherwise, an employee will receive regular pay, less court payment, excluding travel pay, while serving as a juror or a witness for a maximum of 25 days per year.

Employees will be expected to work that portion of their workday that is not taken up by jury or witness duty and provide proof of jury service.

Sec. 8.4.12 Military Leave of Absence

The District will grant military leave for active or reserve service and spouses of a member of the U.S. Armed Forces, National Guard or Reserves who has been deployed during a period of military conflict in accordance with all applicable laws.

Sec. 8.4.13 Military Spouse Leave

Qualified California employees will be given up to 10 days leave during that time in which the employee's spouse or domestic partner 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. Employees

may use accrued vacation time to cover this absence. If the employee has no accrued vacation, the employee must request time off without pay.

Qualifying employees are employees who work an average of 20 hours per week and have a spouse or domestic partner 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.

Qualifying employees who wish to request this leave must provide the District with a written request for such leave within two business days of receiving official notice that the military spouse or domestic partner will be on leave from deployment. The employee must also provide written documentation to the District certifying that the military member will be on military leave from deployment.

Sec. 8.4.14 Voting Time

Voting time will be provided by the District in accordance with applicable state and federal laws. The District will provide up to two hours paid leave to participate in a local, state, or federal election. Where possible, employees who believe they will need time off to participate in an election should submit a request to their supervisor at least 48 hours in advance.

Sec. 8.4.15 Leave Related to Domestic Violence, Sexual Assault, ~~or~~ Stalking or Violent Crimes

The District will provide time off to an employee who has been the victim of domestic violence, sexual assault, ~~or~~ stalking, violent crimes causing injury or involving dangerous weapons, or violent threats to seek any relief, including, but not limited to, a temporary restraining order, restraining order, or other injunctive relief, to help ensure the health, safety, or welfare of the victim or his or her child. This includes time off for the following:

- a) To seek medical attention for injuries caused by domestic violence, sexual assault, stalking, violent crimes causing injury or involving a dangerous weapon; ~~or abuse;~~
- b) To obtain services for you or a family member from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, stalking, crime, or abuse;
- c) To obtain psychological counseling related to an experience of domestic violence, sexual assault, stalking, crime or abuse;

- d) To participate in safety planning and take other actions to increase safety for you and/or family member from future domestic violence, sexual assault, stalking, crime, or abuse, including temporary or permanent relocation; or
- e) To obtain or attempt to obtain relief from the court, including but not limited to a temporary restraining order, a restraining order, or other court-ordered relief to help ensure the health, safety or welfare of the victim or his/her child or family member; or
- f) To provide care for a family member recovering from injuries caused by the qualifying act of violence; or
- g) To relocate or engage in the process of securing a new residence due to the qualifying act of violence, including, but not limited to, securing temporary or permanent housing or enrolling children in a new school or childcare. Leave for this reason is limited to a total of five (5) days; or
- h) If an employee is subpoenaed or ordered by a court to appear as a witness in a judicial proceeding related to a crime against the employee or another person.

If you are a victim of violence or the family member of a deceased victim of violence, you can take up to 12 weeks off work for any of these reasons. If you are the family member of a living victim of violence but are not yourself a victim, you may take up to 10 days off work for these reasons, with the exception of relocation, for which you can take up to five days.

The District requires reasonable advance notice of the leave when feasible. If time off is taken due to an emergency, the employee must, within 15 days of the absence, provide the District with certification of the need for the leave such as a police report, court order, documentation from a healthcare provider, victims advocate, or counselor.

Unless otherwise stated above, such leave is limited to a total of ten (10) days unless the employee's family member is deceased as a result of crime and the employee is also a victim.

This leave may run concurrently with FMLA and/or CFRA leave. Employees eligible for paid sick leave benefits under California law may take any such available paid time off, consistent with such law, for the purposes set forth in this policy. For more information, please see the Sick Leave policy. In the event paid sick leave benefits are not available, employees taking leave under this policy may elect to apply accrued and unused vacation to such time.

The District will also provide a reasonable accommodation for an employee who is a victim of domestic violence, sexual assault, stalking, crime, or abuse, and who has disclosed that status to the District, if the employee requests an accommodation for his or her safety while at work. The District will engage, in good faith, in a timely and interactive process with the employee to determine an effective reasonable accommodation.

The District prohibits discrimination, discharge, or retaliation against an employee for taking

time off or requesting an accommodation under this policy or based on the employee's status as a victim of domestic violence, sexual assault, and/or stalking.

Sec. 8.4.16 Crime Victims' Leave

The District will provide time off to an employee to attend judicial proceedings related to a crime, if that employee is a victim of crime, an immediate family member of a victim, a registered domestic partner of a victim, or the child of a registered domestic partner of a victim. The District requires that, where feasible, in advance of taking leave, the employee provide it with a copy of the notice of each scheduled proceeding that is provided to the victim by the agency responsible for providing notice. If advance notice is not possible, the employee is required to provide the District with a copy of the notice within a reasonable time.

No employee who is absent from work pursuant to this provision will be discharged or otherwise discriminated against in compensation or other terms, conditions, or privileges of employment, because of such absence. Such leave is unpaid. Employees taking leave under this policy may elect to apply vacation time to such leave.

Sec. 8.4.17 Leave for Organ and Bone Marrow Donation

The District will grant an employee the following leaves of absence:

- Bone Marrow Donation: A paid leave of absence of up to five business days in any one-year period for the purpose of donating the employee's bone marrow to another person.
- Organ Donation:
 - A paid leave of absence of up to 30 business days in any one-year period for the purpose of the employee donating the employee's organ to another person.
 - An additional unpaid leave of absence, not exceeding 30 business days in a one-year period, for the purpose of the employee donating the employee's organ to another person.

For leaves of absence under this policy that are paid, if an employee has earned and unused sick or vacation time available, the employee is required to first use up to five days of such paid sick or vacation time for a bone marrow donation and up to two weeks of sick or vacation time for organ donation.

In order to receive a leave of absence pursuant to this policy, the employee must provide written verification to the District's Human Resources Department that the employee is an organ or bone marrow donor and that there is a medical necessity for the donation of the organ or bone marrow.

Any leave taken for the donation of an organ or bone marrow will not constitute a break in service for purposes of the employee's right to salary adjustments, sick leave, vacation, annual

leave, or seniority. During any leave taken under this policy, the District will maintain and pay for coverage under any group health plan, for the full duration of this leave.

Leave provided under this policy may be taken in one or more periods. Leave taken under this policy will not run concurrently with any leave taken pursuant to the federal Family and Medical Leave Act or the California Family Rights Act.

Upon expiration of a leave of absence authorized by this policy, the District will restore the employee to the position held by the employee when the leave began or to a position with equivalent seniority status, employee benefits, pay, and other terms and conditions of employment.

The District may decline to restore an employee because of reasons unrelated to the employee's exercise of rights under this policy.

Sec. 8.4.18 Reproductive Loss Event Leave

All employees who have been employed for the District for at least 30 days are entitled to an unpaid leave of absence up to five (5) days in total following a reproductive loss event. Such leave must be taken within three (3) months of the reproductive loss event. If an employee experiences more than one reproductive loss event within a 12-month period, the District will grant the employee a cumulative total of up to of 20 (twenty) unpaid days of leave; subject to the limitation that each unpaid leave of absence shall not exceed five (5) days.

A reproductive loss event is defined as: failed adoption, failed surrogacy, miscarriage, stillbirth, or unsuccessful assisted reproduction. If the employee would have been recognized as a parent if the aforementioned events were successful, the employee will be covered under this definition. This includes the employee, the employee's current spouse or domestic partner, or another individual if the person would have been a parent of a child as a result of the event.

The days of reproductive leave do not need to be taken consecutively, however, you must complete your reproductive loss leave within three months of your reproductive loss event, or, if prior to or immediately following your reproductive loss event, you are on or choose to go on leave under California's pregnancy disability law, the California Family Rights Act, or any other leave provided by state or federal law, then you may complete your reproductive loss leave within three months of the end of the other leave, at which time any remaining unused reproductive loss leave will expire.

The leave of absence following a reproductive loss event is unpaid, though an employee may elect to utilize any accrued and available paid sick leave, vacation, personal leave, or compensatory time off that is otherwise available to the employee.

Any information provided to related to this leave will be maintained as confidential and will not be disclosed except to internal personnel or counsel, as necessary, or as required by law.

SEC. 8.5 EMPLOYEE BENEFITS

Sec. 8.5.1 Group Health Insurance

Regular employees are eligible for group health insurance coverage on the first day of the month following their date of hire. The District and employees will pay an amount as dictated in the Memorandum of Understanding between the District and the Employees' Association toward the plans offered by CalPERS for Region 2 for employees' coverage and coverage on behalf of their dependents. A brochure setting forth coverage details is available from Human Resources.

Effective January 1, 2015, the employer allowance toward health insurance will be based on the average cost of the following three plans: Blue Shield HMO, Kaiser HMO, and PERS Platinum PPO, offered by CalPERS for Region 2 for employees' coverage and coverage on behalf of their dependents. If the premium for the plan chosen by the employee is greater than the District allowance, the additional amount will be deducted from the employee's salary.

Effective January 1, 2020, employees who select a plan less than the employer allowance shall contribute 2% of the premium for that plan. Employees who select equal to or greater than the District allowance shall contribute 2% of the employer allowance. The 2% will be deducted from the employee's salary in equal installments during the first two payroll dates of each month.

Employees who provide proof of health insurance coverage through a spouse will be provided with opt-out pay of \$500/month, given bi-weekly with each pay day.

Sec. 8.5.2 Retiree Health Insurance

For employees hired before September 28, 2007, the District will provide the same payment toward health coverage for a retired employee, the retiree's spouse and dependents at the time of retirement as for an active employee. To participate in the retirement health plan the employee must be employed by the District at the time of retirement under CalPERS and be employed for at least 5 years with the District.

For employees hired on or after September 28, 2007, and who are employed by the District at the time of retirement and who work at least five years with the District, the District will pay a fixed amount towards the employee's retiree health coverage and coverage on behalf of the retiree's spouse and dependents based on the existing minimum employer contribution for health benefits set forth in California Government Code section 22892 (b). If the premium for the plan chosen by the employee is greater than the District allowance, the retiree will be responsible for the additional amount.

The District has no obligation for retiree health insurance of an employee who terminates without retiring through CalPERS.

Sec. 8.5.3 Group Dental Insurance

Regular employees are eligible for group dental insurance coverage on the first day of the month following their date of hire. The full cost of employee coverage and coverage on behalf of their dependents is paid for by the District. A brochure setting forth coverage details is available from Human Resources. Dental insurance is not provided for retirees.

Sec. 8.5.4 Group Vision Insurance

Effective in the plan year to begin January 1, 2024, regular employees are eligible for group vision insurance coverage on the first day of the month following their date of hire. The full cost of employee coverage and coverage on behalf of their dependents is paid for by employees. A brochure setting forth coverage details is available from Human Resources. Vision insurance is not provided for retirees.

Sec. 8.5.5 Workers' Compensation Insurance and Return to Work

Workers' Compensation insurance is provided and paid for by the District to cover all job incurred injuries. Report all job incurred injuries to your supervisor or to Human Resources immediately. If an employee is entitled to worker's compensation for temporary disability (loss of salary) and has accumulated sick leave, the employee is paid the full salary, less any compensation received from worker's compensation. Further information is provided on the annual California and Federal Employment Notices and in the Facts about Workers' Compensation pamphlets given to all employees.

Further, the District strives to assist employees to return to work at the earliest possible date following an injury or illness. When possible, transitional positions will be made available to injured workers to minimize or eliminate time lost from work. Transitional work is defined as temporary, modified, or alternate work assignments within the worker's physical abilities, knowledge and skills, which typically will not exceed 90 days. The District cannot guarantee the availability of a transitional position and is under no obligation to offer, create or encumber any specific position for purposes of offering placement to such a position.

If a transitional work assignment is possible, a written notice will be prepared by the District and shared with the employee noting the start date, hours, if different, duration and location, if different, of the transitional work assignment. The employee will be asked to sign the notice indicating his or her acceptance or refusal of the transitional work and to return the notice to Human Resources. In the event an employee refuses transitional work and the employee satisfies the restrictions and ability to perform the transitional work, the District will notify the worker's compensation insurance carrier of the employee's refusal of the transitional work, if applicable. The District will determine appropriate work hours, duration and locations of all work assignments. The District reserves the right to determine the availability, appropriateness and continuation of all transitional work assignments.

It is the responsibility of the employee to provide Human Resources with a current telephone number and address, so the employee may be contacted. The employee must notify Human Resources immediately of any and all changes in medical conditions. It is the responsibility of the employee and the employee's supervisor to notify Human Resources immediately of any work-related injuries, if the employee misses time from transitional work or of any changes to transitional work assignments. Any employee returning to transitional work must not exceed the duties of the position or go beyond the restrictions indicated by the health care provider. If any medical restrictions change, the employee must immediately notify his or her supervisor and provide the supervisor with a copy of the new medical release. Supervisors will monitor work performance to ensure the employee does not exceed the requirements set by the health care provider.

Sec. 8.5.6 Short- and Long-Term Disability Insurance

Regular employees are eligible for Short Term and Long-Term Disability Insurance coverage on the first day of the month following their date of hire. The full cost of employee coverage is paid for by the District. A brochure setting forth coverage details is available from Human Resources.

Disability insurance pays for a portion of the loss of salary caused by injuries not incurred on the job. The employee may use accrued sick leave to supplement their disability check, in order to make up any difference between the amount received from disability and their gross wages, or as income when Disability pay terminates.

Sec. 8.5.7 Life Insurance

Regular employees are eligible for a Life and Accidental Death and Dismemberment Insurance benefit for one and a half times their annual salary. The benefit begins on the first day of the month following their date of hire. The full cost of employee coverage is paid for by the District. A brochure setting forth coverage details is available from Human Resources.

Sec. 8.5.8 Employee Assistance Program (EAP)

The District provides an employee assistance consulting service for employees, spouses, and other family members. The service will provide assistance for family, legal, drug, and alcohol related stress problems. Any employee or dependent should contact EAP directly. All consultations are confidential. The District is not advised of who is participating. When an employee is having job performance problems the District may request the employee seek personal consultation.

Sec. 8.5.9 Deferred Compensation (457) Plan

Two deferred compensation plans are available to regular employees to contribute a portion of their salary tax-deferred towards retirement savings. A brochure setting forth coverage details is available from Human Resources.

Effective in the plan year to begin January 1, 2024, PEPRA and “Middle-Retirement-Tier” employees shall be eligible for a District matching program for the District 457 Deferred Compensation Plan based on the following schedule:

- 3-5 years of employment = up to \$1,500 per year employer contribution matching
- 6-10 years of employment = up to \$3,000 per year employer contribution matching
- 11+ years of employment = up to \$4,000 per year employer contribution matching

The District will contribute the employer contribution to eligible employees’ 457 Deferred Compensation Plan in the last pay period of the calendar year. The employer contribution is based on the employee’s years of service, anniversary date and the employee’s contribution to the 457 Deferred Compensation Plan for that plan year up to the second to last pay period.

For example, if an employee has their sixth-year anniversary on June 1 of a calendar year, the employee would be eligible for a partial year of a \$1,500 employer contribution match (service during fifth year prior to June 1) and a partial year of a \$3,000 employer contribution match (service during their sixth year on and after June 1). The employer contribution match for this example, employee would be calculated as follows:

$$\begin{aligned} & \$1,500 \times (\text{January 1 to May 31} = 150 \text{ days}) / 365 = \$616.44 \\ & \$3,000 \times (\text{June 1 to December 31} = 215 \text{ days}) / 365 = \$1,767.12 \end{aligned}$$

Therefore, this employee would be eligible for a max contribution of \$2,383.56 as long as the employee defers that amount to the plan. The District will provide a reduced matching contribution based on the employee’s deferrals if the employee does not defer up to the matching contribution amount. If an employee leaves employment before the beginning of the last pay period of the calendar year, they will forgo the employer matching contribution.

Sec. 8.5.10 Longevity Pay

If an employee was hired before September 16, 2004, they are eligible for longevity pay based on the following schedule:

| <u>Years of Employment</u> | <u>Longevity Pay Earned</u> |
|------------------------------|---------------------------------|
| After completion of 15 years | 5% salary increase |
| After completion of 20 years | 2.5% additional salary increase |
| After completion of 25 years | 2.5% additional salary increase |

Any longevity pay increase will go into effect on the date of the anniversary of the employee's hire date.

Longevity Pay is separated from base salary for purposes of merit increases and/or general wage increases if applicable.

Sec. 8.5.11 Retirement

The District provides, through the California Public Employees Retirement System (CalPERS), a retirement payment for employees. The employee must be in the CalPERS system a minimum of five years and be age 50 or older. The retirement salary is based on the highest salary earned in one year, times a percentage based on age at the time of retirement, times the number of years employed. The retirement salary is based on the schedule, 2.7% at 55 for employees hired before January 1, 2013. The retirement formula for employees hired after December 31, 2012, who are considered "new members" pursuant to AB 340 will be placed in the new retirement tier mandated by AB 340. Employees hired on or after December 14, 2012, who are not considered "new members" pursuant to AB 340 will be in the 2% at 60 retirement formula tier.

Sec. 8.5.12 Education Assistance Program

The District encourages its employees to attend courses related to District activities offered outside of normal working hours. The District will reimburse approved tuition fees and educational material costs expended by employees for successfully completed courses up to a maximum of \$4,000 per employee per fiscal year. The following conditions shall apply to this program:

a) Repayment

It has been determined that the District's investment is justified if the employee remains employed with the District for a minimum of three (3) years after completion of approved course work under this program. If employee voluntarily leaves District employment within one (1) year of completion of such course work, including professional continuing education, or while enrolled in a degree program at a four-year college or university, the employee must repay the District 100% of the funding received, and if within two (2) years must repay 50%. Repayment is waived if the employee is involuntarily separated from employment. An agreement signed by the employee to abide by these terms and consent to a deduction of money from their final paycheck and/or vacation balance in the event they separate from employment within the three-year period shall be required.

b) Coursework

The subject matter of the course must be related to the employee's position with the District and contributes toward enhancing the performance of the employee's position with the District or is related to work the employee can reasonably be expected to perform in the future.

Subject to approval by the General Manager, reimbursement may be made for elective coursework required for a certification program or college degree related to the employee's work, or related to District work which the employee can reasonably be expected to perform in the future.

Course(s) must be taken on the employee's own time.

All course work qualified for reimbursement under this program must be completed with a grade of "C" or better (a grade of "Pass" is also acceptable for courses with a Pass/Fail grading system).

c) Request Deadline

Interested employees must submit their requests to participate in the program for the upcoming fiscal year by March 31 of the previous fiscal year. Employees must present the necessary reimbursement forms and proof of tuition amounts to the District in order to be eligible for reimbursement.

d) Part-Time Employees

A part-time employee shall receive a prorated benefit.

e) Eligibility

An eligible employee is those employees who have passed the probationary period.

Sec. 8.5.13 Uniforms

The District will provide uniforms, laundering service, and other necessary safety equipment and attire to the Operations and Maintenance employees who are required to wear uniforms as a substitute for personal attire. A \$200 safety boot voucher, which is not PERSable, will be provided annually to employees that require safety boots for their job. All safety boot replacement requests made sooner than one year from issuance of that employee's last voucher will be evaluated by the employee's supervisor.

The District shall report the value of uniforms and laundering service, which is considered maintenance of required clothing that is not for personal health and safety, and therefore PERSable, for Operations and Maintenance employees. The value reported shall be

determined in accordance with the cost allocation worksheet, incorporated as an exhibit to these employment policies. The cost of non-safety uniform items and their maintenance shall be as follows:

- Operations employees shall receive an amount not to exceed \$750 per Fiscal Year, per employee, with no more than \$250 allocated towards shorts and pants.
- Joint Facilities employees shall receive an amount not to exceed \$700 per Fiscal Year, per employee, with no more than \$200 allocated towards pants.
- All other employees shall receive an amount not to exceed \$500 per Fiscal Year, per employee, for all non-safety uniform items.

Uniform Allowance compensation is subject to the provisions and limitations under the Public Employees Retirement Law, including restrictions on reporting uniform allowance as pensionable compensation for employees deemed “new members” under the Public Employees’ Pension Reform Act of 2013.

Sec. 8.5.14 Employee Recognition Program

The District provides an employee recognition program that recognizes employees for their contribution to the organization.

Sec. 8.5.15 Computer Purchase Program

The District provides a Computer Purchase Program, where employees may purchase computer hardware and software with financial assistance from the District in the form of an interest-free loan repaid by the employee through automatic payroll deductions. Employees are eligible after completion of the probationary period and a rating of satisfactory or better on their last performance evaluation. The District will lend employees a minimum of \$500 and a maximum of \$3,000 for the purchase of computer hardware and software. Repayment will be made through equal, automatic payroll deductions over a maximum of 60 pay periods, though repayment in full will be accepted at any time. Regardless of the loan balance, employees may not have more than one loan outstanding at any time. Any remaining loan balance is due upon separation of employment and will be deducted from the employee’s final paycheck.

There are no specific hardware configuration requirements; however, the employee’s home computer must be capable of running the District’s standard office applications and desktop operating systems. Eligible hardware purchases include new computers, upgrades to existing computers, printers, related taxes and shipping charges, and extended warranty agreements offered at the time of purchase.

Employees must purchase or show proof of ownership of the District's standard office applications and desktop operating systems. In short, applications at home must be compatible with applications at work. No other software purchases are eligible under this program; however, all participating employees must comply with all software licensing requirements for their use of any hardware purchased under this program.

Costs related to installation, training, repairs, telephone lines, online services, furnishings, or any other initial or ongoing costs are not eligible for funding under this program and are the sole responsibility of the employee.

Sec. 8.5.16 Benefits Commencement

Employee benefits that commence upon an employee's hire date:

- a) Holidays, including the floating holiday
- b) Pregnancy Disability Leave
- c) Bereavement Leave
- d) Jury or Witness Duty
- e) Military Leave
- f) Voting Time
- g) Workers' Compensation Insurance
- h) Employee Assistance Program (EAP)
- i) Deferred Compensation (457)
- j) Uniforms, including safety boots

Employee benefits that commence on the first of the month after an employee's date of hire:

- a) Group Health Insurance
- b) Group Dental Insurance
- c) Short- and Long-Term Disability Insurance
- d) Life Accidental Death and Dismemberment Insurance

Employee benefits that commence after an employee's ninetieth (90th) day of service:

- a) Sick Leave (retroactive to date of hire)

Employee benefits that commence after an employee's 6 months' probationary period:

- a) Vacation (retroactive to date of hire)
- b) Personal Leave
- c) Computer Loan Program
- d) Education Assistance Program

Employee benefits that commence after an employee's 12 months and 1,250 hours of service:

- a) Family Medical Leave (FMLA)

SEC. 8.6 EMPLOYEE RELATIONS

Sec. 8.6.1 Code of Conduct for Employees

To assist in fostering desired goals of the Santa Fe Irrigation District, employees, together with the local community, have a right to expect the business of the Santa Fe Irrigation District to be conducted with efficiency, fairness, impartiality, and integrity.

Employment at the Santa Fe Irrigation District carries with it an obligation to the public interest. It requires standards of professional behavior from employees that promote and maintain public confidence and trust.

At the same time, employees should not be subject to restrictions simply because they work for the Santa Fe Irrigation District. Santa Fe Irrigation District employees have all the normal rights of employees under state and Federal law.

Although no one set of rules can answer all ethical questions, this Code of Conduct provides the Santa Fe Irrigation District with an ethical framework for the decisions, actions, and behavior of its employees. In this regard, it explains the principles covering appropriate conduct in a variety of contexts and outlines the minimum standard of behavior expected of Santa Fe Irrigation District employees. Santa Fe Irrigation District employees are expected to comply with this policy as well as all other state and federal laws regarding employment by public agencies including, but not limited to, conflict of interest laws, use of public property regulations, and discrimination laws.

Sec. 8.6.1.1 General Principles

The community and the ratepayers are entitled to expect the business of the Santa Fe Irrigation District to be conducted with efficiency, economy, fairness, impartiality, and integrity. To meet that expectation, all Santa Fe Irrigation District employees must abide with the following principles when doing their work:

- a) *Responsibility of the Santa Fe Irrigation District Employee:* Employees are to implement the policies and decisions of the Santa Fe Irrigation District in an impartial manner. Employees must comply with relevant state and federal law.
- b) *Respect for People:* Employees are to treat their colleagues and members of the public fairly and consistently, in a non-discriminatory manner with proper regard for their rights and obligations. In this regard, employees shall perform their duties in a professional and responsible manner.

They shall ensure that their decisions and actions are reasonable, fair, and appropriate to the circumstance, based on consideration of all the relevant facts and supported by adequate documentation.

c) *Integrity and Public Interest*: Employees are to promote confidence in the integrity of the Santa Fe Irrigation District and always act in the public interest and not in their private interest.

d) *Responsible Service*: Employees are to provide a relevant and responsible service to the public and other employees, providing necessary and appropriate assistance.

They should provide information promptly and in an appropriate format that is easy for the recipient to understand. The information should be clear, accurate, and complete.

e) *Economy and Efficiency*: Employees should keep up to date with advances and changes in their area of expertise and look for ways to improve performance and achieve high standards of work. They should use their authority, available resources, and information only for the work-related purpose intended.

Sec. 8.6.1.2 District Values

In addition to the principles above, Santa Fe Irrigation District employees must prioritize the following District Values in their actions and decisions:

a) *Teamwork*: Our success is built on cooperation, collaboration, and respect for each other, our customers, communities, neighboring agencies, and staff.

b) *Inclusiveness*: Our organization is positive and respectful, embracing diversity, and listening to every voice.

c) *Continuous improvement*: We are dedicated to excellence and innovation in everything we do.

d) *Transparency*: We communicate freely, report honestly, listen attentively, and make decisions transparently.

e) *Accountability*: We are all responsible—individually and collectively—for providing cost-effective, high-quality service to our customers.

f) *Sustainability*: We are good stewards of our resources and our environment, benefiting current and future customers.

Sec. 8.6.1.3 Guide to Ethical Decision Making

To assist in fostering a climate of ethical awareness, conduct, and decision making at the Santa Fe Irrigation District, employees may find it useful to refer to or consider, either by themselves or in conjunction with their peers, supervisor, or General Manager, the following five points:

- a) Is the decision or conduct lawful?
- b) Is the decision or conduct consistent with Santa Fe Irrigation District's Administrative Code, goals, and Code of Conduct?
- c) What will the outcome be for the employee, other employees, the Santa Fe Irrigation District, and others?
- d) Does the outcome raise a conflict of interest or lead to private gain at the Santa Fe Irrigation District's expense?
- e) Can the decision or conduct be justified in terms of public interest, and would it withstand public scrutiny?

Sec. 8.6.1.4 Acceptance of Gifts or Benefits

In addition to requirements set forth in the Political Reform Act, as enforced by the Fair Political Practices Commission, employees should not accept gifts or benefits that are intended to, likely to, or be perceived to cause employees to act in a partial manner in the course of their duties.

Sec. 8.6.1.5 Fairness and Equity

Issues or cases being considered by employees should be dealt with consistently, promptly, and fairly. This involves dealing with matters in accordance with approved Santa Fe Irrigation District procedures, in a non-discriminatory manner.

When using any discretionary powers, employees should ensure that they take all relevant facts into consideration, have regard to particular merits of each case, and do not take irrelevant matters or circumstances into consideration.

Sec. 8.6.1.6 Public Comment About the Santa Fe Irrigation District and/or its Activities

It is not the intention of the Code of Conduct to restrict the right of any employee to freely express their opinion in their private capacity as an individual member of society, in accordance with state and federal laws. However, employees should refrain from representing themselves as a spokesperson for the Santa Fe Irrigation District unless authorized to do so.

Sec. 8.6.1.7 Reporting Corrupt Conduct and Serious and Substantial Waste of Santa Fe Irrigation District Resources

Employees are urged to report suspected corrupt conduct as well as serious and substantial waste of Santa Fe Irrigation District resources. Reporting procedures should be in accordance with the Santa Fe Irrigation District Internal Reporting Procedure.

Sec. 8.6.1.8 Internal Reporting Procedure

In a case where an Employee determines that a fellow Employee or Supervisor is violating the Code of Conduct the Employee should report the incident.

In the case of a fellow Employee violating the Code of Conduct, the incident should be reported to the immediate Supervisor who in turn has the responsibility to inform the General Manager.

In the case of a Supervisor violating the Code of Conduct, the Employee should report concerns to the General Manager.

In the case of the General Manager violating the Code of Conduct, the employee should report concerns to the District's General Counsel.

The reporting of these incidents is intended to eliminate the misuse of public resources or funds.

Sec. 8.6.2 Harassment

Sec. 8.6.2.1 Policy Against Harassment

The District is committed to providing a professional workplace in which individuals are treated with respect and in a manner consistent with the District's high expectations of ethical conduct. This means that the District prohibits unlawful harassment, discrimination, and retaliation in accordance with all applicable laws.

This includes harassment based on sex (which includes harassment based on sex, pregnancy, perceived pregnancy, childbirth, breastfeeding, and related medical conditions), as well as harassment, discrimination, and retaliation based on such factors as race (including hair texture, protective hairstyles, and other traits associated with race), color, religion and religious creed (including religious dress and religious grooming practices), national origin, ancestry, citizenship, age (40 years and older), mental disability and physical disability (including HIV and AIDS), legally-protected medical condition or information (including genetic information), protected medical leaves (requesting or approved for leave under the Family and Medical Leave Act or the California Family Rights Act), military and/or veteran status, service, or obligation, reserve status, national guard status, marital status, domestic partner status, gender, gender identity (including transgender identity), gender expression (including transgender expression), because an individual has transitioned or is (or is perceived to be) transitioning, sex stereotyping, sexual orientation, status as a victim of domestic violence, sexual assault or stalking, enrollment in a public assistance program, engaging in protected communications regarding employee wages or otherwise exercising rights protected under the National Labor Relations Act or California Fair Pay Act, requesting a reasonable accommodation on a protected basis such as disability or sincerely-held religious belief, practice, or

observance, or any other characteristic protected by federal, state, or local laws. Employees should treat other employees with respect and dignity in a manner that does not offend the sensibilities of any coworker.

The District strongly disapproves of and will not tolerate harassment, discrimination, or retaliation against applicants, employees, unpaid interns, or volunteers by Director employees, supervisors, co-workers or third parties with whom employees come into contact, consistent with applicable law. Similarly, the District will not tolerate harassment, discrimination, or retaliation by its employees directed toward non-employees with whom the District employees have a business, service, or professional relationship (such as independent contractors, vendors, clients, volunteers, or interns).

Sec. 8.6.2.2 Harassment

Harassment is generally defined as verbal, physical, or visual conduct that creates an intimidating, offensive, or hostile working environment, or that interferes with an employee's work performance, and that is based on a protected status. Such conduct constitutes harassment when (1) submission to the conduct is made either an explicit or implicit condition of employment; (2) submission or rejection of the conduct is used as the basis for an employment decision; or (3) the harassment interferes with an employee's work performance or creates an intimidating, hostile, or offensive work environment.

As the definition above shows, harassing conduct can take many forms and may include, but is not limited to, the following (when based upon an employee's protected status as noted above): slurs, jokes, statements, gestures, assault, impeding or blocking another's movement or otherwise physically interfering with normal work, pictures, drawings, or cartoons, violating someone's "personal space," foul or obscene language, leering, stalking, staring, noises, unwanted or offensive letters or poems, offensive emails, texts, gifs, memes, or voicemail messages.

Sec. 8.6.2.3 Sexual Harassment

Sexual harassment and any conduct that may be construed as sexual harassment, is unlawful and specifically prohibited. Sexually harassing conduct in particular may include any of the above-referenced prohibited actions, as well as other unwelcome conduct including requests for sexual favors, conversations containing sexual comments, and other unwelcome sexual advances. Such conduct exposes not only the District, but also the individuals involved in that conduct, to significant liability under the law. Accordingly, the District's management is committed to vigorously enforcing its Sexual Harassment Policy at all levels within the District.

Sexual harassment includes all unwelcome sexual advances, requests for sexual favors, offensive comments, jokes, or physical conduct, or any other verbal or physical acts of a sexual or sex-based nature when (1) submission to such conduct is made either explicitly or implicitly a term or condition of employment, (2) the employee's acceptance or rejection

of such conduct is used as a basis for employment decisions affecting the employee, or (3) such conduct has the effect of interfering with the employee's work performance or creates an intimidating, hostile, or offensive working environment.

The following conduct is illustrative of some of the conduct that violates the District's Sexual Harassment Policy:

a) Physical assaults of a sexual nature, such as:

1. Rape, sexual battery, molestation, or attempts to commit these assaults; and
2. Intentional physical conduct that is sexual in nature, such as touching, pinching, patting, grabbing, brushing against another employee's body, or poking another employee's body.

b) Unwanted sexual advances, propositions, or other sexual comments, such as:

1. Sexually oriented gestures, noises, remarks, jokes, or comments about a person's sexuality or sexual experience directed at or made in the presence of any employee who indicates or has indicated in any way that such conduct is unwelcome in their presence;
2. Preferential treatment or promises of preferential treatment to an employee for submitting to sexual conduct, including soliciting or attempting to solicit any employee to engage in sexual activity for compensation or reward; and
3. Subjecting, or threats of subjecting, an employee to unwelcome sexual attention or conduct or intentionally making performance of the employee's job more difficult because of the employee's sex.

c) Sexual or discriminatory displays or publications anywhere in the District's workplace, such as:

1. Displaying pictures, posters, calendars, graffiti, objects, promotional materials, reading materials, or other materials that are sexually suggestive, sexually demeaning, or pornographic, or bringing into the District's work environment or possessing any such material to read, display, or view at work.

A picture will be presumed to be sexually suggestive if it depicts a person of either sex who is not fully clothed or in clothes that are not suited to or customarily accepted for the accomplishment of routine work in and around the workplace and who is posed for the obvious purpose of displaying or drawing attention to private portions of their body.

2. Reading publicly or otherwise publicizing in the work environment materials that are in any way sexually revealing, sexually suggestive, sexually demeaning, or pornographic; and
 3. Displaying signs or other materials purporting to segregate an employee by sex in any area of the workplace (other than restrooms and semi-private changing rooms.)
- d) Retaliation for sexual harassment complaints, such as:
1. Disciplining, changing work assignments of, providing inaccurate work information to, or refusing to cooperate or discuss work-related matters with any employee because that employee has complained about or resisted harassment, discrimination, or retaliation; and
 2. Intentionally lying about, falsely denying, exerting pressure, or otherwise attempting to cover up conduct such as that described in any item above.
- e) Other acts

The illustrations stated above are not to be construed as an all-inclusive list of prohibited acts under this policy.

Sec. 8.6.2.4 Duty to Report Harassment

All employees, independent contractors, interns, and volunteers of the District must promptly report any incidents of harassment, discrimination, and retaliation so that the District can take appropriate action. It is the responsibility of all of us to contribute to a work environment that is free of unlawful bias, discrimination, harassment, and retaliation. Failure to bring forth a complaint prevents the District from having the opportunity to correct the situation.

Any employee who believes they have been unlawfully harassed should bring the matter to the District's attention immediately and provide a full and accurate report of the underlying facts. Director employees and supervisors have a special responsibility under this policy. All levels of management and all supervisors are responsible for compliance with this policy and for ensuring that everyone in their department is aware of, understands and adheres to this policy. Supervisors and Director employees who receive complaints or who observe or learn of discriminatory, harassing, or retaliatory conduct must immediately inform the Human Resources Department or the General Manager so that an investigation may be initiated.

Individuals making such complaints must report the facts as accurately and as completely as possible. All reports of suspected harassment, discrimination and retaliation will be taken seriously. Every reported complaint, including allegations of misconduct, will be investigated thoroughly and promptly by impartial and qualified personnel. Typically, the investigation will include the following steps: an interview of the employee who lodged

the complaint to obtain complete details regarding the alleged harassment, discrimination, or retaliation; interviews of anyone who is alleged to have engaged in such conduct to respond to the claims; and interview of any employees who may have witnessed, or who may have knowledge of, the alleged conduct. The Human Resources Administrator or other District official responsible for the investigation will notify the employee who lodged the complaint of progress during the investigation, including documentation where applicable, and timely notification of the results of the investigation. The investigation will be handled in as confidential a manner as possible consistent with a fair, timely, and thorough investigation (e.g., parties will receive appropriate due process, the District will reach reasonable conclusions based on the evidence collected, etc.). Employees (or other complainants) making complaints are expected to cooperate fully with the person or persons designated to investigate the complaint. No employee will be subject to any form of retaliation for reporting any violation of this policy truthfully and in good faith.

In addition to notifying the District about harassment or retaliation complaints, affected employees may also direct their complaints to the Equal Employment Opportunity Commission (“EEOC”) or the California Department of Civil Rights (“CRD”) [formerly known as the Department of Fair Employment and Housing (“DFEH”)], which has the authority to conduct investigations of the facts.

You can file an external complaint by contacting the following:

1. Department of Civil Rights at 800-884-1684 or visiting <https://calcivilrights.ca.gov/contactus/>
2. Equal Employment Opportunity Commission (EEOC) at 800-669-4000 or visiting <https://www.eeoc.gov/contact-eeoc>

Sec. 8.6.2.5 Remedies and No Retaliation for Reporting

The District prohibits conduct severe enough to be unlawful. Yet even more, the District’s workplace conduct standards also prohibit conduct and comments which are not severe enough to violate state or local or federal law—but which are still inappropriate in the workplace. As a result, the District will take prompt, appropriate, and effective corrective action (e.g., remedial measures) any time it is established that discrimination, harassment, or retaliation in violation of this policy has occurred—whether or not such violation also violates the law.

Corrective action may include, for example: training, referral to counseling, or disciplinary action ranging from a verbal or written warning to termination of employment, depending on the circumstances.

The District will not tolerate retaliation against an individual for good faith reports of harassment, discrimination, or retaliation; assisting another in making a report; cooperating in an investigation; filing an administrative complaint with a government agency; or

engaging in other protected activity. Such retaliation is a separate violation of the law and of District policy and is subject to disciplinary action up to employment termination. Individuals who believe they have experienced or been threatened with such retaliation, and any Director employee or supervisor who learns of possible retaliation, must immediately report such conduct.

Sec. 8.6.3 Dress Code

Office employees are required to dress in a business casual dress code. An employee who reports in to work wearing worn, torn, dirty, revealing, or inappropriate attire may be required to return home to correct the problem. The time spent away from work is chargeable to the employee's vacation accrual. In the event vacation hours are not available, the employee will not be paid for the time away from work.

Sec. 8.6.4 Customer Relations

District employees are expected to be polite, courteous, prompt and attentive to every customer. When a situation arises where an employee does not feel comfortable or capable of handling the problem, they should contact their supervisor or the Director employee immediately.

Sec. 8.6.5 Confidentiality

Each employee is responsible for safeguarding confidential information obtained during their employment. In the course of an employee's work, they may have access to confidential information regarding the District, its suppliers, its customers, or perhaps even fellow employees. It is an employee's responsibility to refrain from revealing or divulging any such information unless it is necessary for them to do so in the performance of their duties. Access to confidential information should be on a "need-to-know" basis and must be authorized by an employee's supervisor. Any breach of this policy will not be tolerated and could be cause for discipline.

Sec. 8.6.6 Alcohol and Drug Free Workplace

Sec. 8.6.6.1 Policy Statement

It is the policy of the District to prohibit its employees from using alcohol or drugs in connection with their employment, as it constitutes a threat to the safe and efficient performance of employees' duties and can present a risk to the health and welfare of employees and customers of the District. In recognition of this, the District has established the following policy with regard to use, being under the influence, possession, distribution, or manufacture of alcohol or drugs.

Sec. 8.6.6.2 Reasonable Suspicion Drug and Alcohol Screening

The District may require a blood test, urinalysis, or other drug and/or alcohol screening of those persons reasonably suspected of using or being under the influence of a drug or alcohol while at work. An employee's consent to submit to such a test is required as a condition of employment and the employee's refusal to consent may result in disciplinary action, up to and including termination for even a first refusal or any subsequent refusal.

Sec. 8.6.6.3 Use, Being under the Influence, Possession, Distribution, or Manufacture of Drugs or Alcohol

- a) *Alcohol.* Use or being under the influence of alcohol by any employee while performing District business or while on District property (not withstanding District residences leased by employees) is strictly prohibited because it may affect the safety of the employee, co-workers, or members of the public, the employee's job performance, or the safe or efficient operation of the District's business.
- b) *Legal Drugs.* Use of or being under the influence of any legally obtained drug by any employee while performing District business or while on the District's property is prohibited to the extent such use or influence may affect the safety of the employee, coworkers, members of the public, the employee's job performance, or the safe or efficient operation of the District's business. An employee may continue to work, even though under the influence of a legal drug, if the District has determined, after consulting with competent medical authority, that the employee does not pose a threat to their own safety, or the safety of co-workers and that the employee's job performance is not significantly affected by the legal drug. Otherwise, the employee may be required to take a leave of absence or comply with other appropriate action as determined by the District.
- c) *Illegal Drugs.* Use, being under the influence of, manufacture, distribution, purchase, transfer, or possession of any illegal drug by any employee while on District property, or while performing District business is strictly prohibited.

Sec. 8.6.6.4 Employee Reporting Requirements

- a) *Legal Drugs.* An employee's use of a legal drug can pose a significant risk to the safety of the employee or others. Employees who feel or have been informed that the use of a legal drug may present a safety risk are to report their use of such drug to their immediate supervisor. Employees who suspect that a fellow employee poses a significant risk to the health and safety of the employee or others must report their suspicions to the immediate supervisor for further investigation and appropriate action.
- b) *Illegal Drugs.* Employee use of an illegal drug poses a significant risk to the safety of the employee or others. Employees who have been informed or suspect that a fellow employee has used, is in possession of, or is under the influence of an illegal drug must

report such suspicion to the immediate supervisor for further investigation and appropriate action.

- c) *Notifying the District of Criminal Drug Conviction.* Pursuant to the Drug-Free Workplace Act of 1988, District employees must immediately notify the District of any criminal controlled substance statute conviction occurring at the workplace. Failure to do so shall subject the employee to disciplinary action, up to and including termination.

Sec. 8.6.6.5 Disciplinary Action

Violation of this Policy will result in disciplinary action, up to and including termination, even for a first offense. Further, the District reserves the right to discipline or terminate employees convicted of an offense that involves the use, distribution, or possession of illegal drugs.

Sec. 8.6.6.6 Definitions

- a) *Under the influence* means, for the purposes of this policy, that the employee is affected by a drug or alcohol or the combination of a drug and alcohol in any detectable manner. The symptoms of influence are not confined to those consistent with misbehavior, or to obvious impairment of physical or mental ability, such as slurred speech or difficulty in maintaining balance. A determination of influence can be established by a professional opinion, a scientifically valid test, and, in some cases, by a layperson's opinion.
- b) *Legal drug* includes prescribed drugs and over-the-counter drugs which have been legally obtained and are being used for the purpose for which they were prescribed or manufactured.
- d) *Illegal drug* means any drug which is not legally obtainable, or which is legally obtainable but has not been legally obtained. The term further includes prescribed drugs not being used for prescribed purposes. It also includes marijuana. For marijuana, an employee will be considered under the influence if it is determined based on a drug test which detects the presence of Tetrahydrocannabinol (THC) that the employee is impaired while on duty. Employees shall not be tested for the presence of non-psychoactive cannabis metabolites.

Sec. 8.6.7 Grievance Procedures

Sec. 8.6.7.1 Definitions

A "grievance" is defined as an alleged violation, misinterpretation, or misapplication of the provisions of a Memorandum of Understanding or the Administrative Code Article 8 Employment Policies.

A "grievant" is any employee of the bargaining unit adversely affected by an alleged violation of the specific provision of this Memorandum of Understanding, the Administrative Code Article 8 Employment Policies, or the Association. Unless the Association is grieving Article II, the Association shall identify a bargaining unit member or members for each grievance filed.

A "day" is any day in which the District is open for business.

The "immediate supervisor" is the lowest level of supervision who has been designated to adjust grievances and who has authority over the grievant.

Sec. 8.6.7.2 General Provisions

The Association agrees to pursue all claims of violation of an MOU or the Administrative Code Article 8 Employment Policies through grievance procedures. If the employee or Association does resort to remedies outside the grievance process prior to its completion, the grievance process is automatically terminated. When the Association feels that an employee may be subject to immediate and irreparable harm, the Association will contact the General Manger directly prior to initiating some other type of action. The Association will allow the General Manager a reasonable time to address such a grievance prior to instigating action outside the District. Utilization of this procedure shall be deemed to exhaust the grievance procedure.

Every effort will be made by the parties to settle grievances at the lowest possible level.

All documents dealing with the processing of a grievance shall be filed separately from the personnel files of the participants.

No party to a grievance shall take any reprisals against the other party to the grievance because the party participated in an orderly manner in the grievance procedure.

If the District fails to respond in writing to the grievance within the specified time limit, the grievant has the right to process the grievance at the next level. If the grievant does not process the appeal within the given time limits, the grievance shall be considered as settled and the grievant cannot thereafter grieve the specific incident again. The time limits specified at each level should be considered maximums, and every effort should be made to expedite the process. The time limits for a specific grievance, however, may be extended by a mutually written MOU.

Every effort will be made to schedule meetings for the processing of grievances at a time which will have minimal interference with the regular workday of the participants.

Either the District or the grievant may be represented at any step of the grievance procedure by an individual of the party's choice.

Any unit member may at any time present grievances to the District and have such grievances adjusted without the intervention of the Association. In such cases the grievant may provide a copy of the grievance and the proposed resolution to the Association, in which case the Association shall have the opportunity to file a response. Upon request of the grievant, the grievant may be represented at any stage of the grievance procedure by a representative of the Association.

The District and Association may agree to consolidate grievances at Level III and IV.

Any grievance that does not comply with the timelines set forth below in this section shall be null and void. In no event shall a grievance include a claim for monetary relief for more than the initial (10) day period plus such reasonable discovery period.

Sec. 8.6.7.3 Level I -- Informal Resolution

Any unit member who believes they have a grievance shall present the grievance orally to their immediate supervisor within ten (10) days after the grievant knew, or reasonably should have known, of the circumstances which form the basis for the grievance. Failure to do so will render the grievance null and void. The immediate supervisor shall hold discussions and attempt to resolve the matter within five (5) days after the presentation of the grievance. It is the intent of this informal meeting that at least one (1) personal conference be held between the aggrieved unit member and the immediate supervisor.

Notwithstanding any of the foregoing paragraphs, any unit member who believes he/she has a grievance may contact the Director of Administrative Services in an attempt to resolve the issue. At the option of the Director of Administrative Services, he/she may take appropriate steps as he/she deems necessary to resolve the matter. If the employee is not satisfied with the actions taken by the Director of Administrative Services or should the Director of Administrative Services determine that the matter should be formalized, the formal procedure may be invoked with no prejudice to the employee.

Sec. 8.6.7.4 Level II -- Formal Written Grievance

If the grievance is not settled during the informal conference and the grievant wishes to pursue the matter, the grievant shall present the grievance in writing on the appropriate form to the immediate supervisor within ten (10) days of the informal conference. In addition, a copy shall be presented by the grievant to the Director of Administrative Services. The written information shall include:

- a) A description of the specific grounds of the grievance, including names, dates, places, and facts necessary for a complete understanding of the grievance;
- b) A listing of the provisions of this Memorandum which are alleged to have been violated;

- c) A listing of the reasons why the immediate supervisor's proposed resolution of the problem is unacceptable; and
- d) A listing of specific actions requested by the grievant of the District which will remedy the grievance.

The immediate supervisor shall communicate the decision to the grievant in writing within ten (10) days after receiving the grievance. If the immediate supervisor does not respond within the time limits, the grievant may appeal to the next level.

Within the above time limits, either party may request a personal conference.

Sec. 8.6.7.5 Level III -- Appeal to Department Head

If the grievant is not satisfied with the decision at Level II, the grievant may, within ten (10) days of the receipt of the decision at Level II, appeal the decision on the appropriate form to the department head. This statement shall include a copy of the original grievance and appeal, and a clear, concise statement of the reasons for the appeal.

The department head shall communicate the decision to the grievant within ten (10) days. If the department head does not respond within the time limits provided, the grievant may appeal to the next level.

Within the above time limits either party may request a personal conference.

Sec. 8.6.7.6 Level IV -- Appeal to General Manager

If the grievant is not satisfied with the decision at Level III, the grievant may, within ten (10) days of the receipt of the decision at Level III, appeal the decision to the General Manager or their designee. The appeal shall be in writing on the appropriate form and shall include a copy of the original grievance, all decisions rendered and a clear and concise statement of the reasons for the appeal.

The General Manager or their designee shall respond to the grievance in writing within ten (10) days of receipt of the written appeal. The decision of the General Manager or their designee shall be final and binding.

Sec. 8.6.8 Disciplinary Procedures

Depending upon the facts and circumstances involved in each situation, management may begin disciplinary action at any point. For general purposes, however, discipline should follow a pattern of increasing severity as the causes for discipline become more serious and persistent.

Sec. 8.6.8.1 Disciplinary Action

- a) *Employee Representatives Permitted.* Regular employees are permitted an employee representative at any meeting in which he/she may be subject to disciplinary action by District. Such regular employees may have an employee representative when there is probable cause to believe that disciplinary action may be taken as the result of the meeting; if a significant purpose of the meeting is to investigate facts in relation to a contemplated disciplinary action; or if there is a potential for disciplinary action.
- b) *Disciplinary Actions Subject to Notice and Hearing Procedures.* Upon compliance with procedures set forth in the section entitled, "Disciplinary Procedures for Regular Employees", the following disciplinary actions may be taken against a regular employee either by the General Manager or such management personnel as he/she may designate:
1. *Dismissal:* Discharge from District service.
 2. *Demotion:* Reduction from a position in one class to a position in another class having a lower salary range affected for disciplinary purposes. (Demotions resulting from employee's inability to perform required duties, organizational changes, or layoffs are not disciplinary.)
 3. *Salary Reduction:* A reduction in pay from the employee's current step with a pay range to any lower step within that same range, as such range is recorded in the District's current salary schedule.
 4. *Suspension from Duty for More Than Five Days:* An ordered interruption of duties for more than five days, without pay.
 5. *Suspension from Duty for Five Days or Less:* For a suspension without pay for five days or less, only the procedures set forth in *Disciplinary Procedures for Regular Employees* apply but may be provided either during the suspension or within a reasonable time thereafter.
- c) *Disciplinary Actions Not Subject to Notice and Hearing Procedures.* The following disciplinary actions may be taken against any employee by the General Manager or such management personnel as he/she may designate, without compliance with the procedures referred to in Disciplinary Actions Subject to Notice and Hearing Procedures above:
1. Suspension for one day, or more, with pay
 2. Reassignment not entailing a salary reduction or demotion
 3. Change in working hours
 4. Reprimand, which may be oral, or in writing, or both

5. Counseling Statements
6. Written or Oral Warnings

d) *Causes for Disciplinary Action.* It is intended that discipline be imposed primarily for corrective purposes and to address deficiencies in work performance. The following is a non-exclusive list of the more common reasons for disciplinary action and are illustrative only.

1. Actions contrary to the rules and policies of the District.
2. Inefficiency, incompetence, inattention to or dereliction of duty, failure to perform assigned duties in a satisfactory manner.
3. Insubordination or failure to comply with District rules and policies.
4. Physical or mental inability to perform the job.
5. Dishonesty.
6. Theft or unauthorized use of District property or personal property of others.
7. Fighting while on duty or on District premises.
8. Frequent or habitual tardiness, unexcused absences, or unsatisfactory attendance.
9. Harassment and/or discrimination in any form.
10. Consumption of alcoholic beverages while on duty or on District premises, except at District social functions.
11. Being under the influence of alcohol while on duty.
12. Use of, possession of, and/or transfer or sale of, non-prescribed drugs or illegal drugs while on duty or on District premises or any violation of the Alcohol and Drug Policy .
13. Disorderly, indecent, or immoral conduct while on duty or while in District uniform.
14. Discourteous treatment of the public or other District employees.
15. Conviction of any felony or of a misdemeanor involving moral turpitude, dishonesty, or immoral conduct.
16. Unauthorized absence from work.
17. Neglect of duty.
18. Failure to follow safe working practices.
19. Failure to report an injury promptly.
20. Failure to report significant unsafe working practices to supervisor.
21. Misrepresentations in obtaining employment with or promotion within the District.
22. Falsifying or altering District records, including, but not limited to, employment, medical, paycheck, job, cards, request for benefits, and permitting one's time card to be recorded by another employee.
23. Unauthorized removal of District documents, records, or other property.
24. Failure to observe work schedules or assignments.
25. Loitering or sleeping on the job.
26. Working overtime without advance approval.

- e) *Recordation of Disciplinary Action in Employee's Personnel File.* The disciplinary action taken, along with the reasons for such action, will be recorded in an employee's personnel file.

Sec. 8.6.8.2 Disciplinary Procedures for Regular Employees

- a) *Purpose.* This section sets forth the procedure to ensure that all regular employees are fairly treated when subjected to disciplinary actions described above in *Disciplinary Actions Subject to Notice and Hearing Procedures*. These procedures do not apply to probationary employees who may be discharged, suspended or otherwise disciplined without any reason or cause.
- b) *Notice of Proposed Action.* Before dismissing or otherwise disciplining a regular employee, the District shall deliver to the employee a written notice of its intention to dismiss or otherwise discipline the employee. Such notice shall be personally served to the employee, or if the employee is not available, it shall be sent by registered or certified mail to the employee's place of residence, as shown on the records of the District. The notice shall be served or mailed not less than seven calendar days prior to the proposed disciplinary action and shall contain the following:
1. The proposed disciplinary action and the date said action becomes effective.
 2. The specific charges upon which such action has been proposed and the reasons why such action is being taken. Such charges shall contain any information essential to give the employee a fair opportunity to answer the charges made. Such information shall include, but is not limited to, names, times, dates, places, or numbers that may be pertinent to the charges made.
 3. If such charges are based upon documents or materials, the notice shall inform the employee of this fact and shall inform the employee as to the location of such documents and materials. If available and subject to duplication, copies of such documents and materials shall be furnished to the employee with the notice.
 4. A time and date by which the employee may file a written response and for presentment of any oral response, which date shall not be less than seven days after the notice is served on or mailed to the employee, whichever occurs first.
- c) *Response of Employee.* The employee shall have the right to respond, either orally or in writing, or both, no later than the time and date provided in the notice to the employee. The time for response may be extended by the General Manager for a reasonable period if the General Manager determines it is necessary to provide the employee with a fair opportunity to answer the charges made. Written responses shall be delivered to the General Manager.

If the employee desires to make an oral response, the employee shall give written notice to the General Manager of this fact at least two working days before the time and date

stated in the notice for presentment of the oral response. Failure of the employee to give such notice shall constitute a waiver by the employee of any right to present an oral response.

- d) *Oral Response.* If the employee gives the notice described, the oral response of the employee shall be presented to the General Manager. At the time of the employee's oral response, the employee shall have the right to be represented by counsel or by a representative of a recognized employee organization, or both.
- e) *Determination by General Manager.* Upon expiration of the period of time set forth in the District's notice to the employee, or if an oral response is presented, upon completion of the response, whichever is later, the General Manager shall review the matter, including any response of the employee and their representatives and any evidence presented, and shall make a determination whether to discharge or otherwise discipline the employee. The General Manager shall notify the employee in writing of the determination. Such notice shall be personally served on the employee or shall be sent by registered or certified mail to the employee's place of residence as shown in the records of the District.
- f) *Disqualification of General Manager.* If prior to the time set for consideration of the response, the General Manager has become so involved in the matter as to create an actual bias against the employee which prevents the General Manager from fairly considering the response of the employee, the General Manager shall so advise the President of the Board of Directors, who shall thereupon appoint another person to act on behalf and in the place of the General Manager. However, mere prior knowledge of the factual background of the matter shall not, in and of itself, disqualify the General Manager.
- g) *Appeal of Decision of General Manager.* An employee or former employee dissatisfied with the determination made by the General Manager may appeal the determination to the Executive Committee, provided that a written notice of appeal is filed with the Secretary of the District no later than 15 calendar days after the date of personal service or mailing of the notice of the General Manager's determination, whichever is sooner. The Executive Committee shall consist of two members of the Board of Directors, or such other person or persons as may be designated by the President of the Board of Directors.

If a timely appeal is filed with the Secretary of the District, the Executive Committee shall schedule a hearing within 30 calendar days of the date of filing of the notice of appeal, and the Secretary of the District shall notify the employee or former employee of the time and date fixed for the hearing. At the hearing, the employee shall have the right to be represented by counsel or by a representative of a recognized employee organization, or both. The Executive Committee may extend the time to schedule the hearing upon a determination of good cause.

The employee shall have the right to present evidence and to examine adverse witnesses. The employee should, at least five working days before the scheduled hearing, file a written request with the General Manager requesting the presence of such persons at the hearing. If such persons can be made available without unduly interfering with the operations of the District, the General Manager shall cause such person to be present at the time of the hearing. The Executive Committee may continue the hearing for a reasonable period until such persons can be present. The hearing shall be recorded.

- h) *Determination of Appeal.* Upon conclusion of the hearing, the Executive Committee shall review the matter, including any evidence presented at the hearing, and shall make a final determination whether to confirm the determination of the General Manager. The Executive Committee shall have the power to reinstate a discharged employee and/or to impose different discipline on the employee. If the Executive Committee is unable to make a decision, the matter shall be referred to the Board of Directors for final determination, and the Board of Directors may decide the matter on the basis of the record made at the hearing or may conduct a new hearing.
- i) *Status of Employee.* During the period prior to the determination of the matter by the General Manager as set forth in Determination of Manager, the employee may be suspended from performing their duties with pay or may be reassigned to other duties. If the final determination of the General Manager is to discharge an employee, the effective date of the discharge shall be the date that the notice of the General Manager's determination is personally served or mailed pursuant to Determination of Manager above, whichever occurs first.
- j) *Judicial Review.* Judicial review of any decision of the District, or of any commission, committee, board, officer, or agent thereof dismissing or otherwise disciplining an employee, which decision is subject to review under Code of Civil Procedure section 1094.5, may be had pursuant to this section only if a petition for writ of mandate is filed in Superior Court within the time limits specified in Code of Civil Procedure section 1094.6.

SEC. 8.7 OPERATIONAL CONSIDERATIONS

Sec. 8.7.1 District Property

All equipment, desks, supplies, and other property provided to District employees remain the property of the District and must be maintained according to District rules and regulations. They must be kept clean and ready to use for work-related purposes only. The District reserves the right to inspect all District property to ensure compliance with its rules and regulations, without notice to an employee. Prior authorization must be obtained before any District property or program may be removed from the premises.

For security reasons, an employee should not leave personal belongings of value in the workplace. An employee whose service is terminated should remove any personal items at the time they leave the District. Personal items left in the workplace by previous employees are subject to disposal if not claimed at the time of an employee's termination.

The unauthorized personal use of District property and facilities is prohibited.

Sec. 8.7.2 District Vehicle Use

Sec. 8.7.2.1 District Vehicle Assignments

Vehicles are assigned by the General Manager under the following circumstances:

- a) ***Standby Duty*** – Employees delegated to standby duty.
- b) ***After-Hours Emergency Response*** – Director employees or supervisors may be responsible for responding to after-hours emergencies and therefore may be assigned a District vehicle which is taken home regularly. Each employee shall be responsible for income taxes relating to the commuting value based on the IRS mileage rate.
- c) ***District Business*** – Subject to the approval of the General Manager, employees may use a District vehicle to attend conferences or trainings within the state.

Sec. 8.7.2.2 General Vehicle Use Rules

- a) Employees must comply with IRS regulations relating to de Minimis use.
- b) Only authorized passengers shall be permitted to be in a District vehicle, including District employees and individuals having involvement with a specific District project or business activity.
- c) Drugs and alcohol are not permitted in the District vehicles. Likewise, an employee who is intoxicated by drugs and/or alcohol shall not operate a District vehicle.
- d) It is the responsibility of those using District vehicles to maintain and be accountable for all District tools and equipment in vehicles.
- e) Drivers of District vehicles will adhere to the cellular phone policy.

Sec. 8.7.3 Cellular Phone Policy

It is the policy of the Santa Fe Irrigation District ("District") to provide certain employees with cellular telephones for purposes of performing essential District business or to improve safety, increase productivity, or increase service to the public. Therefore, the District hereby establishes the following policy for the usage of District cellular telephones.

Sec. 8.7.3.1 Acquisition and Assignment of Cellular Telephones

The purchase and assignment of cellular phones by the District shall be limited to those instances in which there is a need. The assignment of a cellular telephone to a District employee shall be justified by business requirements which necessitate the use of a cellular telephone to perform official District business where such business cannot be accommodated by the use of a landline phone, pager, or other less expensive communication device or, by the nature of their job duties, are required to be accessible by telephone regardless of the time of day, day of week, or geographical location. The purchase of cellular telephones shall be subject to approval by the District.

Sec. 8.7.3.2 Responsibility

The General Manager shall designate a Coordinator who shall be responsible for oversight of all District cellular telephones. The Coordinator shall assign each cellular telephone to one specific employee and shall control and monitor the use and return of the cellular telephones. The Coordinator shall also ensure that all employees assigned a District cellular telephone have read and signed an agreement which acknowledges that they have read and understand the District's Cellular Telephone Policy prior to issuance or for continued use.

Sec. 8.7.3.3 Use of District-Owned Cellular Telephones

- a) **Business Purposes.** The District will provide eligible employees with a cellular phone, subject to the terms and conditions stated in this Policy. Use of cellular telephones shall be authorized only when there is a demonstrated need for the use of the equipment for the purposes identified in this policy. Only the employee shall be permitted to use the cellular telephone assigned to them. The Employee's usage of the cellular telephone will be strictly for business purposes, except for occasional de minimis personal usage.
- b) **No Privacy.** Employees shall be made aware that cellular transmissions are not secure, and employees shall exercise discretion in relaying confidential information. The District reserves the right to monitor the use of all District cellular telephones.
- c) **Theft, Vandalism.** Reasonable precautions should be made to prevent theft and vandalism of any District cellular telephone. In the event that a cellular telephone is lost, stolen, or vandalized due to an employee's failure to use reasonable precautions, the District may require the responsible employee to reimburse the District for the replacement cost of the equipment.
- d) **Safety.** In accordance with California Vehicle Code Section 23123 and all other applicable laws, the Agency prohibits its employees from driving any motor vehicle while using a hand-held wireless telephone during business hours or while performing job duties, unless that telephone is designed and configured to allow hands-free

listening and talking operation and is used in that manner while driving. This prohibition includes the use of the telephone's text messaging feature. However, this policy does not prohibit any employee from using a hand-held wireless telephone to contact a law enforcement agency or other public service entity for emergency purposes. Emergency purposes include reporting an accident, fire and naturally occurring life-threatening situations including rockslides and fallen trees, dangerous road conditions, road rage, dangerous driving, criminal driving, including drunk driving, and stranded motorist situations.

All drivers who must place a non-emergency phone call while on duty are encouraged to dial their phones while their vehicles are not in motion, either at a stop light or by safely parking the vehicle prior to placing the call.

The duration of phone calls while driving must be as brief as possible and must not distract the driver from their duties. In the event the driver needs to take notes or otherwise check information, such tasks must take place while the vehicle is not in motion, either at a stop sign or at a safe parking space.

- e) Responsibility for Payment, Service Plan. All cellular phones issued by the District and the corresponding number assigned to each cellular phone shall be covered under the District's service plan. The District shall have the right to enter into a contract with one or more service providers for the purposes of providing cellular phone coverage and to replace any of such contracts at any time. The District shall be responsible for payment of the charges attributable to the phones and for costs related to the purpose or replacement of a phone, if any.
- f) The District shall routinely review the monthly statements for Employee's District-issued cellular phone and obtain Employee's verification that usage was business-related. If any personal usage is verified above the occasional de minimis usage, the Employee shall reimburse the District for that usage by a pro rata amount of the total monthly usage charge.
- g) Indemnification of District. The Employee shall agree to indemnify the District for all taxes and penalties which may be assessed by the Internal Revenue Service in the event of a determination by the IRS that there was insufficient substantiation of business usage.

Sec. 8.7.3.4 Cessation of Employee Usage

- a) Change in Status. The District may terminate an employee's use of a District cellular telephone and demand the return of the cellular telephone at any time for any reason upon written or oral notice to the employee. In addition, an employee will be required to immediately return the District cellular telephone upon the occurrence of any of the following events:

- i) a change of job status or duties with the District wherein the new position does not necessitate the use of a District cellular telephone;
 - ii) termination of employment or retirement from the District; or
 - iii) the theft or total destruction of the District cellular telephone.
- b) Return of District property. Following notification by the District of the termination of the employee's use of a cellular telephone, the employee must return the cellular telephone to the District in the same condition in which it was delivered to them, excepting only ordinary wear and tear, within fourteen (14) days of the date of the notification.
- c) Failure to Comply with Policy. If an employee fails to comply with the responsibilities and obligations under this Policy, the District will have the right to take possession of the phone and terminate the phone number assigned to the employee without prior notice to the employee.

Sec. 8.7.3.5 Miscellaneous

- a) Amendment, Termination of Policy. The District reserves the right to amend the Policy at any time if deemed necessary or appropriate to conform to federal or state tax requirements. The District may discontinue or terminate the Policy at any time.

Sec. 8.7.4 Acceptable Use of District Technology Resources

The District permits employees to use its Technology Resources (computer equipment, applications, network equipment, internet access, cloud resources, and electronic mail system) subject to the following:

- a) Minimal personal use of the Technology Resources is permitted as long as it does not interfere with timely job performance.
- b) The Technology Resources are not to be used in a way that may be disruptive, offensive to others, or harmful to morale. For example, sexually explicit images, ethnic slurs, racial epithets, or anything else that may be construed as harassment or disparagement of others based on their race, national origin, sex, sexual orientation, age, religious beliefs, or political beliefs may not be displayed or transmitted.
- c) Employees should not attempt to gain access to another employee's Technology Resources without the latter's express permission. Impersonating another person in computer communications or misrepresentation of a computer user's identity is forbidden and grounds for discipline.
- d) District management reserves the right to enter an employee's Technology Resources but will not do so unless there is a legitimate business need. System security features, including

passwords and message delete functions, do not neutralize the District's ability to access any Technology Resources at any time. Employees must be aware that the possibility of such access by the District always exists and may be done without advanced notice or consent.

- e) Employees should not install any computer software programs or transfer any personal files onto District computers without the permission of the Information Technology Manager or the General Manager.
- f) Employees should not make unauthorized copies of any District computer software programs or files and should not distribute any District software programs without the permission of the Information Technology Manager.
- g) Employees are expected to comply with all copyright and other intellectual property laws in their use of District Technology Resources.
- h) Employees must comply with the standards and policies of the District's Technology Resource Management which are published on the District's intranet.
- i) Violation of this policy regarding use of the District's Technology Resources is grounds for discipline.

Sec. 8.7.5 Conducting Personal Business

An employee is to conduct only District business while at work. An employee may not conduct personal business or perform personal business for another employer during their scheduled working hours.

Sec. 8.7.6 Health and Safety

District management is concerned about the health and safety of all employees. Employees are expected to share that concern by practicing safe working habits for their own benefit, as well as that of their fellow employees. Employees must immediately notify their supervisor of any safety risks they are aware of in their work area.

District policy and federal law requires that employees be provided with the proper tools and equipment necessary to accomplish their work assignments in a safe manner and a workplace free from recognized safety hazards. To ensure that these goals are met the District will conduct on-the-job safety and first aid training for all of its employees.

Sec. 8.7.7 Accident Reporting

All job-related injuries and illnesses, regardless of severity, must be reported immediately to an employee's supervisor to provide prompt and trained evaluation and medical attention, if necessary.

Sec. 8.7.8 Workplace Violence

The District recognizes that workplace violence is a concern among employers and employees across the country. The District is committed to providing a safe, violence-free workplace. In this regard, the District strictly prohibits employees, consultants, customers, visitors, or anyone else on District premises or engaging in a District-related activity from behaving in a violent or threatening manner. Moreover, the District seeks to prevent workplace violence before it begins and reserves the right to address certain behaviors, even in the absence of violent behavior. In alignment with this commitment, the District has established a separate Workplace Violence Prevention Program. Employees may contact Human Resources or Safety to obtain a copy of the District's Workplace Violence Prevention Program.

Sec. 8.7.9 Smoking Policy

The Santa Fe Irrigation District is dedicated to maintaining a safe and productive working environment for its employees. Therefore, the District is committed to taking appropriate action to eliminate threats to health and safety, like with those posed by the use of tobacco products. In recognition of these threats caused by exposure to and the adverse health effects of the use of tobacco products, the District declares the use of tobacco products is prohibited in all District workplaces, structures, vehicles, covered parking areas, and common areas such as lobbies, restrooms, break rooms, and stair wells. Further, smoking is prohibited within 20 feet of the District buildings' main entrances, exits, operable windows, or ventilation system intakes.

Sec. 8.7.9.1 Definitions

- a) "Use" means a method of consuming any type of tobacco product, including, but not limited to, smoking, inhaling, vaping, and chewing.
- b) "Tobacco product" means any substance containing tobacco leaf or any other weed, plant, or other recognized substitutes, including, but not limited to, cigarettes, cigars, pipe tobacco, snuff, chewing tobacco, dipping tobacco, electronic nicotine delivery system (i.e., e-cigarettes), vapor products (a.k.a. vaping) or related devices. This definition does not include nicotine gum or patches.
- c) "Workplace" means any District owned confined workspace including pump stations and tanks; the chemical tank farm; any employment common area including the filter gazebo picnic area, lobbies, restrooms, breakrooms, stair wells and elevators; and any

area that employees or the general public frequent during the course of employment and/or conducting business with the District, are designated as District field work sites, and/or that could expose individuals to the smoke, scent or residue produced from the use of tobacco products.

Sec. 8.7.9.2 Use of Tobacco Products During the Workday

Employees that wish to use tobacco products during the workday must limit their use to breaks and/or lunch periods. Any employee that would like to smoke must do so only in areas where there is adequate ventilation to prevent smoke from entering non-smoking areas. Under no circumstance is smoking permitted within 20 feet of the District's main entrances, exits, operable windows, and ventilation system intakes. Any materials used for smoking must be extinguished immediately after use and all tobacco products must be disposed of in appropriate containers before an employee resumes their work duties.

Sec. 8.7.9.3 Visitors

Visitors shall be informed of this policy through posted signs at each entrance to District buildings and explanation by their hosts. Visitors of the District are also prohibited from smoking within 20 feet of the District's main entrances, exits, operable windows, and ventilation system intakes. Any District employee that sees a visitor violating this policy must contact Human Resources and report such behavior immediately.

Sec. 8.7.9.4 Failure to Comply with the District's Smoking Policy

Any employee who fails to comply with the District's Smoking Policy may face disciplinary action.

Sec. 8.7.9.5 Human Resources Department

Employees interested in or thinking about quitting smoking are encouraged to contact Human Resources and the District's Employee Assistance Program for resources and cessation program materials available to them.

Sec. 8.7.10 Children at Work Policy

The District prefers that children not be brought to the workplace in lieu of childcare. However, if necessary, the District will deem this acceptable under the following circumstances:

- a) You must get prior approval from your Department Director.
- b) You must complete the Waiver for any instance your child is in the workplace without the accompaniment of another adult and are expected to keep your child away from workplace hazards.

- c) Your child must not be disruptive. If this occurs, you and your child will be asked to leave.
- d) Your child should not be in the workplace if your child has a contagious illness.
- e) Your child must not interfere with your job or that of your co-workers.

SEC 8.8 EXHIBITS

Employment Policies Acknowledgement

Created September 28, 2007

Revised November 20, 2008 – Standby Duty Response Time, Emergency Policy and Holidays

Revised January 1, 2011 with 2010 MOU – Job Classifications, Certification Requirements, Job Descriptions, Quarterly Labor Management Meetings and Longevity Pay

Revised January 1, 2013 with 2013 MOU – Standby Pay, Overtime, Group Health Insurance, and Retirement

Revised January 1, 2016 with 2016 MOU – Education Assistance Program, Boot Allowance and others

Revised May 19, 2022 – Miscellaneous Clean-up

Revised January 18, 2024 with 2023 MOU – Job Classifications, Certification Requirements, Job Descriptions, Quarterly Labor Management Meetings and Longevity Pay

ARTICLE 9. PUBLIC RECORDS POLICY

SEC. 9.1 PURPOSE

The purpose of this policy is to provide guidelines and procedures for District staff regarding: (1) handling requests from members of the public for inspection and/or copying of public records; (2) retaining District records and the proper destruction of obsolete and unnecessary records; (3) retaining email and other electronic communications that constitute District records; and (4) handling District records subject to a litigation hold. This policy is designed to comply with the California Constitution, the California Public Records Act (Gov. Code §§ 7920.000 *et seq.*), and all State and federal statutes and regulations affecting the retention of District records (Gov. Code §§ 60200 *et seq.*). If any provision of this policy conflicts with State or federal law, the law shall take precedence.

SEC. 9.2 DEFINITIONS

For purposes of this policy, the following terms shall have the following meanings:

“**District**” means the Santa Fe Irrigation District.

“**Electronic Records**” means writings stored in electronic form including, but not limited to, those created and/or stored on main frames, shared servers, local area networks, replicated servers or networks, desktop or laptop hard drives, disks, thumb drives, flash drives, portable drives, memory sticks, CD-ROMs, or DVDs.

“**Litigation**” means all events which suspend normal retention policy and practices, including the reasonable expectation of litigation, actual litigation, claims, complaints, audits, pending records requests, and/or investigations.

“**Non-Record**” means a writing that is either not related to the business of the District or whose value is comparatively short-lived and may be discarded when it has fulfilled the brief, limited purpose for which it was created. -Specific examples are transmittal letters, acknowledgments, drafts, rough notes, preliminary calculations, non-substantive follow-up communications or reminders, and similar electronic communications that, based on their content, are not required to be retained by law or this policy, and are not necessary or convenient to the discharge of a District officer or employee’s official duties. -Notwithstanding the above, non-records that relate to District business may qualify as “public records” and may be subject to disclosure in response to a Public Records Act request.

“**Person**” and “**requester**” mean any natural person, corporation, partnership, limited liability

company, firm, or association. (Gov. Code § 7920.520.)

“**Public records**” means any writing containing information relating to the conduct of the public’s business that is prepared, owned, used or retained by the District, regardless of physical form or characteristics. (Gov. Code § 7920.530.)

“**Writing**” means handwriting, typewriting, printing, photostating, photographing, photocopying, transmitting by electronic mail (email) or facsimile (fax), and every other means of recording upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combination thereof, and any record thereby created, regardless of the manner in which the record has been stored. (Gov. Code § 7920.545.)

SEC. 9.3 INSPECTION AND COPYING OF PUBLIC RECORDS

Sec. 9.3.1 Requests to Inspect and/or Obtain Copies of Records

~~*Requests **Must** be Submitted at any time to the District to the General Manager During Normal Business Hours. The District adopts the following process under Gov. Code section 7922.505 to promote timely, efficient, and consistent handling of requests. Under this adopted process, Any person may request to inspect or obtain a copy of a disclosable public record of the District at any time. However, the District receives and logs Public Records Act requests during normal business hours when District offices are open. A request delivered when offices are closed will be treated as received at the start of the next business day. All requests for records must be submitted to the General Manager during normal business hours when District offices are open. Receiving requests during normal business hours helps District staff avoid any delays in responding to requests for inspection and/or copies of District records. This requirement complies with the Public Records Act mandate that public records must be “open to inspection at all times during the office hours of the state or local agency...” (Gov. Code § 7922.525, subd. (a).) (Emphasis added.) he District adopts the following process under Gov. Code section 7922.505 to promote timely, efficient, and consistent handling of requests. Under this adopted process, the District receives and logs Public Records Act requests during normal business hours when District offices are open. A request delivered when offices are closed will be treated as received at the start of the next business day. This requirement to submit records requests during normal business hours also complies with the Public Records Act provision that allows the District to “adopt requirements for itself that allow for faster, more efficient, or greater access to records than prescribed by the minimum standards set forth in [the Public Records Act].” (Gov. Code § 7922.505.)*~~

~~*Requests **Should May** be Submitted in any Format Writing to the General Manager. The District encourages members of the public to submit all records requests in writing to the General Manager. Requesters may use the Public Records Request form attached as Attachment “A” to this policy. Written requests reduce any misunderstandings between the*~~

requester and District staff, which assists District staff to respond to records requests in a timely manner and with greater efficiency.- However, the District will not deny a request for records solely because it is not submitted in writing.

~~***All Verbal Requests Must be Submitted to the General Manager. If a member of the public makes a verbal request to inspect or obtain a copy of a disclosable public record of the District, the District will process that request through the General Manager during normal business hours. District personnel in other departments or officials who receive verbal requests will direct the requester to contact the General Manager. If any member of the public chooses to make a verbal request for records, such requests will only be accepted through the General Manager during normal business hours when District offices are open. District personnel in other District departments who receive verbal requests for records will direct the requester to contact the General Manager.***~~

Requests Should Clearly Identify Records. The requester should ~~in writing~~, specify the records to be inspected/copied with sufficient detail to enable the District to identify the particular records. If the request seems ambiguous or unfocused, District staff will make a reasonable effort to obtain additional clarifying information from the requester that will help identify the record or records.- Pursuant to Government Code section 7922.600, District staff shall do all of the following, to the extent reasonable under the circumstances:

- Assist the member of the public to identify records and information that are responsive to the request or to the purpose of the request, if stated;
- Describe the information technology and physical location in which the records exist; and
- Provide suggestions for overcoming any practical basis for denying access to the records or information sought.

Sec. 9.3.2 Making Determinations on Records Requests/Taking Time Extensions

Upon receiving a request to inspect or copy records, the District shall, within ten (10) days from receipt of the request, determine whether the request, in whole or in part, seeks disclosable public records in the possession of the District. The District shall provide written notice to the requester, stating the District’s determination on the request.

In unusual circumstances, the time limit for providing the determination on a records request may be extended by written notice from the General Manager or his designee to the person making the request, setting forth the reasons for the extension and the date on which a determination is expected to be provided. Any extension of time will not last more than fourteen (14) calendar days. A response to a written request for inspection or copies of public records that includes a determination that the request is denied, in whole or in part, shall be in writing. The notification of denial shall also include the names and titles or positions of each person responsible for the denial, and shall justify withholding any record by complying with

Government Code section 7922.000. As used in this policy and pursuant to Government Code section 7922.535, subdivision (c), "unusual circumstances" means the following, but only to the extent reasonably necessary to the proper processing of the particular request:

- 1) The need to search for and collect the requested records from field facilities or other establishments that are separate from the office processing the request.
- 2) The need to search for, collect, and appropriately examine a voluminous amount of separate and distinct records that are demanded in a single request.
- 3) The need for consultation, which shall be conducted with all practicable speed, with another agency having substantial interest in the determination of the request or among two or more components of the District having substantial subject matter interest therein.
- 4) The need to compile data, to write programming language or a computer program, or to construct a computer report to extract data.
4)
- 5) The inability of the District, because of a cyberattack, to access its electronic servers or systems in order to search for and obtain a record that the District believes is responsive to a request and is maintained on the servers or systems in an electronic format.
(A) This paragraph does not relieve the District of its obligation to comply with subdivision (a) when the requested record is maintained in a location other than on the electronic server or system affected by the cyberattack, or maintained in a nonelectronic format.
(B) This paragraph applies only until the District regains its ability to access its electronic servers or systems and search for and obtain Electronic Records that may be responsive to a request.
- 6) The need to search for, collect, and appropriately examine records during a state of emergency proclaimed by the Governor in the jurisdiction where the District is located when the state of emergency currently and directly affects, due to the state of emergency, the District's ability to timely respond to requests due to staffing shortages or closure of facilities where the requested records are located.
(A) This paragraph shall not apply to a request for records created during and related to the state of emergency proclaimed by the Governor
5) (B) For purposes of this paragraph, "state of emergency" means a state of emergency proclaimed pursuant to Section 8625 of the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2). The need to search for, collect, and appropriately examine records during a state of emergency proclaimed by the Governor in the jurisdiction where the District is located when the state of emergency currently affects, due to the state of emergency, the District's ability to timely respond to requests due to staffing shortages or closure of facilities where the requested records are located. This paragraph shall not apply to a request for records created during and related to the state of emergency proclaimed by the Governor. "State of emergency" means a state of emergency proclaimed pursuant to Section 8625 of the California Emergency Services

~~Act~~ (Gov. Code § 8550 *et seq.*).

If the requested record has been determined to be disclosable but additional time is still needed to locate the record, District staff will notify the requester in writing of the estimated date that the record will be available for inspection and/or copying. District staff shall make every effort to locate the record in a reasonable amount of time.

If the requested records, in whole or in part, are exempt from disclosure under any State or federal law or regulation, the District shall state in its written determination to the requester the specific exemptions that apply to the records and the name and title, or position, of the person(s) responsible for withholding the exempt records.

The District is not required under the Public Records Act to create new records in order to respond to a records request. In addition, the Public Records Act does not require District staff to answer questions, or to fill out forms or checklists provided by requesters.

Sec. 9.3.3 Inspecting Public Records and Obtaining Copies

Disclosable public records of the District are open to inspection by any person during the normal business hours of the District's offices, in accordance with this policy. -To the extent possible, the District will make disclosable public records promptly available for inspection. However, if a request for public records requires staff time to gather and review documents for possible redactions prior to providing them for inspection, District staff may require a requester to schedule a time during normal business hours to inspect the requested public records.

Inspection of disclosable public records shall be made only in the District office. No original documents shall be removed from the premises. -A staff member or other representative of the District may be present during the inspection of any District records.

Copies of disclosable public records may be obtained by any person, subject to compliance with the procedures set forth in this policy. -An exact copy of a disclosable public record shall be provided, unless it is impracticable to do so. District staff will make copies of identifiable and disclosable documents promptly available, upon payment of the District's copying fees or statutory fees.

Any disclosable portion of a record that can be reasonably separated from other parts of the record that are exempt by law shall be made available for inspection and/or copying, after the exempt portions have been redacted.

Documents responding to any request for records may be subject to review by the District's legal counsel prior to inspection or copying. -Records exempt from disclosure shall be protected and handled according to applicable law.

If any information responding to a records request is available online through the District website, whenever possible District staff will provide the requester with a hyperlink to the information. For requests for disclosable Electronic Records not available through the District website, the District will make Electronic Records available in their existing format, pursuant to the requirements and conditions of Government Code sections 7922.570-7922.580.

Sec. 9.3.4 Optional Appeal Procedure

In addition to the judicial remedies provided to requesters in Government Code sections 7923.000 and 7923.100-7923.500, a requester may appeal to the Board of Directors if his or her records request is denied, in whole or in part. Such an appeal may be made in writing and filed with the Board Secretary not later than fourteen (14) calendar days after the requester received the District's written determination that his or her records request has been denied. The Board of Directors shall consider and rule upon the appeal within thirty (30) days after receipt by the Board Secretary. The requester shall be notified of the time and place of the meeting of the Board to consider the matter, and the requester may appear in person before the Board when the matter is heard. The Board Secretary shall notify the requester in writing of the Board's decision.

SEC. 9.4 RECORDS RETENTION AND DISPOSAL OF OBSOLETE RECORDS

Sec. 9.4.1 Purpose

The purpose of this policy for records retention and disposal of obsolete records is to provide guidelines to District staff regarding the retention of District records; provide for the identification, maintenance, and safeguarding of District records and the proper destruction of obsolete records in the normal course of business; ensure prompt and accurate retrieval of records; and ensure compliance with all legal and statutory requirements.

Sec. 9.4.2 Authorization

The Board, by the adoption of this Policy, hereby delegates to the General Manager (or his or her designee) the authority to destroy obsolete records which are not otherwise required to be retained pursuant to law, the Records Retention Schedule or this Policy. In addition, the Board further delegates to the General Manager (or his or her designee) the authority to update or amend this Policy and the Records Retention Schedule as needed, in order to stay current with federal and State laws and regulations affecting retention of the District's records.

Sec. 9.4.3 Records Retention Schedule

The Records Retention Schedule is attached to this Policy as Attachment “B” and is incorporated herein by reference. -The Records Retention Schedule complies with the Local Government Records Management Guidelines provided by the California Secretary of State, pursuant to Government Code section 60201(b)(2).

Sec. 9.4.4 General Guidelines for Records Retention

The General Manager, or his or her designee, shall be responsible for the administration of this Policy and shall assist all District personnel to comply with the provisions of this Policy and with the Records Retention Schedule.

The following guidelines apply to all District records:

- a. Except where a record is expressly required to be preserved according to State law, the District may destroy any original obsolete document without retaining a copy of the document as long as the retention and destruction of the document complies with the Records Retention Schedule. (Gov. Code § 60201.)
- b. In addition to the retention periods required under this policy, the District shall retain original administrative, legal, fiscal and/or historical records with continued value (i.e., records for long-term transactions and/or special projects) until all matters pertaining to such records are completely resolved or the time for appeals has expired. (Gov. Code § 60201, subd. (d)(10).)
- c. Pursuant to Government Code section 60201, the District shall not destroy or dispose of any of the following records:
 1. Records relating to the formation, change of organization, or reorganization of the District.
 2. An ordinance adopted by the District. However, an ordinance that has been repealed or is otherwise invalid or unenforceable may be destroyed or disposed of pursuant five (5) years after it was repealed or became invalid or unenforceable.
 3. Minutes of any meeting of the District Board of Directors.
 4. Records relating to any pending claim or litigation or any settlement or other disposition of litigation within the past two (2) years.
 5. Records that are the subject of any pending Public Records Act request whether or not the record is exempt from disclosure, until the request has been granted or two (2) years after the District provided written notice to the requester that the request has been denied.
 6. Records relating to any pending construction that the District has not accepted or for which a stop notice claim legally may be presented.
 7. Records relating to any non-discharged debt of the District.
 - ~~8.~~ Records relating to the title to real property in which the District has an interest.
 - ~~8.~~
 9. Records relating to any non-discharged contract to which the District is a party.
 10. Records that have not fulfilled the administrative, fiscal, or legal purpose for which

- they were created or received.
11. Unaccepted bids or proposals, which are less than two (2) years old, for the construction or installation of any building, structure, or other public work.
 12. Records less than seven (7) years old that specify the amount of compensation paid to District employees or officers or to independent contractors providing personal or professional services to the District, or that relate to expense reimbursements paid to District officers or employees, or to the use of District paid with credit cards or any travel compensation mechanism.
- d. At any time, the District may discard Non-Records that have fulfilled their limited purpose; provided, however, that any Non-Records subject to the exceptions in Section 9.4.6 may not be discarded and shall be temporarily retained for the necessary period.

Sec. 9.4.5 Procedure

- a. The department director completes and signs a “Request for Destruction of Obsolete Records” form, listing the date and description of each document to be destroyed. A sample form is attached to this policy as Attachment “C” and is incorporated into this policy by reference. -The department head submits the form to the General Manager, or his or her designee.
- b. The General Manager, or his or her designee, checks the documents listed on the submitted form to confirm that each document is: (1) not required to be permanently retained, or (2) has been retained for the legally required period of time.- The General Manager, or designee, also confirms that any applicable reproduction requirements (e.g., imaging, etc.) for each document are complete.
- c. The General Manager, or designee, oversees the destruction of obsolete documents, indicates the method of destruction on the form and signs it.
- d. The General Manager will retain a permanent record, such as a log or copies of certificates of destruction, in whatever format he/she determines to be convenient for the purpose of documenting the destruction of obsolete records of the District.

Sec. 9.4.6 Exceptions

Destruction of any record shall be postponed if that record is responsive to a subpoena, a litigation holds or other request for preservation, a [California](#) Public Records Act request, an audit, or a claim filed against the District. -In addition, records that relate to any active litigation or potential litigation involving the District shall be preserved until the litigation is resolved. District personnel who become aware of a subpoena, claim, [California](#) Public Records Act request, etc., that affects records under their control shall use their best efforts, by any

reasonable means available to them, to preserve those records. -In such situations, District personnel shall contact the General Manager regarding the affected records.

SEC. 9.5 ELECTRONIC COMMUNICATION (EMAIL) POLICY

DISTRICT EMAIL AND OTHER ELECTRONIC COMMUNICATIONS ARE OFFICIAL DISTRICT RECORDS

Email and other forms of electronic communications, such as text messaging and voicemail, that pertain to District business may be considered official District records and may be required to be retained in accordance with the District's records retention policy and applicable State and federal laws and regulations. In addition, email and other electronic communications that constitute public records may be subject to disclosure under the Public Records Act.

DISTRICT EMAIL SYSTEM NOT FOR STORAGE

The District's communication systems, including email, text messaging and voicemail, are each intended for use only as a medium of communication. The District's email system and any District-owned equipment such as cell phones, smart phones, tablets and pagers, should not be used for the electronic storage or maintenance of documentation, including, but not limited to, official District records.

PRESERVING DISTRICT EMAILS AND OTHER ELECTRONIC COMMUNICATIONS

If an email message, including any attachments, is subject to retention by the District, the email should be preserved by one of the following methods:

- a. Print the email and place the printed copy in the appropriate file. Generally, the sender of the email should be the person responsible for printing and filing it accordingly, but persons responsible for a particular program or project file shall be responsible for retaining all email they send or receive related to that program or project.
- b. Move the email to an electronic folder in the District's computer network. The District's Information Technology staff can assist employees in creating electronic folders for storing email messages outside the email system. Email should NOT be stored on portable media (CDs, DVDs, thumb drives, flash drives, external hard drives, etc.).

If a text message or voicemail message is subject to retention by the District, employees should work with the Information Technology staff to determine the best method for preserving the message. Certain types of text messages may be forwarded to the District's email system. Certain voice mail messages may be preserved as an audio file and attached to an email message. Employees should make all reasonable efforts to preserve texts and voicemails that are subject to retention.

MANAGING DISTRICT EMAIL

Individual employees are responsible for the management of their mailboxes and associated folders. -To ensure maximum efficiency in the operation of the email system, staff is encouraged to delete email messages from their in-boxes after (1) the messages have been preserved outside the email system (either printed and filed or moved to an electronic folder within the District's computer network); or (2) the messages have been determined not to be related to District business and are no longer needed. -Examples of such messages include: (1) personal email messages; (2) advertisements; (3) newsletters; or (4) interoffice emails not related to District business (e.g., invitations to lunch; announcements regarding birthdays or baby showers, etc.).

It is the responsibility of individual employees to determine if email must be retained in accordance with the District's Record Retention Schedule. -The General Manager or his or her designee can assist employees in making such a determination.

RETENTION OF E-MAILS FOR CEQA PURPOSES

Pursuant to the California Environmental Quality Act ("CEQA") and this policy, the District shall retain all writings relating to compliance with CEQA or a "project" under CEQA, including, but not limited to, e-mails sent or received by the District related to CEQA compliance or the project. (Pub. Res. Code § 21167.6(e); *Golden Door Properties v. Superior Court* (2020) 53 Cal.App.5th 733.) District personnel shall print, save, or otherwise keep such e-mails in a safe location where they will be retained for the required period.

PUBLIC RECORDS ACT REQUESTS AND SUBPOENAS

Periodically, the District receives requests for inspection or production of documents pursuant to the [California](#) Public Records Act, as well as subpoenas or court orders for documents, including emails. -In the event that the District receives a records request or subpoena asking for email, the employees having control over such email, once they become aware of the request or demand, shall use their best efforts, by any reasonable means available, to temporarily preserve any existing email until it is determined whether such email is subject to preservation, public inspection or disclosure. -The District General Manager shall be contacted regarding any such emails within the employee's control.

Messages sent or received on the District's email system between the District and its attorneys may constitute confidential, privileged communications. Attorney-client communications shall ~~not~~ be disclosed before consulting with the District General Manager and/or the District's Legal Counsel.

The use of personal email accounts to transmit messages regarding District business should be avoided by all District personnel. -In the event that messages regarding District business are received by District personnel through their personal email accounts, District personnel are requested to forward such emails to their District email addresses. -District personnel are requested to use only their District email accounts for sending and receiving emails regarding District business.

SEC. 9.6 LITIGATION HOLDS

Sec. 9.6.1 Purpose

The purpose of this Policy is to define the authority and process for initiating, implementing, monitoring and lifting litigation holds. Federal and state law require parties to a lawsuit pending in federal or state court to preserve electronic data and documents pertaining to the lawsuit, in conformance with the *Federal Rules of Civil Procedure* and the California Electronic Discovery Act. -The District has a legal duty to preserve evidence (e.g., ~~records~~), all public records in any format, including Electronic Records and other media including electronic documents); when the District has received notice that the evidence may be relevant to pending litigation.

This policy applies to all potential documents/records in any form owned or under the control of the District when a litigation hold has been issued in response to litigation that has been filed, or is anticipated to be filed, against the District or against an employee acting within the scope of his/her employment with the District. -Litigation holds apply to all: (1) litigation filed against the District, (2) claims filed against the District under the Government Claims Act, (3) complaints by members of the public, (4) audits, (5) pending records requests under the California Public Records Act, and/or (6) investigations involving the District, whether conducted internally or by a government or law enforcement agency. -Litigation holds suspend normal retention periods.

Sec. 9.6.2 Procedure and Responsibilities

The Litigation Hold Procedure shall apply to all public records in any format, including Electronic Records and other media~~public records and Electronic Records in all formats and media, to~~and include any evidence in any form whatsoever, and data maintained by any department, that may be relevant to litigation, claims, complaints, audits, pending records requests, and/or investigations.

A litigation hold does not require the District to suspend disposal of an entire Records Series / Records Description. The District may properly dispose of records that are not subject to litigation hold that have met or exceeded their retention periods in accordance with the

District's records retention policy.

GENERAL PROCEDURE

When any District employee becomes aware of pending litigation or any other formal legal actions against the District, or if any District employee reasonably anticipates that a legal action will commence against the District, (collectively, 'actual or threatened litigation'), the employee should immediately notify the General Manager and/or the District's legal counsel. Upon receipt of such notification, the General Manager and the District's legal counsel shall determine whether to initiate a litigation hold in connection with the actual or threatened litigation, and, if so, shall determine the scope of the litigation hold.

Upon determining that a litigation hold should be issued, the General Manager and the District's legal counsel shall initially determine the recipients of the Litigation Hold Notice. The recipients of the Litigation Hold Notice shall include those individuals that are reasonably likely to have custody or control of relevant Records that are within the scope of the Litigation Hold ('Affected Employees')

The District's legal counsel shall notify the General Manager of any Litigation Hold Notice received from outside or opposing counsel. -The District's legal counsel is also responsible for notifying the General Manager when such litigation has been settled.

ALL DEPARTMENTS

Upon receipt of a Litigation Hold Notice, departments must immediately suspend any scheduled document destruction, purging, overwriting, re-using, deleting, or any other disposal of original records regardless of the form or media of the record (electronic, paper, Laserfiche, audio recording, video recording, etc.).

GENERAL MANAGER RESPONSIBILITIES

- The General Manager is responsible for issuing Litigation Hold Notices and removing the holds and will act as the "clearing house" for Litigation Holds for the District.
- The General Manager shall send a Litigation Hold Notice via email to all department directors whose departments may have records pertaining to the litigation. -The department directors shall forward the notice to all employees that may have records pertaining to the litigation.
- The General Manager will notify all departments and employees when the litigation hold is removed.
- The General Manager will contact the District's legal counsel and the District's insurance carrier at least once a year regarding the status of any existing litigation holds, to determine if such holds should remain in place or can be removed.

EMPLOYEES' RESPONSIBILITIES

Upon receipt of a Litigation Hold Notice, each Affected Employee shall do the following:

- Acknowledge receipt, understanding, and compliance with the Litigation Hold Notice.
- Immediately suspend the discarding, deletion, overwriting, or any other destruction of all public records in any format, -and-including Electronic Records and other media, that which fall within the scope of the litigation hold and are within the Affected Employees' care, custody, and control.
- Preserve all public records in any format, including Electronic Records and other media any public records and Electronic Records currently within the Affected Employees' care, custody, and control that are within the scope of the litigation hold. -Likewise, the Affected Employee must also preserve any new public records generated after the receipt of the Litigation Hold Notice that may fall within the scope of the Litigation Hold.- Affected Employees shall contact the General Manager with any questions on suggested methods for preserving Electronic Records. -Electronic Records must be preserved in their original electronic form. -It is not sufficient to make a hard copy of the record.
- Immediately identify all public records in any format, including Electronic Records and other media public records and Electronic Records within the scope of the Litigation Hold that may be currently maintained on a District-wide system or server.
- Immediately identify any hard copy public records (paper records; photographs; blueprints; etc.) that fall within the scope of the litigation hold that may be currently held in storage or by a third-party records storage provider [e.g., Iron Mountain].
- Identify and inform the General Manager of all Records, -public records in any format, including Electronic Records and other media including paper and Electronic Records, within the Affected Employees' care, custody and control that fall within the scope of the litigation hold.
- Cooperate with the General Manager- and the District's legal counsel in the collection of all public records in any format, including Electronic Records and other media any public records and Electronic Records in his/her care, custody and control that are within the scope of the Litigation Hold.

SEC. 9.7 ATTACHMENTS (ENCLOSURE)

Public Records Request Form
Records Retention Schedule
Request for Destruction of Obsolete Records

ARTICLE 10. DISTRICT FUNDS

SEC. 10.1 GENERAL FUNDS

The General Fund of the District shall consist of a general checking account, a payroll account, a petty cash fund, a legal account with the State of California Local Agency Investment Fund (“LAIF”), and investments as may be authorized by the Board.

Sec. 10.1.1 General Checking Account

A general checking account shall be maintained at a local bank. All warrants require two signatures. The General Manager, Director of Administrative Services, Director of Engineering Services, Director of Distribution System or Director of Water Treatment Plant, ~~or~~ **and** any Board Member are authorized to sign these checks. Warrants, authorized by the General Manager, shall be paid after receipt of goods or services or as authorized by agreements or contracts. The Board members present at the next board meeting shall review the paid warrants and indicate their approval by motion or have entered in the minutes their dissatisfaction of any such dispersal and directions for such future expenditures.

Sec. 10.1.2 Payroll Account

A payroll checking account shall be maintained at a local bank. This fund shall be used for the purpose of paying wages and salaries to District employees. The balance thereof shall not exceed Ten Thousand Dollars (\$10,000). The checks drawn on this account require one signature. Those Persons authorized to sign such checks are the General Manager, Director of Administrative Services, Director of Engineering Services, Director of Distribution System or Director of Water Treatment Plant, and any Board Member.

Sec. 10.1.3 Petty Cash

A petty cash and change fund shall be maintained at the District office. The petty cash fund shall be reimbursed as required but shall not contain more than five hundred dollars (\$500).

SEC. 10.2 RESERVE FUNDS

The Board of Directors of the District has established a Reserve Funds Policy to provide for accountability of public monies in accordance with applicable state and federal laws and regulations.

**SEC. 10.3 INVESTMENT POLICY: (GOVERNMENT CODE
SEC. 53646)**

The District shall adopt an investment policy, which will be reviewed by the ~~Directors~~Board and changed or confirmed annually.

SEC. 10.4 EXHIBITS

[Reserve Funds Policy](#)

[Pension Funding Policy](#)

ARTICLE 11. WATER SERVICE

SEC. 11.1 APPLICATION

Each applicant for water service connection or meter shall sign an application form supplied by the District and shall furnish the legal description and address of the property on which the water is to be used. Applicant shall pay all fees and deposits due the District at that time.

SEC. 11.2 ACCOUNT NAME

Customer accounts shall be opened and maintained in the name of the property owner or person occupying the property to which water service is provided. The owner of the property is responsible for water service bills to the property. If a tenant fails to pay all charges for water service, the District shall notify the owner of the unpaid charges. If the charges are not paid by the owner, the charges will be added to the tax assessment roll and be collected with the property taxes. (Water Code Sec. 25806).

SEC. 11.3 OWNERSHIP OF FACILITIES

Water meters and laterals to meters from the District's distribution lines are the property of the District. All lines and facilities beyond the meter are the property and the responsibility of the property owner.

SEC. 11.4 WATER PRESSURE

The District shall endeavor to maintain water pressure in District lines at no less than the minimum required by the California laws except in an emergency. It is recommended that all customers install a pressure regulator. A pressure regulator is required on all new construction and when the water pressure is over 50psi. The customer shall furnish and maintain the regulator at their expense.

SEC. 11.5 RESALE OF WATER

Resale of water by a District customer for use on other than contiguous properties owned by that customer is prohibited.

Sec. 11.5.1 Sub-Metering and Sub-Billing of Water

Water may be supplied through a master meter to multiple residential, commercial or agricultural units existing on a single county assessor's parcel. Sub-metering and sub-billing will be permitted. The District will not establish the rates at which water is resold. The accuracy of the submeter, submeter reading, sub-billing or collection are not the responsibility of the District. The sub-metering and sub-billing of water does not relieve or shift the responsibility of the property owner from paying the bills to the District.

Sec. 11.5.2 Multi-Unit Residential and Mixed-Use Structures.

As a condition of new water service, each newly constructed multiunit residential structure or newly constructed mixed-use residential and commercial structure for which an application for one or more water service connections is submitted after January 1, 2018, shall measure the quantity of water supplied to each individual residential dwelling unit, unless exempt under applicable law. The measurement may be by individual water meters or submeters. The owner of the structure shall install individual meters or submeters that comply with all laws and regulations governing the approval of meter types or the installation, maintenance, reading, billing, and testing of meters, including, but not limited to, the California Plumbing Code and California Water Code. Except as otherwise provided by law or District policy, the owner shall read submeters.

SEC. 11.6 WASTE OF WATER

Waste of water is prohibited. The District shall terminate service and may remove the meter of any customer knowingly wasting water.

SEC. 11.7 REGULATION OF WATER SERVICE

No person, except a duly authorized employee of the District, shall be permitted to turn on or turn off the water at any connection or open or close any gate valve or other device for regulating the flow or measurement of water in the District's pipelines. Only duly authorized employees of the District shall connect or disconnect any customer's service.

SEC. 11.8 DAMAGE TO DISTRICT PROPERTY

Any damage occurring to meters or other appliances, pipes, or property of the District caused by an intentional act or by carelessness or neglect of the customer, shall be paid for by the customer upon presentation of a bill. Any other person or company damaging District property shall be billed for the cost of repair.

SEC. 11.9 DISTRICT RIGHT OF INSPECTION AND ACCESS

Employees and agents of the District shall have unrestricted access at reasonable hours to all premises supplied by the District to inspect the supply system, meter, or other measuring apparatus and to see that the rules and regulations of the District regarding the taking, use or waste of water are being observed.

SEC 11.10 THEFT OF WATER (REV. 02/19/26; RESOLUTION NO. 26-02)

1. Prohibition of Unauthorized Water Use; Administrative Penalties.

- a. For the purposes of this Section 15.8, “unauthorized water use” means any action to divert, tamper, or reconnect water utility services and includes all of the following:
 - i. the use, diversion, receipt or taking of District water by any means from any public fire hydrant, fire hydrant meter, fire detector check, blow-off valve, water main, water service lateral or other District facility or connection to a District facility, to which a District authorized metering device has not been installed or has been removed by the District; and
 - ii. the use, diversion, receipt, or taking of District water by any means without paying the full and lawful District charges for such water, or by tampering with District property or facilities, including but not limited to a fire hydrant, fire hydrant meter, or fire detector check, such as by removing a lock or plug that has been placed on a customer’s service or meter or unauthorized use, or by tampering with a service connection or bypassing a meter, or by making an unauthorized connection, or causing an unauthorized connection to be made, to any District facilities or any public fire hydrant, fire hydrant meter, or fire detector check; and
 - iii. the use of water from a stationary service connection where lawful water service has been discontinued or from a public fire hydrant to supply water outside of the District service area, regardless of whether payment is provided to the District for the water drawn from the public fire hydrant, or any use of a hydrant meter in violation of the terms and conditions of a hydrant meter permit.
- b. Unauthorized water use is prohibited. Each act of unauthorized water use constitutes a misdemeanor.
- c. The District may report any unauthorized water use to the appropriate prosecuting agency and press for prosecution of said activity pursuant to the Penal Code. In addition to pursuing criminal penalties, the District may also, upon discovering unauthorized water use or tampering with District property, pursue the following remedies or any other

remedies available at law or in equity:

- i. turn off water service to correct the violation;
- ii. confiscate any equipment or tools used to aid in the water theft that are attached to District property. Said equipment shall be held by the District until fines and other charges are paid;
- iii. charge the customer or perpetrator an administrative penalty:
 1. if the unauthorized water use is committed via meter tampering:
 - a. \$130 for a first violation
 - b. \$700 for a second violation within one year of the first violation
 - c. \$1,300 for a third violation and each additional violation;
 2. All other forms of water theft:
 - a. \$1,000 for a first violation
 - b. \$2,000 for a second violation within one year of the first violation
 - c. \$3,000 for a third violation and each additional violation;
 3. If the unauthorized use is committed via unauthorized connection to a fire hydrant, including the unauthorized use of a fire hydrant, fire hydrant meter, or fire detector check, the District may charge the customer or perpetrator the following administrative penalty. If the District charges the penalty under this subsection, it shall not charge the penalties under sections 1 and 2 for the same violation:
 - a. \$2,500 for a first violation
 - b. \$5,000 for a second violation
 - c. \$10,000 for a third violation and each additional violation.

2. Other Remedies. In addition to any other remedies provided in Section 15.8 or available under applicable law, the District may also seek damages and/or injunctive relief in the Superior Court or take enforcement action. All remedies provided herein shall be cumulative and not exclusive. If a customer or any other person turns on water service without District authorization, tampers with any locked water meter, tampers with a service connection or District facilities, bypasses a meter, makes or causes to be made an unauthorized connection to District facilities without District permission, or otherwise commits unauthorized water use, the District may:

- a. turn off the water service and install a lock;
- b. charge the customer or perpetrator an estimated amount based upon the historical water use, meter use, or other comparable means of estimation (non-customers shall be charged based upon the highest District water rate at the time of the occurrence);
- c. charge the customer for the damage to the District lock, meter or other property;
- d. remove the meter and plug the service;
- e. terminate and remove the service from its connection to the water main;
- f. charge a deposit of two times the amount of the average use to reestablish service; and
- g. require the return of any temporary water meter.

3. Payment and Appeal Procedures.

- a. The District shall calculate the amount of damages and penalty(ies) to be imposed, and shall send a bill to the customer, water user or recipient, or if the offender is not a customer of record, an invoice, for payment of the damages and/or penalty(ies).
- b. All costs relating to the District's processing and handling of the unauthorized water use, and investigation and enforcement thereof, shall be borne by the party having responsibility for the water account at the time of the unauthorized water use. Charges related to the handling of the unauthorized water use and/or reestablishment of the service shall be borne by the party requesting service in amounts adopted by the District or based on actual costs incurred by the District on a time and materials basis. These charges include, but are not limited to, service call charges, water charges, turnoff of service, plug and/or termination fees. Before the meter will be replaced and service reestablished, the party requesting service shall deposit twice the average monthly water bill, the cost of a new water meter and installation (if required), any increase in capacity fees between the date of removal of the meter and the date service was resumed, in addition to all service call charges, all charges that were delinquent at the time of removal, and an amount representing any

damage to District property. The District may enforce payment of any unpaid amounts through any available legal means, which may include, but not be limited to, placement with an authorized collection agency, transfer of delinquent balances to other active accounts, requiring full payment before establishing future accounts with the District, termination of water service to the account, and/or filing a lien for unpaid amounts.

- c. Where a water account is not assigned, all charges relating to the District's processing and handling of the unauthorized water use, and investigation and enforcement thereof, shall be borne by the party taking the water, including, but not limited to, the cost of any water used outside the District's service area, charges for any damage to District facilities and equipment, and costs of investigation and enforcement. Such charges shall be in amounts established by the District or based on actual costs incurred by the District on a time and materials basis. The District may enforce payment of any unpaid amounts through any available legal means, which may include, but not be limited to, placement with an authorized collection agency, transfer of delinquent balances to active accounts, requiring full payment before establishing any account with the District, and/or filing a lien for unpaid amounts
- d. Any person (an "appellant") who wishes to appeal the imposition of an administrative penalty imposed by the District pursuant to this Ordinance shall comply with the following procedures:
 - i. The appellant shall submit a written appeal request to the District's Director of Administrative Services no later than twenty (20) calendar days from the date of the bill or invoice sent to the customer or offender.
 - ii. A response to the appeal request shall be provided by the District within thirty (30) calendar days from receipt of written appeal.
 - iii. If the appeal to the Director of Administrative Services is denied, the appellant may resubmit the written appeal for review by the District's General Manager. The written appeal shall be resubmitted no later than fifteen (15) calendar days from the date of the denial of the appeal by the District's Director of Administrative Services. The appellant may request to provide evidence in writing or in person in support of his or her appeal to the District's General Manager.
 - iv. If the appeal to the General Manager is denied, the appellant may resubmit the written appeal for review by the District's Board. The written appeal shall be resubmitted no later than fifteen (15) calendar days from the date of the denial of the appeal by the General Manager. The appellant may request to provide evidence in writing or in person in support of his or her appeal to the District's General Manager.
 - v. The decision by the District's Board shall be final.

- vi. Within ten (10) days after the denial of the appeal is deemed final, the appellant shall pay any disputed penalty(ies) imposed by the District.
- vii. The provisions of Section 1094.6 of the Code of Civil Procedure of the State of California shall be applicable to judicial review of the District's decision.

SEC. 11.11 PRIORITY FOR DEVELOPMENTS INCLUDING UNITS FOR LOWER INCOME HOUSEHOLDS (ADDED ON 06/17/21; RESOLUTION NO. 21-09)

Sec. 11.11.1 Priority

In accordance with Government Code Section 65589.7(a), the District shall grant a water service priority to any “proposed developments that include housing units affordable to lower income households.”

Sec. 11.11.2 Definitions

For purposes of this policy, “proposed developments that include housing units affordable to lower income households” means developments that include dwelling units to be sold or rented to lower income households, as defined in Section 50079.5 of the Health and Safety Code, at an affordable housing cost, as defined in Section 50052.5 of the Health and Safety Code, or an affordable rent, as defined in Section 50053 of the Health and Safety Code.

Sec. 11.11.3 Policies and Procedures

In accordance with Government Code Section 65589.7(b), the District has adopted and shall comply with the following policies and procedures to grant priority to proposed developments that include housing units affordable to lower income households:

1. In reviewing applications for developments, the District shall grant water and service priority, to any "proposed developments that include housing units affordable to lower income households", specified in Government Code section 65589.7, and Water Code section 10631.1.
2. During Water Shortage Response level 2 through 6, any “proposed developments that include housing units affordable to lower income households” shall be given priority in the requirement for providing a “water demands offset” under District’s adopted Water Shortage Contingency Plan and Administration Code.
3. A “water shortage emergency” shall have the meaning of such term in Water Code section 350 and following the District’s Water Shortage Management Plan, as the same may be amended from time to time. See District’s Water Shortage Management Conditions in the District’s adopted Water Shortage Contingency Plan and Administration Code.

4. The District shall include projected water use for lower income households in its urban water management plan consistent with Section 11.11.5 of this Code and Water Code section 10631.1.
5. In the event of water shortage emergencies, the District shall take into account lower income housing service priority when connecting water services consistent with Government Code section 65589.7(b).
6. When the District makes water determinations regarding a proposed subdivision, lower income housing shall be given priority for connecting to water services consistent with Government Code section 65589.7.

Sec. 11.11.4 Denials and Conditional Approvals of Applications

In accordance with Government Code Section 65589.7(c), it is further established that the District shall not deny or condition the approval of an application for water services to, or reduce the amount of such services applied for by, a proposed development that includes housing units affordable to lower income households unless the District makes specific written findings that the denial, condition, or reduction is necessary due to the existence of one or more of the following:

1. The District does not have a “sufficient water supply” as defined in Government Code 66473.7(a)(2), or the District is operating under a water shortage emergency as defined in Section 350 of the Water Code, or the District does not have sufficient water treatment or distribution capacity to serve the needs of the proposed development, as demonstrated by a written engineering analysis and report;
2. The District is subject to a compliance order issued by the State Department of Health Service that prohibits new water connections;
3. The applicant has failed to agree to reasonable terms and conditions relating to the provision of service generally applicable to development projects seeking service from the District, including, but not limited to, the requirements of local, state, or federal laws and regulations or payment of a fee or charge imposed pursuant to Section 66013 of the Government Code.

Sec. 11.11.5 Including Projected Water Use in Urban Water Management Plan

In preparing its Urban Water Management Plan and any updates thereto pursuant to Part 2.6 (commencing with Section 10610) of Division 6 of the Water Code, the District’s water use projections required by Water Code section 10631 shall include projected water use for single-family and multifamily residential housing needed for lower income households, as defined in Section 50079.5 of the Health and Safety Code, as identified in the housing element of any city, county, or city and county in the service area of the District.

Sec. 11.11.6 No Entitlement to Service Created

As further evidenced by Water Code sections 10635(d)-(e) and 10914, and Government Code section 66473.7(m)-(n), nothing in this Section 11.11 is intended or shall be construed as creating a right or entitlement to water service or any specified level of water service, nor shall this Section 11.11 be construed to either impose, expand or limit any duty concerning the District's obligation to provide service to its existing customers or to any future potential customers.

SEC. 11.1012 STATE LAWS (REV. 02/19/26; RESOLUTION NO. 26-02)

For the protection of the District's and public water supplies, many offenses are by state law made misdemeanors for which the offender may be criminally prosecuted. These include:

Section 498, Penal Code: Taking water without authority or by making unauthorized connections.

Section 592, Penal Code: Taking water from flume or reservoir.

Section 607, Penal Code: Injuring tanks, flumes, reservoirs, etc.

Section 624, Penal Code: Breaking, digging up, obstructing, or injuring pipes, etc.

Section 625, Penal Code: Taking water after works have been closed or sealed.

Section 117000, Health and Safety Code: Bathing (swimming) in lakes or reservoir

ARTICLE 12. WATER RATES AND BASE METER FEES

SEC. 12.1 BASE METER FEE

All meters will be charged a bi-monthly fee depending upon meter size.

SEC. 12.2 WATER RATES

Water rates will be established from time to time by the Board of Directors.

Sec. 12.2.1 Agricultural Water Rate (*Rev. 06/17/21; Resolution No. 21-10*)

This rate applies to water use for agricultural purposes and is considered to be agricultural under the rules and regulations of the Santa Fe Irrigation District.

The following definitions are applicable to the District's Commercial Agricultural Water Program (Program), established in this Article 12:

1. Agricultural commodity means any and all plant and animal products produced in the State for commercial purposes, including, but not limited to, plant products used for producing biofuels. (Government Code § 51201)
2. Agricultural use is defined as the use of land, including but not limited to greenhouses, for the purpose of producing an agricultural commodity for commercial purposes. (Government Code § 51201)

Eligibility requirements for customer participation in the Program include the following:

1. Enrollment in one of the following San Diego Regional Water Quality Control Board (Regional Board) or County of San Diego program lists:
 - a. Regional Board General Agricultural Orders Enrollment List
 - b. Growers List
 - c. Active Certified Producers
 - d. Organic Producers
2. Approved backflow prevention device is required for properties where commercial agricultural operations are conducted.

The following definitions are applicable to the Permanent Special Agricultural Water Rate (PSAWR) Program, established in this Article 12:

1. Agricultural commodity means any and all plant and animal products produced in the State for commercial purposes, including, but not limited to, plant products used for producing biofuels. (Government Code § 51201)
2. Agricultural use is defined as the use of land, including but not limited to greenhouses, for the purpose of producing an agricultural commodity for commercial purposes. (Government Code § 51201)
3. Eligibility requirements for customer participation in the Program include the following:

Enrollment in one of the following San Diego Regional Water Quality Control Board (Regional Board) or County of San Diego program lists:

- a. Regional Board General Agricultural Orders Enrollment List
 - b. Growers List
 - c. Active Certified Producers
 - d. Organic Producers
4. Parcels receiving a special agricultural water rate should be in compliance with the San Diego Regional Water Quality Control Board's General Agricultural Order.
 5. Approved backflow prevention device is required for properties where commercial agricultural operations are conducted.

Sec. 12.2.1.1 Application and Agreement

Each customer wanting to participate in the PSAWR Program shall apply for eligibility review by completing both the San Diego County Water Authority PSAWR Enrollment Form & Santa Fe Irrigation District PSAWR Program Application. Both must be submitted to the District fully completed and signed, along with any required documentation and payment of the application fee listed in the District's rate schedule. Application does not guarantee approval – ~~while any~~ approval is contingent on continually maintaining all program requirements, subject to annual certification and audit.

Sec. 12.2.1.2 Metering of Commercial Agricultural Water & Backflow Requirement

All water use for commercial agriculture shall be metered through a dedicated water meter;
OR

For properties that have a combined agricultural/domestic account, the rates to be charged and collected for water supplied to accounts where a portion of water is used for agricultural purposes and a portion of water is used for domestic purposes shall be as follows:

1. Same rates as Domestic for first 44 units of water consumed on a bi-monthly basis.
2. Same rates as agricultural/irrigation for consumption greater than 44 units on a bi-monthly basis.

All commercial agriculture customers shall have an approved backflow prevention device where commercial agricultural operations are conducted.

Sec. 12.2.1.3 Certification and Audits

Participants in the PSAWR Program shall ~~certify on firm~~ program participation eligibility each calendar year by verifying proof of enrollment on one of the lists detailed in section 12.2.1. The District will be able to, at any time, conduct a field audit of the property to verify the agriculture use described by the participant and verification of a backflow device. A participant's failure to comply with the certification and audit provisions under this section may result in their removal from the PSAWR Program.

Sec. 12.2.1.4 PSAWR Fee

An annual PSAWR fee, as noted in District Fees and Charges will be assessed to PSAWR customers to participate in the program. This fee is non-refundable.

Sec. 12.2.1.5 Service Limitation and Compliance Revisions

1. Service Limitation Requirement

During any declared water shortage or supply reduction period as determined by the San Diego County Water Authority (SDCWA) or the Metropolitan water District (MWD), the District shall implement corresponding service limitations for customers participating in the Permanent Special Agricultural Water Rate (PSAWR) Program. PSAWR customers shall receive a reduced level of water supply reliability and may be required to reduce water use in accordance with directives issued by the SDCWA and/or MWD. The District shall ensure these limitations are passed through directly to PSAWR customers consistent with applicable regional water-shortage allocation plans.

2. Pass through of Rate differentials and Benefits

The District shall ensure that all PSAWR related wholesale rate differentials, storage charge cost benefits and supply reliability cost reduction received from the SDCWA are passed through to participating customers.

3. Compliance with SDCWA Requirements

Participation in the PSAWR program shall be subject to the implementation policies and ordinances adopted by SDCWA, including SDCWA Ordinance No. 2020-04, as may be amended. The General Manager or designee is authorized to take any administrative actions necessary to ensure continued compliance with the PSAWR Program, including communication with the SDCWA

4. Annual Certification and Reporting

The District shall annually certify to the SDCWA that:

- a. All PSAWR rate differential benefits are fully passed through to participating customers; and

Service limitation provisions are properly implemented during water storage periods. PSAWR customers must annually recertify eligibility through active enrollment on one of the recognized agricultural lists specified in section 12.2.1 and comply with all verification and audit requirements. Failure to comply may result in removal from the PSAWR program

b.

5. Authority for Implementation

The General Manager is authorized to adopt administrative procedures and guidelines as necessary to carry out this section and to maintain District eligibility in the SDCWA PSAWR program.

Sec. 12.2.2 Water Delivered to Other Water Agencies

The San Diego County Water Authority (the Authority) will charge the other agency for the quantity of potable water delivered to the other agency. Santa Fe Irrigation District will bill the other agency for treatment and transportation at a cost equal to the Authority charge for treated water plus the cost of transportation.

Sec. 12.2.3 Pass Through

The General Manager will review annually all adjustments made to fees and charges for wholesale water and water-related services. The General Manager shall make a recommendation to the Board of Directors. The Board will determine the appropriate portion to be passed through to the consumer.

SEC. 12.3 EXHIBITS

Water Rates

Section 12. Water Rates and Base Meter Fees

ARTICLE 13. BILLING PROCEDURES

SEC. 13.1 BILLS AND PAYMENTS

Meters for potable water will be read by Santa Fe Irrigation District (the District) bi-monthly. This will be done on approximately the same day each month. Bills are due and payable when mailed and are delinquent if not paid within 7 days from the date of mailing.

Bills can be paid in person at the District office or by mail. District field and service personnel are not authorized to receive payments for water bills.

Sec. 13.1.1 Payment Options

The District accepts payments by cash, check or through District's customer online portal. Credit card payments may be made through the District's customer online portal may incur a fee based on the amount of the transaction.

SEC. 13.2 BILLING DISPUTE

Any customer desiring to initiate a complaint or request an investigation concerning services or charges shown on this bill must do so within 5 days of receipt of the bill. For purposes of this section, a bill is deemed received 5 days after mailing. Any such complaint or request must be in writing and filed with the ~~Director of Administrative Manager~~Administrative Services. The review will include consideration of whether the customer may receive an extension, amortization, or other payment arrangement. If the customer is dissatisfied with the decision of the ~~Administrative Manager~~Director of Administrative Services, the customer shall have the right to appeal the decision to the District's Board of Directors by filing a written appeal with the Administrative Manager-Board Secretary within 7 days of the decision of the ~~Administrative Manager~~Director of Administrative Services. The District Secretary will set the matter to be heard at an upcoming Board meeting and ~~mail the customer provide~~ notice of the time and place of the meeting at least 10 days before the meeting either through mail and / or email. The decision of the Board is final. The District will not discontinue residential water service for nonpayment while a bill is subject to a timely dispute, complaint, or appeal.

SEC. 13.3 FINANCIAL ASSISTANCE

The District offers customers the option of installment payments or a 30-day deferral on one bill every 12-month period. Information may be obtained by telephone at the District office at (858) 756-2424, weekdays between the hours of 7:30 a.m. to 4:00 p.m. except on alternating Fridays

the office is closed. The District will not discontinue residential water service for nonpayment while the customer is complying with an installment payment plan or deferral. However, if a customer does not comply with the terms of the installment payment plan or deferral or pay current residential service charges, the District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least ~~five~~seven (57) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the District.

The District shall waive one delinquency penalty every 12-month period for any residential customer upon request.

SEC. 13.4 ESTIMATED BILLINGS

Should any meter in service fail to register, or should the District be unable to read the meter for reasons beyond the control of the District, the amount of water used shall be estimated by the District by comparing it to the same billing period in previous years.

SEC. 13.5 BILLING ADJUSTMENT

The District reserves the right to adjust a bill to correct any error that may be found. If the error is in favor of the customer, a refund or credit shall be given to the customer. If the error is in favor of the District, the customer shall be billed for the deficiency. No adjustment shall be made for an error that occurred for more than 18 months before the adjustment unless expressly approved by the Board.

SEC. 13.6 CHECKS RETURNED - NOT SUFFICIENT FUNDS

A service charge shall be imposed and added to the amount due the District for any check that is not honored for any reason by the customer's bank.

SEC. 13.7 COLLECTION PROCEDURES

Sec. 13.7.1 Single Family Residence/No Change of Tenant or Ownership

Bills for water service are delinquent if not paid within seven (7) days from the date of mailing and water service will be terminated no less than 60 days after bills become delinquent. A penalty equivalent to 10% of the original bill will be assessed if not paid within 35 days of the date of mailing. ~~The District shall contact the customer via written notice and / or by telephone when this 10% penalty has been assessed. The District shall send a customer a notice by first-class mail that the bill has become delinquent and a penalty equivalent to 10%~~

~~of the original bill will be assessed at least ten (10) days prior to the penalty being assessed.~~ At least 17 working days prior to the termination of service, the District shall make a reasonable, good faith effort to contact an adult person residing at the property by telephone or in-person written notice. A discontinuance notice, charged to the customer at the District's current door hanger fee rate, will also be placed on the property at least ~~ten (10)~~ seven (7) days prior to the termination of service. A shut-off fee will be added after the expiration of these ~~ten (10)~~ seven (7) days, in addition to the 10% penalty and door hanger fee, whether or not service is discontinued. If the total bill is \$25.00 or less, there will be no steps taken for collection at this time.

In addition, if the owner, manager, or operator of the property is the customer of record or if the customer of record's mailing address is not the same as the service address, the District will also send a notice to the tenants living at the service address at least ~~ten (10)~~ seven (7) days before discontinuation of water service.

Sec. 13.7.2 Multi Unit Services

Bills for water service are delinquent if not paid within seven (7) days from the date of mailing and water service will be terminated no less than 60 days after bills become delinquent. A penalty equivalent to 10% of the original bill will be assessed if not paid within 35 days of the date of mailing. The District shall contact the customer via written notice and / or by telephone when this 10% penalty has been assessed. The District will send the person or persons of record responsible for the payment of the account a notice by first class mail that the bill has become delinquent and a penalty equivalent to 10% of the original bill will be assessed at least ten (10) days prior to the penalty being assessed. At least 17 working days prior to the termination of service, the District shall make a reasonable, good faith effort to contact the customer of record or an adult person at the customer's address by telephone or in person written notice. At least ten (10) ~~seven (7)~~ days prior to the termination of service a "Notice of Intent to Disconnect Water Service" will be placed on bulletin board areas where most residents would see it, i.e., recreation rooms, mail rooms, in apartment buildings or mobile home parks. In the case of duplexes serviced by one meter, both sides will receive notice.

The procedures in this section apply to master-metered properties and individually metered service in a multi-unit residential structure, mobile home park, or farm labor camp where the owner, manager or operator is the customer of record.

Sec. 13.7.3 Procedures for Tenants to Become Customers on Delinquent Accounts

If a tenant of any residential property is not a customer of the District and billing for the property becomes delinquent, the tenant may become a customer of the District and not be

responsible for the delinquent amount with verification that the delinquent account customer is or was the landlord, manager, or agent of the property. Verification may include a lease or rental agreement, rent receipts, a government document indicating that the resident is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code. The District will make service available to the tenants if each tenant agrees to the terms and conditions of service. Alternatively, if one or more of the tenants are willing and able to assume responsibility for all subsequent charges to the account to the satisfaction of the District, or if there is a physical means legally available to the District of selectively discontinuing service to those tenants who have not met the District's terms and conditions of service, the District will make service available to the tenants who have met those terms and conditions.

Sec. 13.7.4 Discontinuation of Service for Vulnerable Peoples

The District shall not discontinue residential service for nonpayment for any customer that meets all of the following conditions:

- a) The customer, or tenant of the customer, shall submit certification from a primary care provider (*internist, general practitioner, obstetrician-gynecologist, pediatrician, family practice physician, nonphysician medical practitioner, or any primary care clinic, rural health clinic, community clinic or hospital outpatient clinic currently enrolled in the Medi-Cal program, which agrees to provide case management to Medi-Cal beneficiaries*) that discontinuation of service will be life threatening or pose a serious threat to the health and safety of a resident of the premises;
- b) The customer declares that the household annual income is ~~no more~~less than 200 percent of the federal poverty level or provides current documentation that any member of the household is a recipient of: CalWORKs; CalFresh; general assistance; Medi-Cal; Supplemental Security Income / State Supplementary Payment Program; or California Special Supplemental Nutrition Program for Woman, Infants, and Children; and
- c) The customer is willing to agree to installment payments with respect to the past-due charges.

For any customers who meet all of the above conditions, the District will offer an installment payment plan for the past due charges. The customer is responsible for demonstrating that the conditions above have been met.

Any customer that does not comply with the terms of the installment payment plan or pay current residential service charges for 60 days or more will be subject to discontinuation of water service. The District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice will not entitle the customer to any investigation

or review by the District.

Service shall not be discontinued while the District works to confirm that the conditions of this section have been met.

Sec. 13.7.4 Transfer of Outstanding Balances Between Customer Accounts

This section applies when:

1. A customer terminates water service at a property and a final bill is issued; and
2. The final bill reflects an outstanding balance remaining unpaid in whole or in part; and
3. The same customer thereafter establishes new water service with the District at the same or a different service address.

(a) **Transfer of Balance.** Upon establishment of a new water service account by the customer, the District may transfer the outstanding balance from the closed account to the new account without further notice, and such balance shall be deemed part of the charges due and owing on the new account.

(b) **Customer Identity.** For purposes of this section, “same customer” includes, but is not limited to, an individual, joint account holders, legal entity, or responsible party identified by the District as having incurred and being responsible for the original charges on a prior account and/or at a prior, regardless of service address.

(c) **Payment Obligations.** Any balance transferred pursuant to this section shall be subject to all applicable payment terms, late fees, penalties, collection procedures, and service disconnection provisions as set forth in the District’s rules, regulations, and rate schedules.

(d) **No Limitation on Other Remedies.** The transfer of an outstanding balance under this section shall not limit or waive the District’s right to pursue any other lawful remedies for collection of unpaid amounts.

(e) **Finality.** The District’s determination regarding the existence and transfer of an outstanding balance shall be final and conclusive, subject only to any administrative review procedures expressly provided by District ordinance or policy.

SEC. 13.8 CHARGES TO REINSTATE TERMINATED SERVICES

The following conditions apply to the preceding Single-Family Residence and Multi Unit Services. Service that has been terminated for non-payment will be reinstated upon the payment of all sums owed the District. When one parcel or contiguous parcels are served by more than one meter which are billed to the same customer, and both are delinquent at the same time, only one service fee will be charged if full payment of all charges are made at one time. If the charges are not paid for all meters at one time, a service fee will be charged for each meter.

SEC. 13.9 TIME TO RESTORE SERVICE

Water service will be turned on only between the hours of 7:30 a.m. and 3:30 p.m. on business days of the District. Service may be turned on after hours if the customer agrees to pay all charges by noon of the next working day and if during the preceding 12-month period the customer has not been notified of the intention of the District to terminate service.

SEC. 13.10 DAMAGE TO DISTRICT FACILITIES

If a customer breaks or damages any locking devices or equipment to turn on his/her water service after it has been turned off for non-payment, the District will remove the water meter. The meter will not be replaced until all water charges, penalties, fees and cost of damage to the equipment are paid plus \$100.00 to cover the expense of removing the meter to terminate service.

SEC. 13.11 FINAL BILL – CHANGE OF TENANT/NO CHANGE OF OWNERSHIP

A final bill will be sent to the tenant. At that time a copy of the final bill will be sent to the legal owner with a letter notifying the owner of the bills. Final bills are due 14 days from the mailing date and if unpaid the owner will then be notified that payment is past due. If the final bill is unpaid 40 days after mailing it to the owner a 10% penalty will be added. The bill, plus a processing fee, will be added to the next tax assessment roll and shall become a lien on the property of the owner.

SEC. 13.12 FINAL BILL - CHANGE OF PROPERTY OWNERSHIP (REVISED JULY 18, 2024; RESOLUTION NO. 24-10)

The final bill will be sent to the former owner. The final bill is due and payable 14 days from the date of mailing. If the final bill is unpaid 14 days after mailing, a 10% penalty will be added. If the final bill remains unpaid after 90 days from the date of mailing, the District may pursue all remedies available in law or equity for nonpayment of the final bill, including, but not limited to filing a claim or legal action or referring the unpaid amount to collections. In the event a legal action is decided in favor of the District, the District shall be entitled to the payment of all costs and expenses, including attorney's fees, the 10% penalty, and accumulated interest.

SEC. 13.13 BANKRUPTCY OF CUSTOMER

Pursuant to the Bankruptcy Act (P.L. 95-598), the District shall not alter, refuse or discontinue service to, or discriminate against, a customer or a trustee of a customer, solely on the basis that a debt owed by the customer to the District for service rendered before the order for relief was not paid when due. It shall be the responsibility of the customer to supply the District with a copy of any applicable order for relief. The District shall discontinue service if neither the customer, nor the trustee, within 20 days after the date of the order for relief, furnishes adequate assurance of payment in the form of a deposit for service after such date. As used herein "adequate assurance of payment" shall mean a cash deposit in an amount equal to the highest of the last six billings rendered to the customer's property, or for the customer's property, if the customer has not occupied the property for that period of time, prior to the order for relief. As used herein, "order for relief" shall have the same meaning as given to it in the Bankruptcy Act. The commencement of a voluntary case under the Bankruptcy Act shall constitute an order for relief. Service may be discontinued in accordance with the rules of the District upon nonpayment for service rendered after the order of relief.

SEC. 13.14 IDENTITY THEFT PREVENTION POLICY

Sec. 3.14.1 Purpose

The Fair and Accurate Credit Transaction Act of 2003 ("FACTA"), section 114, as implemented by the Red Flag Rules, 16 C.F.R. § 681.1, issued by the Federal Trade Commission, along with other federal agencies, requires creditors of customer accounts to implement an Identity Theft Prevention Policy. Pursuant to the regulations, the Santa Fe Irrigation District ("District") is a creditor because it provides services to customers prior to receipt of payment through customer accounts, including utility service accounts, which are maintained primarily for personal, family, or household purposes and involve multiple

payments or transactions, and for which there is a reasonably foreseeable risk of identity theft. Therefore, the District is required to implement an Identity Theft Prevention Policy.

The purpose of this Identify Theft Prevention Policy (“Policy”) is to detect, prevent, and mitigate identity theft in connection with all customer accounts, taking into consideration the level of risk for identity theft given the District’s scope of services provided and the types of accounts. This Policy is created to identify patterns, practices, and specific activities that indicate the possible existence of identity theft, hereinafter referred to as “Red Flags.” The Policy sets forth the procedures for detecting Red Flags and responding to Red Flags when discovered.

Sec. 13.14.2 Definitions

“*Customer account*” shall mean a utility service account or other account provided by the District that constitutes a “covered account” under the Red Flag Rules.

“*Identity theft*” shall mean a fraud committed or attempted using the personal identifying information of another person without his/her authority.

“*Personal identifying information*” shall mean information that may be used to identify a specific person, including, but not limited to, a social security number, date of birth, government issued driver’s license or identification number, government passport number, unique biometric data such as fingerprints or physical appearance, any unique electronic identification number, telephone number or address.

“*Red Flag*” shall mean a pattern, practice or specific activity that indicates the possible existence of identity theft as defined in the Red Flag Rules, and as specifically enumerated in Section V.

Sec. 13.14.3 Designation of Authority

The Board of Directors of the District designates to the General Manager or his designee the authority to develop, oversee, implement, and administer the Policy.

As part of the General Manager or his designee’s oversight responsibilities for the Policy, the General Manager or his designee is required to review and approve all material changes to the Policy as necessary to address changing identity theft risks. The General Manager or his designee is also responsible for reviewing reports prepared by the District’s staff regarding the District’s compliance with FACTA and the Red Flag Rules requiring the implementation of an Identity Theft Prevention Policy.

Sec. 13.14.3.1 Compliance Reports to be Prepared By District Staff

The General Manager or his designee will designate the District staff involved with the implementation of the Program Policy to prepare reports regarding the District's compliance with FACTA and the Red Flag Rules requiring the implementation of an Identity Theft Prevention Policy. The reports should address material matters related to the Program Policy, such as the following:

- a) The effectiveness of the District's policies and procedures to address the risk of identity theft in connection with opening customer accounts, as well as with existing accounts. This includes identifying any issues related to identifying, detecting to the General Manager or his designee and responding to Red Flags;
- b) Third-party service provider arrangements;
- c) Significant incidents of identity theft or Red Flag detection, and the District's responses to those incidents;
- d) Recommendations for material changes to the program Policy to ensure that customer accounts are adequately protected from the risk of identity theft.

The reports should be prepared at least annually for review by the General Manager or his designee and/or the Board of Directors of the District.

Sec. 13.14.3.2 Red Flags Identified by the District

In identifying the Red Flags applicable to the District's customer accounts, the District considered the following risk factors:

- a) The types of accounts the District maintains;
- b) The methods the District provides to open customer accounts;
- c) The methods the District provides to access to customers' accounts;
- d) The District's previous experiences with identity theft in connection with the customer accounts.

The Red Flags identified in this Policy have been incorporated from sources, which include supervisory guidance, past incidents of identity theft, and changes in methods of identity theft risk.

The District's Identified Red Flags are as Follows:

- a) ***Suspicious Documents:***
 - Documents used for identification purposes appear to have been altered or forged.
 - The photograph or physical description on the identification documents do not match the appearance of the person presenting the identification.

- Other information in identification documents does not match the information provided by the individual presenting the identification documents.
 - Other information in the identification documents does not match the information on file with the District.
 - The application to open the account appears to have been forged, altered, or gives the appearance of having been destroyed and reassembled.
- b) ***Suspicious Personal Identifying Information:***
- Personal identifying information is inconsistent with other personal identifying information provided by the customer, such as a date of birth that does not correlate.
 - Personal identifying information provided is associated with known fraudulent activity, as indicated by internal or third-party sources, such as the address or phone number on an application was previously provided on another fraudulent application.
 - Personal identifying information is of a type commonly associated with fraudulent activity, as indicated by internal or third-party sources, such as a fictitious address, or an invalid phone number.
 - The address or telephone number provided is the same as other individuals attempting to open an account or existing customers.
 - The individual opening the account cannot provide all of the required personal identifying information for an application.
 - Personal identifying information is inconsistent with the information provided by the customer on file with the District.
 - Where challenge questions are used by the District to verify the identity of an individual, the individual claiming to be the customer cannot answer challenge questions correctly.
- c) ***Unusual Use of or Other Suspicious Activity Related to a Customer Account:***
- Shortly after receiving a notice of change of address for the account, the District receives a request to add another name to the account.
 - A new account is used in a manner commonly associated with known patterns of fraud, such as a first payment is made, and then no subsequent payments are made.
 - An inactive account becomes active.
 - Mail sent to the customer is returned repeatedly.
 - The District is notified that a customer is not receiving his/her paper account statements.
 - The District is notified of unauthorized transactions on a customer's account.
- d) ***Notice of Possible Identity Theft:***
- The District is notified by a customer of possible identity theft in connection with his/her account.
 - The District is notified by a victim of identity theft of possible identity theft in connection with a customer account.

- The District is notified by law enforcement of possible identity theft in connection with a customer account.
- The District is notified by others of possible identity theft in connection with a customer account.

Sec. 13.14.3.3 Procedures for Detecting Red Flags

The following procedures are being implemented by the District to detect the Red Flags identified with opening of accounts and existing accounts identified above:

- Obtain personal identifying information of an individual to verify his/her identity prior to opening an account.
- Authenticate the identity of customers when they are requesting information about their accounts.
- Authenticate the identity of customers when they are requesting to make any changes to their accounts.

Members of the District’s staff will be assigned and trained to detect Red Flags.

In addition, the District may employ the services of a third-party service provider and/or utilize computer software programs to assist in detecting Red Flags.

Sec. 13.14.3.4 Procedures for Responding To Red Flags

In order to prevent and mitigate identity theft, and after taking into consideration the risks of identity theft applicable to the customer accounts, the District implements the following procedures to respond to all Red Flags that are discovered. One or more of these procedures will be used each time a Red Flag is detected:

- Monitor accounts for evidence of identity theft.
- Change or add a password, security code, or other device that provides access to the account.
- Reopen an account with a new account number
- Close an existing account.
- Not open a new account.
- Not attempt to collect on an account.
- Notify law enforcement.
- Determine that no response is warranted given the particular circumstances.
- Ask the customer to appear in person with government issued identification.
- Do not provide account information to anyone other than the account holder, or other individual authorized by the account holder.
- Update all account information.

- l) Deactivate payment method, such as a credit card registered for online payment.
- m) Connect or disconnect service.
- n) Initiate an investigation.

In addition to any of the actions above, the General Manager or his designee will be notified of any Red Flags discovered.

Sec. 13.14.3.5 Training of Staff

The District staff that will be directly involved with opening customers' accounts or servicing customer accounts in a manner that would place them in a position to detect Red Flags or allow them access to customers' private information shall be trained to detect Red Flags and appropriately respond when Red Flags are discovered. The District's staff participation is crucial to the effective implementation of this Policy.

The General Manager or his designee will oversee all staff training to ensure that training is adequate to ensure effective implementation of the Policy.

Sec. 13.14.3.6 Oversight of Third-Party Service Provider Involved with Customer Accounts

If the District employs a third-party service provider to perform any activity in connection with a customer account, the General Manager or his designee is responsible for ensuring that the activity is conducted in compliance with reasonable policies and procedures to detect, prevent and mitigate the risk of identity theft. This may be achieved by requiring that a third-party service provider has policies and procedures to detect the Red Flags identified by the District, and also requiring the third-party service provider to review the District's Policy and agree to report any Red Flags to the General Manager or his designee.

Sec. 13.14.3.7 Use of a Third-Party Service Provider to Assist in the Implementation of the Program Policy

The District may hire a third-party service provider in order to implement this Policy. The third-party service provider may provide services such as the implementation and administration of computer software programs that detect Red Flags. If a third-party service provider is used to assist in the detection of Red Flags, the third-party service provider is required to immediately notify the General Manager or his designee if any Red Flags are discovered.

The General Manager or his designee is responsible for overseeing any third-party service provider in an appropriate and effective manner. The General Manager's or his designee's oversight shall include periodic meetings and/or receipt and review of periodic reports from the third-party service provider regarding what services are being provided, any Red Flags

that have been detected, and any possible modifications to the services provided to increase the effectiveness.

Sec. 13.14.3.8 Periodic Identification of Customer Accounts

The General Manager or his designee will periodically review the types of accounts the District maintains for customers to determine which are “covered accounts” under the Red Flag Rules and therefore are subject to this Policy.

Sec. 13.14.3.9 Periodic Update of the Policy

This Program Policy shall be updated periodically to ensure that the identified Red Flags, the procedures to detect Red Flags, and the responses to the Red Flags when discovered adequately protect customers from identity theft. The updating of the Policy should take into consideration any changes in the customers’ level of risk of identity theft by looking at the following factors:

- a) The District’s recent experiences with identity theft in connection with the customer accounts.
- b) Changes in methods of identity theft.
- c) Changes in methods of detecting, preventing and mitigating identity theft.
- d) Changes in the types of customer accounts offered.
- e) Changes in arrangements with any third-party service providers involved in the implementation of the Program Policy.

The General Manager or his designee may recommend modifications to the Policy. However, any modification to the Program Policy may not be implemented unless first approved by the Board of Directors of the District.

SEC. 13.15 EXHIBITS

Miscellaneous Fees and Charges

ARTICLE 14. METERS

SEC. 14.1 LOCATION

All property served by a single meter must be under one ownership. Condominiums and mobile home parks are considered to be under one owner. Santa Fe Irrigation District (the District) reserves the right to regulate the size, character and location of each meter and service. Water meters shall be located on county property, in the county rights-of-way or in District easements. If applicable, prior to installation of new or relocated meters, the property owner will be required to execute an easement that provides access and private utility rights to the District, and to provide documentation, such as a recorded easement and/or title report, demonstrating the property owner has the right to install private utility facilities on their side of the meter.

SEC. 14.2 METER SIZE

The maximum size of meters allowed will comply with the following criteria.

Sec. 14.2.1 Single residential and agricultural

A single-family house may not be served from a two-inch (2") or larger meter. A separate small meter must serve the residence. This applies to all installations after October 1975.

Where the static pressure at the elevation of the house site is 74 psi or less, normally one meter size larger may be approved by the Manager based on adequate design calculations showing need. In a pressure area of 74 psi or less, a 1-1/2" meter would be allowed if needed on a 2.0 to 5.99 acre parcel without a house. An additional 3/4" meter would be allowed for a house.

As property is divided, the District, at its expense, will replace an over-sized meter at the same location with a smaller meter to comply with this meter sizing.

Existing 2" meters serving single-family residences will be replaced with smaller meters when the 2" meter is to be repaired and if the quantity of flow through the smaller meter is adequate.

| <u>Acreage Size</u> | <u>Maximum Meter Size</u> |
|-----------------------------------|---------------------------|
| Up to .99 | 3/4" |
| 1.0 to 1.99 | 1" |
| 2.0 to 5.99 with or without house | 1-1/2" |
| 6.0 to 8.99 without house | 1-1/2" |
| 6.0 to 8.99 with house | 1-1/2" and 3/4" |
| 9.0 to 15.0 without house | 2" |
| 9.0 to 15.0 with house | 2" and 3/4" |

Greater than 15 acres: Maximum of 50 gpm for first two acres plus 12 gpm for each additional acre. The design flows will be based on AWWA maximum rated meter capacities.

Sec. 14.2.2 Residential Meter Sizing for Less Than One Acre

Where a plumber states that a 3/4" meter size is inadequate, the plumber must submit a list with numbers and types of fixture units within the house.

If the total fixture units of a house exceed 35, a one-inch (1") meter will be allowed.

Total fixture unit count includes combined hot and cold-water demand from the latest California Plumbing Code.

| <u>Fixture Units</u> _____ | <u>Number of Fixtures</u> <u>Private Use</u> |
|--|---|
| Bar sink | 1 |
| Bathtub (with or without shower over) | <u>24</u> |
| Hose bib or sill cock (standard type) | <u>32.5</u> |
| Kitchen sink | <u>21.5</u> |
| Laundry tub or clothes washer (each pair of faucets) | <u>24</u> |
| Lavatory | 1 |
| Lavatory (Dental) | 1 |
| Lawn sprinklers (standard type, each head) | 1 |
| Shower (each head) | 2 |
| Sink bar | <u>01</u> |
| Sink or dishwasher | <u>21.5</u> |
| Water closet (flush tank) | <u>32.5</u> |
| Water closet (flushometer valve) | 6 |

Multiple residential dwellings will be sized according to the latest California Plumbing Code. No additional allowances will be made for irrigation. Irrigation must be scheduled at time to not interfere with domestic use.

SEC. 14.3 METER CAPACITY FEE

A capacity fee, based upon the meter size, will be charged to each applicant for service in addition to the cost of installing the meter. The fee will be established from time to time by the Board of Directors. Unless otherwise required by applicable law, the fee shall be paid when applying for a meter.

If water service is in existence and will be changed at the time the property is being divided, credit for a capacity fee will be given based upon the size of the meter being removed. The credit will be given to reduce any additional capacity fees for meters being added to the same property at the time of subdivision of land or upon a request to increase the size of an existing meter. No cash rebate will be made for removal of a meter or reduction in meter size, and credits may not be transferred from one property to another. No credit will be given to owners subsequent to the owners who removed the meter or to the same owner at a later date.

The capacity fee for meters larger than two inches (2") will be computed as follows:

For service applications requiring meter sizes greater than two inches, the "capacity fee" shall be the same dollars per gpm as the dollars per gpm of the capacity fee of the 3/4 inch meter. Charges for installation of the service line and meter will be imposed in addition to the capacity feemade.

Sec. 14.3.1 Public Agencies

Capacity Charges for Public Agencies. Any district, public authority, local agency, or other political subdivision or public corporation of this State, other than those described in Section 14.3.2 below (Gov. Code, § 54999.1(e)), shall pay the District's capacity charges as they exist and may be imposed or adjusted from time to time. (Gov. Code, § 54999.2.)

Sec. 14.3.2 Schools and State Agencies

Capacity Charges for School and State Agencies. The imposition of the District's capacity charges on any school district, county office of education, community college district, the California State University, the University of California, or any state agency (as defined in Government Code section 54999.1(i)) shall be subject to the provisions of section 54999.3(b) of the Government Code. Payment by any such agency of the District's applicable capacity charge shall be deemed agreement with the District regarding the charge. If any such agency refuses to pay the applicable capacity charge, the agency and District shall enter into negotiations regarding the charge. No water meter shall be supplied until agreement has been reached regarding the capacity charge and the agreed upon capacity charge has been paid.

Sec. 14.3.3 Meter Capacity Fee Collected for the San Diego County Water Authority

The District shall collect a meter capacity fee imposed by the San Diego County Water Authority (the Authority) by Ordinance 90-2 to take effect on meters purchased on or after October 1, 1990. The size of the meter shall be determined by the District. The District's rules for the collection of the fee, increasing meter size, decreasing meter size, moving meters, fire service meters and temporary meters remain in effect.

The fee will be established by the Authority as amended from time to time.

Any person or organization objecting to the capacity fee charge imposed by the Authority must file a complaint in writing at 4677 Overland Ave., San Diego, CA 92123 before payment of the charge or within 10 days after payment. The District shall not provide water service until the Authority capacity fee has been paid. The District shall transmit to the Authority the fees collected by the 19th day of January, April, July and October of each year. Interest earned on Authority funds will be retained by the District.

SEC. 14.4 METER INSTALLATION CHARGES

Meter installation charges shall be established by the Board. The charges shall be paid when applying for a meter.

Fees and charges for the following services performed by the District, which include the cost of permits or services by other cities and agencies, shall be passed through to the customer and increased automatically when the cost of permits and services from other agencies and cities are imposed and/or increased:

- a) Water service installation;
- b) Residential Fire line service installation;
- c) Dedicated Private Fire Service Lateral installation;
- d) Commercial fire line installation.

SEC. 14.5 CHANGE IN METER LOCATION

A meter may be moved at the request of a customer from one location to another on the property served by it upon payment of the costs thereof by the customer. The property owner shall pay the cost of a new service assembly and the cost of abandonment of the existing service assembly. The District may relocate a meter, at its discretion, when services are available in an alternative location. If the meter relocation is initiated by the District the costs associated ~~to-with~~ relocating the meter and performing ing necessary work to reestablish water service shall be paid ~~for~~ by the District.

SEC. 14.6 CHANGE OF METER SIZE

Sec. 14.6.1 Larger Meter

Should a customer need a larger meter, the customer shall pay for the new service assembly and meter, pay the additional capacity fee and pay for abandoning the smaller service.

Sec. 14.6.2 Smaller Meter – Same Location

Should a customer desire to replace an existing meter with a smaller meter to be installed at the same location ~~as a larger one~~, the customer shall pay for the smaller meter, less a credit for the larger meter being returned. Owner/Customer shall relinquish the difference in capacity at time of payment of the smaller meter.

Sec. 14.6.3 Smaller Meter – New Location

Should a customer desire a smaller meter at another location on the same parcel, the customer pay the cost of installing a new service line and meter, and the cost of removing the old service line - less a credit for the larger meter being returned. Owner/Customer shall relinquish the difference in capacity at time of payment of the smaller meter.

Sec. 14.6.4 Exchange to Comply with Size Limitations

When a smaller meter is being substituted for a larger meter to enforce compliance with the District meter size limitations, the meter exchange will be at no cost to the customer. Owner/Customer shall relinquish the difference in capacity at time of payment of the smaller meter. Whenever property is being subdivided, meters will be changed to comply with the meter size limitations.

SEC. 14.7 TESTING METERS

Any customer may request their meter be tested for accuracy. If upon testing it shall be found that the meter registers within a range from 87% to 102% of accuracy at the intermediate test flow specified by the AWWA, the cost for testing shall be paid by the customer. If the meter so tested shall be found to register outside of said range, another meter shall be installed by the District at no cost to the customer and if the error is in favor of the District customer, the previous nine billings shall be adjusted and a refund given on the next billing credited. If the error is in favor of the District, the previous two billings to the customer shall be adjusted and the customer shall be billed for the difference.

SEC. 14.8 READING OF METERS

Sec. 14.8.1 Method Used

The method used to read each meter shall be determined by the District in its sole discretion. Such methods may include, but not be limited to, manual reading, use of automated meter reading, or use of other technologies. The General Manager may, in his or her sole discretion, allow a customer to opt out of specific meter reading technology. To recover all costs to the District associated with accommodating the request, the requesting customer's account will be assessed on each bi-monthly bill statement an opt-out fee equal to the same dollar amount assigned to the District's established shut off charge.

Sec. 14.8.2 Estimated Readings

Should any meter in service fail to register during any billing period, or should the District be unable to read the meter for reasons beyond the control of the District, the amount of water used shall be estimated by the District and the customer shall be billed for the estimated amount.

Sec. 14.8.3 Automated Metering Infrastructure and Customer Tools

Data collected from the automated metering infrastructure (AMI) system may be used by the District in any lawful manner and is intended for the sole benefit of the District. Nonetheless, the use of AMI at customers' properties may allow the District to offer incidental tools to help customers monitor water use and detect potential leaks. As further described below, the District may offer an online water use portal or similar tools to its customers whose properties have AMI ("Customer Tools").

The District's online water use portal is intended to allow customers to conveniently monitor their water use online. Subject to availability, customers are encouraged to regularly review water use using the online water use portal, as District staff does not routinely or regularly monitor AMI data for abnormalities or variations in water usage. Using the online water use portal, customers may also be able to set up notifications when the AMI system detects continuous water use exceeding a specified period of time.

Participation in the use of Customer Tools is voluntary, and subject to the terms and conditions described below, in addition to any terms and conditions on the District's website or related to a particular Customer Tool.

As a condition of using Customer Tools, customers understand and agree to the following:

1. The District makes no representations or warranties, express or implied, as to the accuracy, operation, or availability of the Customer Tools. Customer Tools may be unavailable or

inaccurate due to technical issues, including, but not limited to, Internet connectivity outages, phone/text message/e-mail delivery issues, AMI system reporting errors, and AMI system signal interruptions.

2. Customer Tools are intended to provide helpful monitoring and notification tools. The customer shall remain responsible for monitoring water use, maintaining water lines beyond the meter, determining the cause of any continuous flow, and repairing any leak. The District assumes no responsibility or liability for contacting or notifying customers or any third party of any abnormalities or variations in a customer's water usage which may indicate a water leak at his or her property. Customers remain responsible for all water use at their property and for the payment of fees for all water used, including water used before and after receiving any notification of continuous flow. The customer shall rely solely upon his or her own judgment with regard to any information supplied by the District in connection with the Customer Tools.
3. The District neither undertakes nor assumes any responsibility for or duty to the customer or any third party for the operation, maintenance, review, or inspection of water lines or facilities beyond the District's meter, or to inform the customer or any third party of any leaks or damage resulting from the operation and maintenance of such lines or facilities, or for any service, equipment or material furnished for such lines or facilities. Customers and all third parties shall rely upon their own judgment regarding such matters, and any review, inspection, supervision, exercise of judgment or information supplied to customers or to any third party by the District in connection with the data collected from the District's AMI is for the benefit of the District.
4. Customers are solely responsible for water leakage costs or other damages related thereto regardless of whether the District has collected data from an AMI system showing that there has been an increase in the amount of water used for a property or there is continuous flow present on the property.

SEC. 14.9 LOCATION CLEARANCE AND ACCESS

A new meter or service pipeline will not be installed until the District's clearance and access requirements are satisfied as identified below.

Property owners must maintain a clear area around and above water meter boxes and service lines as well as a clear and accessible path to District meters as outlined below:

- 1) A minimum three-foot (36-inch) clearance around the edge of the meter box.
- 2) There shall be no obstruction above the meter box.
- 3) Permanent structures are prohibited to be installed within a three-foot (36-inch) radius of water meters and service lines. "Permanent structures" include retaining walls, footings, fences, posts, large decorative rock, buildings, and concrete slabs.

- 4) Trees and large shrubs may not be planted near a new or existing meter and service lines, that will have a drip/root line zone of five foot (60-inch) or more radius.

If these areas are not maintained as required, the District may clear the area to bring it into compliance with this section upon 15 days' prior notice to the customer. In the event of an emergency or the need to immediately access the District water meter and service, encroachments will be removed by the District at its discretion.

Clearing of these encroachments will be billed to the customer on a time and material basis. Professional services may be required to remove these items. The cost for the District to hire such professional services will be billed to the customer.

SEC. 14.10 RESIDENTIAL FIRE SPRINKLER METERS

Sec. 14.10.1

A separate meter will be installed of the proper size approved by the fire agency to supply water for residential automatic fire sprinklers. The fire sprinkler meter must be installed 18" to the right of the potable meter, when facing the property.

Sec. 14.10.2

No District or County Water Authority capacity fee will be charged for installing a new fire meter.

Sec. 14.10.3

This meter must be used exclusively for automatic fire sprinklers. If usage appears at the time of billing, the District will contact the customer and/or fire agency to determine if a fire occurred or testing was performed. If neither, the District will notify the customer in writing via mail, return receipt requested, that all domestic and irrigation use through the fire meter must be discontinued, or service will be discontinued to fire meter. The District will Ssend a copy of the letter to the fire departmentagency. The District will Discontinue service if use continues at the time of the first billing following 60 days after written notice was first given to the customer. The District will Notify the customer in writing via mail, ; return receipt requested, when the meter is turned off. The District will Ssend a copy of the letter to the fire departmentagency.

SEC. 14.11 DEDICATED FIRE PROTECTION SYSTEMS

A dedicated fire line is a separate lateral, sized (typically 6-in diameter minimum) for fire flows that shall be directly connected to the District's distribution system. Ownership, installation, and maintenance responsibilities for the dedicated fire line shall be in accordance with Article 25.

SEC. 14.12 WATER CONSERVATION METER CONDITIONS

Regulations pertaining to meter installation, size, consumption limitations, and the delivery of water can be found in various Articles of the Code.

SEC. 14.13 BASE METER FEE

A Base Meter Fee will be assessed to cover a portion of the District's fixed operating costs. The Fee is charged bi-monthly to the customer regardless of the amount of water used. The amount of the fee will be set periodically by the Board of Directors. Any customer who has two water meters serving the same lot has the option of temporarily disconnecting service to one of the meters. The meter that has been temporarily disconnected will not be charged the Base Meter Fee. The terms for temporarily disconnecting one water meter are as follows:

- Two water meters must be serving the same lot.
- One meter will remain in service.
- No Base Meter Fee will be charged on the disconnected meter.
- The first time water service is disconnected there is no charge. There is also no charge for the first re-connection.
- Each time thereafter, a charge will be assessed for every time the service is disconnected and another charge for each time water service is subsequently reconnected.

SEC. 14.14 EXHIBITS

Capacity Charges
Miscellaneous Fees and Charges
Water Rates

ARTICLE 15. CONSTRUCTION WATER

Temporary water service may be required for the purpose of building, general construction, grading, preliminary development, and interim landscape establishment. These water services may be limited or discontinued at the District's discretion. The District will not allow water to be used for construction without a metering device.

SEC. 15.1 CONSTRUCTION SERVICE CONDITIONS AND RESTRICTIONS

District fire hydrants, main line blow-off assembly or other suitable facility, at the discretion of the District, may be used to supply construction water or other temporary water in the manner provided in this article. The District shall meter this water use. All construction meters shall be available for District inspection at any time. Only District personnel are authorized to establish connection for construction use.

Construction meters shall not be used outside the District's boundaries, nor shall other water district construction meters be used within Santa Fe Irrigation District boundaries. Water taken from construction meters shall not be transported outside of District Boundaries. No unmetered connections are allowed.

SEC. 15.2 APPLICATION

Any person desiring to utilize temporary construction water or other temporary water use shall file an application for installation of a construction meter on forms provided by Santa Fe Irrigation District (the District). Applicants will be required to complete a Cross-Connection Control Questionnaire and may be required to provide a certified backflow prevention device.

At the discretion of the District, the construction meter may be rented for a maximum period of six months. The District will automatically pull the meter unless the application is renewed. Further time extensions may be granted at six-month intervals at the discretion of the District. The District reserves the right to deny any application for a temporary meter or remove a meter if deemed in the best interest of the District.

SEC. 15.3 DEPOSIT

A deposit shall be paid to the District at the time of the application, which shall be used for the following purposes:

a) A deposit against loss or damage to the construction meter or hydrant, which shall be refunded if there is no loss or damage

b) A service charge fee for installation, which shall not be refundable

The deposit will be refunded upon return of the meter in good condition less the installation service charge. No interest shall be paid on the amount refunded.

SEC. 15.4 WATER RATES

Fixed charges and water rates for temporary construction use shall be based upon the District's established water service charges and billed on a monthly basis. Monthly billing and charges will continue to accumulate until the meter is requested to be removed.

SEC. 15.5 LOCATION OF METER

The meter will be chain-locked to a fire hydrant designated by the District. If movement of the meter is required, then applicant shall notify the District; the District will then have the meter moved at an extra cost to applicant. This cost is determined on a case-by-case. The applicant shall not move the meter from one hydrant to another.

SEC. 15.6 RESPONSIBILITY OF APPLICANT

The applicant is responsible for all damage to the fire hydrant and the construction meter. The applicant shall only operate the valve on the meter discharge, and not the fire hydrant valve. Any damaged parts shall be replaced or repaired and billed to the customer. Due to the high volume flowing through temporary meters, care should be taken to turn the water on and off in a smooth, gradual way. Sudden operation of the temporary meter may result in a system problem or customer complaint and the removal of the meter.

SEC. 15.7 REMOVAL OF METER

When the meter is no longer required, the applicant shall notify the District and the District shall disconnect and remove the meter. Removal of the meter by other than District personnel will result in a penalty of \$500.00.

~~SEC 15.8 THEFT OF WATER~~

~~1. Prohibition of Unauthorized Water Use; Administrative Penalties.~~

- a. ~~For the purposes of this Section 15.8, “unauthorized water use” means any action to divert, tamper, or reconnect water utility services and includes all of the following:~~
- i. ~~the use, diversion, receipt or taking of District water by any means from any public fire hydrant, fire hydrant meter, fire detector check, blow-off valve, water main, water service lateral or other District facility or connection to a District facility, to which a District authorized metering device has not been installed or has been removed by the District; and~~
 - ii. ~~the use, diversion, receipt, or taking of District water by any means without paying the full and lawful District charges for such water, or by tampering with District property or facilities, including but not limited to a fire hydrant, fire hydrant meter, or fire detector check, such as by removing a lock or plug that has been placed on a customer’s service or meter or unauthorized use, or by tampering with a service connection or bypassing a meter, or by making an unauthorized connection, or causing an unauthorized connection to be made, to any District facilities or any public fire hydrant, fire hydrant meter, or fire detector check; and~~
 - iii. ~~the use of water from a stationary service connection where lawful water service has been discontinued or from a public fire hydrant to supply water outside of the District service area, regardless of whether payment is provided to the District for the water drawn from the public fire hydrant, or any use of a hydrant meter in violation of the terms and conditions of a hydrant meter permit.~~
- b. ~~Unauthorized water use is prohibited. Each act of unauthorized water use constitutes a misdemeanor.~~
- c. ~~The District may report any unauthorized water use to the appropriate prosecuting agency and press for prosecution of said activity pursuant to the Penal Code. In addition to pursuing criminal penalties, the District may also, upon discovering unauthorized water use or tampering with District property, pursue the following remedies or any other remedies available at law or in equity:~~
- i. ~~turn off water service to correct the violation;~~
 - ii. ~~confiscate any equipment or tools used to aid in the water theft that are attached to District property. Said equipment shall be held by the District until fines and other charges are paid;~~
 - iii. ~~charge the customer or perpetrator an administrative penalty:~~
 - 1. ~~if the unauthorized water use is committed via meter tampering:~~
 - a. ~~\$130 for a first violation~~

~~b. —\$700 for a second violation within one year of the first violation~~

~~c. —\$1,300 for a third violation within one year of the first and each additional violation;~~

~~2. —All other forms of water theft:~~

~~a. —\$1,000 for a first violation~~

~~b. —\$2,000 for a second violation within one year of the first violation~~

~~—\$3,000 for a third violation within one year of the first and each additional violation;~~

~~—If the unauthorized use is committed via unauthorized connection to a fire hydrant, including the unauthorized use of a fire hydrant, fire hydrant meter, or fire detector check, the District may charge the customer or perpetrator the following administrative penalty. If the District charges the penalty under this subsection, it shall not charge the penalties under sections 1 and 2 for the same violation:~~

~~—\$2,500 for a first violation~~

~~—\$5,000 for a second violation~~

~~—\$10,000 for a third violation and each additional violation.~~

~~e. —~~

~~2. —Other Remedies. In addition to any other remedies provided in Section 15.8 or available under applicable law, the District may also seek damages and/or injunctive relief in the Superior Court or take enforcement action. All remedies provided herein shall be cumulative and not exclusive. If a customer or any other person turns on water service without District authorization, tampers with any locked water meter, tampers with a service connection or District facilities, bypasses a meter, makes or causes to be made an unauthorized connection to District facilities without District permission, or otherwise commits unauthorized water use, the District may:~~

~~a. —turn off the water service and install a lock;~~

~~b. —charge the customer or perpetrator an estimated amount based upon the historical water use, meter use, or other comparable means of estimation (non-customers shall be charged based upon the highest District water rate at the time of the occurrence);~~

~~c. —charge the customer for the damage to the District lock, meter or other property;~~

- ~~d. remove the meter and plug the service;~~
- ~~e. terminate and remove the service from its connection to the water main;~~
- ~~f. charge a deposit of two times the amount of the average use to reestablish service; and~~
- ~~g. require the return of any temporary water meter.~~

~~3. Payment and Appeal Procedures.~~

- ~~a. The District shall calculate the amount of damages and penalty(ies) to be imposed, and shall send a bill to the customer, water user or recipient, or if the offender is not a customer of record, an invoice, for payment of the damages and/or penalty(ies).~~
- ~~b. All costs relating to the District's processing and handling of the unauthorized water use, and investigation and enforcement thereof, shall be borne by the party having responsibility for the water account at the time of the unauthorized water use. Charges related to the handling of the unauthorized water use and/or reestablishment of the service shall be borne by the party requesting service in amounts adopted by the District or based on actual costs incurred by the District on a time and materials basis. These charges include, but are not limited to, service call charges, water charges, turnoff of service, plug and/or termination fees. Before the meter will be replaced and service reestablished, the party requesting service shall deposit twice the average monthly water bill, the cost of a new water meter and installation (if required), any increase in capacity fees between the date of removal of the meter and the date service was resumed, in addition to all service call charges, all charges that were delinquent at the time of removal, and an amount representing any damage to District property. The District may enforce payment of any unpaid amounts through any available legal means, which may include, but not be limited to, placement with an authorized collection agency, transfer of delinquent balances to other active accounts, requiring full payment before establishing future accounts with the District, termination of water service to the account, and/or filing a lien for unpaid amounts.~~
- ~~c. Where a water account is not assigned, all charges relating to the District's processing and handling of the unauthorized water use, and investigation and enforcement thereof, shall be borne by the party taking the water, including, but not limited to, the cost of any water used outside the District's service area, charges for any damage to District facilities and equipment, and costs of investigation and enforcement. Such charges shall be in amounts established by the District or based on actual costs incurred by the District on a time and materials basis. The District may enforce payment of any unpaid amounts through any available legal means, which may include, but not be limited to, placement with an authorized collection agency, transfer of delinquent balances to active accounts, requiring full payment before establishing any account with the District, and/or filing a lien for unpaid amounts~~

- d. ~~Any person (an “appellant”) who wishes to appeal the imposition of an administrative penalty imposed by the District pursuant to this Ordinance shall comply with the following procedures:~~
- i. ~~The appellant shall submit a written appeal request to the District’s Director of Administrative Services no later than twenty (20) calendar days from the date of the bill or invoice sent to the customer or offender.~~
 - ii. ~~A response to the appeal request shall be provided by the District within thirty (30) calendar days from receipt of written appeal.~~
 - iii. ~~If the appeal to the Director of Administrative Services is denied, the appellant may resubmit the written appeal for review by the District’s General Manager. The written appeal shall be resubmitted no later than fifteen (15) calendar days from the date of the denial of the appeal by the District’s Director of Administrative Services. The appellant may request to provide evidence in writing or in person in support of his or her appeal to the District’s General Manager.~~
 - iv. ~~If the appeal to the General Manager is denied, the appellant may resubmit the written appeal for review by the District’s Board. The written appeal shall be resubmitted no later than fifteen (15) calendar days from the date of the denial of the appeal by the General Manager. The appellant may request to provide evidence in writing or in person in support of his or her appeal to the District’s General Manager.~~
 - v. ~~The decision by the District’s Board shall be final.~~
 - vi. ~~Within ten (10) days after the denial of the appeal is deemed final, the appellant shall pay any disputed penalty(ies) imposed by the District.~~
 - vii.i. ~~The provisions of Section 1094.6 of the Code of Civil Procedure of the State of California shall be applicable to judicial review of the District’s decision.~~

ARTICLE 17. WATER SHORTAGE RESPONSE POLICIES AND PROCEDURES

SEC. 17.1 DECLARATION OF POLICIES

Article 10, section 2 of the California Constitution declares that the water resources of the State are to be put to beneficial use, that the waste, unreasonable use, or unreasonable method of use of water be prevented, and that water be conserved for the public welfare. Conservation of current water supplies and minimization of the effects of water supply shortages that are the result of a water shortage are essential to the public health, safety, and welfare.

Regulation of the time of certain water use, manner of certain water use, design of rates, method of application of water for certain uses, and installation and use of water-saving devices, provide an effective and immediately available means of conserving water. California Water Code sections 375 et seq. authorize water suppliers to adopt and enforce a comprehensive water conservation program.

Adoption and enforcement of Water Shortage Response Policies and Procedures (~~P~~Policies and Procedures) allow the Santa Fe Irrigation District (District) to delay or avoid implementing measures such as water rationing, or more restrictive water use regulations pursuant to a declared water shortage emergency as authorized by California Water Code section 350 et seq.

San Diego County is a semi-arid region and local water resources are scarce. The region is primarily dependent upon imported water supplies provided by the San Diego County Water Authority (“Water Authority”), which obtains a substantial portion of its supplies from the Metropolitan Water District of Southern California. Because the region is highly dependent upon imported water supplies, weather and other conditions in other portions of this State and of the Southwestern United States affect the availability of water for use in San Diego County.

The Water Authority has adopted an Urban Water Management Plan (UWMP) that includes water conservation as a necessary and effective component of the Water Authority’s programs to provide a reliable supply of water to meet the needs of the Water Authority’s 24-member public agencies, including the Santa Fe Irrigation District. The Water Authority’s UWMP also includes a contingency analysis of actions to be taken in response to water supply shortages. These Water Shortage Response Policies and Procedures are consistent with the Water Authority’s UWMP.

The Water Authority, in cooperation and consultation with its member public agencies, ~~has~~ adopted a new Water Shortage Contingency Plan (Water Authority’s WSCP) in 2021. These Policies and Procedures are intended to be consistent with and to implement the Water Authority’s WSCP.

The Water Authority's WSCP has six stages containing regional actions to be taken to lessen or avoid supply shortages. These Policies and Procedures contain water shortage response levels that correspond with the Water Authority's WSCP stages.

The ~~Santa Fe Irrigation~~ District, due to the geographic and climatic conditions within its territory and its dependence upon water imported and provided by the Water Authority, may experience shortages due to drought conditions, regulatory restrictions governing the use of water, local water usage, and other factors. The District has adopted an UWMP and Water Shortage Contingency Plan (WSCP) that include water use reduction and conservation as a necessary and effective component of its programs to provide a reliable supply of water to meet the needs of the public within its service territory. The District UWMP and WSCP also include a contingency analysis of actions to be taken in response to water supply shortages. These Water Shortage Response Policies and Procedures are consistent with the UWMP and WSCP adopted in June 2021 by the ~~Santa Fe Irrigation~~ District.

The water use reduction and conservation measures and progressive restrictions on water use and the method of use identified by these Policies and Procedures provide certainty to water users and enable the District to control water use, provide water supplies, and plan and implement water management measures in a fair and orderly manner for the benefit of the public.

SEC. 17.2 DECLARATION OF NECESSITY AND INTENT

The District in this Declaration of Necessity and Intent finds and determines the following:

Sec. 17.2.1

These Policies and Procedures establish water management requirements necessary to conserve and use water efficiently, enable effective water supply planning, assure reasonable and beneficial use of water, prevent waste of water, prevent unreasonable use of water, and prevent unreasonable method of use of water within the District to assure adequate supplies of water to meet the needs of the public, and further the public health, safety, and welfare, recognizing that water is a scarce natural resource that requires careful management not only in times of water shortage, but at all times.

Sec. 17.2.2

These Policies and Procedures establish regulations to be implemented during times of declared water shortages or declared water shortage emergencies. They establish six (6) levels of water shortage response actions to be implemented in times of shortage, with increasing restrictions on water use in response to worsening water shortage conditions and decreasing available supplies.

Sec. 17.2.3

Level 1 condition water shortage response measures are voluntary and will be reinforced through local and regional public education and awareness measures that may be funded in part by ~~Santa Fe Irrigation~~the District. During water shortage response condition Levels 2 through 6, all conservation measures and water-use restrictions are mandatory and become increasingly restrictive to attain escalating water use-reduction and conservation goals.

Sec. 17.2.4

During a Water Shortage Response Level 2 condition or higher, the water conservation measures, and water use restrictions established by these Policies and Procedures are mandatory and violations are subject to criminal, civil, and administrative fines, penalties and remedies specified in these Policies and Procedures.

SEC. 17.3 DEFINITIONS

The following words and phrases whenever used in these Policies and Procedures shall have the meaning defined in this section:

Sec. 17.3.1

“Grower” refers to those engaged in the growing or raising, in conformity with recognized practices of husbandry, for the purpose of commerce, trade, or industry, or for use by public educational or correctional institutions, of agricultural, horticultural, or floricultural products, and produce: (1) for human consumption or for the market; or (2) for the feeding of fowl or livestock produced for human consumption or for the market; or (3) for the feeding of fowl or livestock for the purpose of obtaining their products for human consumption or for the market. “Grower” does not refer to customers who purchase water subject to the Water Authority Special Agricultural Rate programs.

Sec. 17.3.2

“Water Authority” means the San Diego County Water Authority.

Sec. 17.3.3

“WSCP” means the District’s Water Shortage Contingency Plan in existence on the effective date of these Policies and Procedures and as readopted or amended from time to time. It corresponds to an equivalent plan of the Water Authority (Water Authority’s WSCP) to manage or allocate supplies during shortages.

Sec. 17.3.4

“General Manager” means the Santa Fe Irrigation District’s General Manager or the general manager’s designee.

Sec. 17.3.5

“District” means the Santa Fe Irrigation District.

Sec. 17.3.6

“Person” means any natural person, corporation, public or private entity, public or private association, public or private agency, government agency or institution, school district, college, university, or any other user of water provided by the District.

Sec. 17.3.7

“Water shortage emergency” means a condition existing within the District in which the ordinary water demands and requirements of persons within the District cannot be satisfied without depleting the water supply of the District to the extent that there would be insufficient water for human consumption, sanitation, and fire protection. A water shortage emergency includes both an immediate emergency, in which the District is unable to meet current water needs of persons within the District, as well as a threatened water shortage, in which the District determines that its supply cannot meet an increased future demand.

Sec. 17.3.8

“Recycled Water” means wastewater that has been treated to a level that allows for its reuse for a beneficial purpose.

Sec. 17.3.9

“Automated Metering Infrastructure (AMI) Customer Portal” refers to the District’s **advanced automated** metering infrastructure program that uses radio transmitters in the meter box to send regular reads to a receiver collector in the area, which then sends the information which may be used by customers for tracking their water use. By signing up for the AMI Customer Portal, customers can track historical water use, review detailed consumption data, and set leak and usage alerts. For the District, AMI increases safety for staff, and optimizes operations and customer service resources. Customers can sign up at www.sfidwater.org/mywateruse for access to the District online Customer Portal or contact Customer Service for assistance to monitor their water use and conserve water.

SEC. 17.4 APPLICATION

Sec. 17.4.1

The provisions of these Policies and Procedures apply to any person in the use of any water provided by the ~~Santa Fe Irrigation~~ District.

Sec. 17.4.2

These Policies and Procedures are intended solely to further the conservation and efficiency of water use. They are not intended to implement any provision of federal, state, or local statutes, resolutions, or regulations relating to protection of water quality or control of drainage or runoff. Refer to the local jurisdiction or Regional Water Quality Control Board for information on any stormwater resolutions and stormwater management plans.

Sec. 17.4.3

These Policies and Procedures are established to provide legal authority and enforcement measures for the District to implement its Water Shortage Contingency Plan in compliance with the State Water Conservation Program under Water Code section 375 et seq. Aside from these Policies and Procedures, the District has the authority to declare water supply emergency if it is necessary to respond to an emergency, including, but not limited to an operational emergency that affects the ability of the ~~Santa Fe Irrigation~~ District to supply water.

Sec. 17.4.4

The provisions of these Policies and Procedures do not apply to the use of water from private wells, recycled water or the use of water that is subject to a special supply program, such as the Water Authority Permanent Special Agricultural Rate (PSWAR) program. The use of water subject to a special supply program shall be subject to the use requirements and restrictions of any such special supply program, and violations of the conditions of any such special supply programs are subject to the penalties established under the applicable program. A person using both water subject to a special supply program and other water provided by the District shall be subject to these Policies and Procedures in the use of the other water.

SEC. 17.5 WATER SHORTAGE RESPONSE LEVEL 1

Sec. 17.5.1

A Water Shortage Response Level 1 condition may apply when, due to a water shortage or other water supply reductions, there is a reasonable probability there will be water supply shortages and that a consumer demand reduction of up to 10 percent is required in order to ensure that sufficient water supplies will be available to meet anticipated demands, or as otherwise determined by the District in its reasonable discretion. The General Manager shall declare the existence of a Water Shortage Response Level 1 and take action to implement the Level 1 water use reduction and conservation measures identified in these Policies and Procedures.

During a Level 1 condition, District will increase its public education and outreach efforts to emphasize increased public awareness of the need to implement the following water use reduction and conservation measures:

- a. Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- b. Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- c. Irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.
- d. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used to water landscaped areas, including trees and shrubs located on residential and commercial properties that are not irrigated by a landscape irrigation system.
- e. Irrigate nursery and commercial grower's products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- f. Wash vehicles using a bucket and a hand-held hose with positive shut-off nozzle, mobile high pressure/low volume wash system, or at a commercial site that re-circulates (reclaims) water on-site. Avoid washing during hot conditions when additional water is required due to evaporation.
- g. Serve and refill water in restaurants and other food service establishments only upon request.

- h. Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- i. Repair all water leaks within five (5) days of detection, or within five (5) days of notification by the ~~Santa Fe Irrigation~~-District, unless other arrangements are made with the General Manager.
- j. Use recycled or non-potable water for construction purposes when available.
- k. Comply with any mandatory regulations established by any State agency governing the use of water.
- l. Use recirculated water in ornamental fountains.
- m. The District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.
- n. Customers are strongly encouraged to sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications

Sec. 17.5.2

During a Water Shortage Response Level 2 condition or higher, all persons shall be required to implement the water use reduction and conservation measures established in a Water Shortage Response Level 1 condition.

Sec. 17.6 WATER SHORTAGE RESPONSE LEVEL 2

Sec. 17.6.1

A Water Shortage Response Level 2 condition may apply when, due to cutbacks caused by water shortage or other reduction in water supplies, a consumer demand reduction of up to 20 percent is required in order to have sufficient water supplies available to meet anticipated demands, or as otherwise determined by the District in its reasonable discretion. The District Board of Directors may declare the existence of a Water Shortage Response Level 2 condition and implement the mandatory Level 2 water use reduction and conservation measures identified in these Policies and Procedures. Additionally, the District Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

Sec. 17.6.2

All persons using District water during a Water Shortage Response Level 2 condition shall comply with the following water use reduction and conservation measures:

- a. Repair all leaks within 5 days of detection, or within 5 days of notification by the District, unless other arrangements are made with the General Manager.
- b. Customers are strongly encouraged to sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications
- c. Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- d. Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- e. Irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.
- f. Watering is permitted anytime with a bucket, or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.
- g. Irrigate nursery and commercial grower's products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- h. Wash vehicles using a bucket and a hand-held hose with positive shut-off nozzle, mobile high pressure/low volume wash system, or at a commercial site that re-circulates (reclaims) water on-site.
- i. Serve and refill water in restaurants and other food service establishments only upon request.
- j. Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- k. Use recycled or non-potable water for construction purposes when available.
- l. Comply with any mandatory regulations established by any State agency governing the use of water.
- m. Stop operating ornamental fountains unless recycled water is used.
- n. The District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

Sec. 17.6.3

The following shall apply if the District Board of Directors declares a Water Shortage Emergency in the manner and on the grounds provided in California Water Code section 350 et seq., during a Water Shortage Response Level 2 condition:

- a) If the District Board of Directors declares a Water Shortage Emergency during a Water Shortage Response Level 2 condition, no new potable water service shall be provided, no

new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:

1. A valid, unexpired building permit has been issued for the project; or
2. The project is necessary to protect the public's health, safety, and welfare; or
3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of ~~Santa Fe Irrigation~~the District.

This Section 17.6.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

SEC. 17.7 WATER SHORTAGE RESPONSE LEVEL 3

Sec. 17.7.1

A Water Shortage Response Level 3 condition may apply when, due to increasing cutbacks caused by a water shortage or other reduction of water supplies a consumer demand reduction of up to 30 percent is required, to have sufficient supplies available to meet anticipated water demands, or as otherwise deemed by the District in its reasonable discretion. During a Level 3, the District may implement the applicable Level 3 water use reduction and conservation measures identified in these Policies and Procedures. Additionally, the District Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

Sec. 17.7.2

All persons using District water during a Water Shortage Response Level 3 condition shall comply with the following mandatory water use reduction and conservation measures:

- a) Limit residential and commercial landscape irrigation to three (3) assigned days per week from June through October, and one (1) assigned day per week November through May, on a schedule established by the General Manager and posted by the District.
- b) Limit lawn watering and landscape irrigation using sprinklers to ten (10) minutes per watering station per assigned day as established by the General Manager and posted by the District. This provision does not apply to landscape irrigation systems using water efficient devices, including, but not limited to: weather-based controllers, drip/micro-irrigation systems and stream rotor sprinklers.

- c) Repair all leaks within seventy-two (72) hours of detection, or within seventy-two (72) hours of notification by the ~~Santa Fe Irrigation~~ District, unless other arrangements are made with the General Manager.
- d) Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- e) Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- f) Irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.
- g) Watering is permitted anytime with a bucket, or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.
- h) Irrigate nursery and commercial grower's products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- i) Wash vehicles using a bucket and a hand-held hose with positive shut-off nozzle, mobile high pressure/low volume wash system, or at a commercial site that re-circulates (reclaims) water on-site.
- j) Serve and refill water in restaurants and other food service establishments only upon request.
- k) Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- l) Use recycled or non-potable water for construction purposes when available.
- m) Comply with any mandatory regulations established by any State agency governing the use of water.
- n) Operation of fountains and water features that do not use recycled water are prohibited.
- o) Customers are strongly encouraged to sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications.
- p) District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

Sec. 17.7.3

The following shall apply if the District Board of Directors declares a Water Shortage Emergency in the manner and on the grounds provided in California Water Code section 350 et seq., during a Water Shortage Response Level 3 condition:

- a) Upon the declaration of a Water Shortage Emergency pursuant to California Water Code section 350 et seq., no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:
 1. A valid, unexpired building permit has been issued for the project; or
 2. The project is necessary to protect the public's health, safety, and welfare; or
 3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of ~~Santa Fe Irrigation~~the District.

Section 17.7.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

SEC. 17.8 WATER SHORTAGE RESPONSE LEVEL 4

Sec. 17.8.1

A Water Shortage Response Level 4 condition may apply when, due to increasing cutbacks caused by a water shortage or other reduction of water supplies a consumer demand reduction of up to 40 percent is required, to have sufficient supplies available to meet anticipated water demands, or as otherwise deemed by the District in its reasonable discretion. During a Level 4, the District may implement the applicable Level 4 water use reduction measures identified in these Policies and Procedures. Additionally, the District Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

Sec. 17.8.2

All persons using District water during a Water Shortage Response Level 4 condition shall comply with the following mandatory use reduction measures:

- a) Limit residential and commercial landscape irrigation to two (2) assigned days per week from June through October, and one (1) assigned day per week November through May, on a schedule established by the General Manager and posted by the District.
- b) Limit lawn watering and landscape irrigation using sprinklers to ten (10) minutes per watering station per assigned day as established by the General Manager and posted by the District. This provision does not apply to landscape irrigation systems using water efficient devices, including, but not limited to weather-based controllers, drip/micro-irrigation systems and stream rotor sprinklers.

- c) Repair all leaks within forty-eight (48) hours of detection, or within forty-eight (48) hours of notification by the District, unless other arrangements are made with the General Manager.
- d) Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- e) Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within forty-eight (48) hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- f) Irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.
- g) Watering is only permitted before 10 a.m. and after 6 p.m., and only with a bucket or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.
- h) Irrigate nursery and commercial grower's products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- i) Stop washing vehicles except at commercial car washes that re-circulate water, or by commercial high pressure/low volume wash systems.
- j) Serve and refill water in restaurants and other food service establishments only upon request.
- k) Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- l) Use recycled or non-potable water for construction purposes when available.
- m) Comply with any mandatory regulations established by any State agency governing the use of water.
- n) Operation of fountains and water features that do not use recycled water are prohibited.
- o) Customers must sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications.
- p) Stop filling or re-filling ornamental lakes or ponds, except to the extent needed to sustain aquatic life.
- q) District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

Sec. 17.8.3

The following shall apply if the District Board of Directors declares a Water Shortage Emergency in the manner and on the grounds provided in California Water Code section 350 et seq., during a Water Shortage Response Level 4 condition:

- a) Upon the declaration of a Water Shortage Emergency pursuant to California Water Code section 350 et seq., no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:
1. A valid, unexpired building permit has been issued for the project; or
 2. The project is necessary to protect the public's health, safety, and welfare; or
 3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of District.

Section 17.8.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

Sec. 17.8.4

The District may establish a water allocation for any property served by the District. If the District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for water service fees or charges or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for on-going water service. Following the effective date of the water allocation as established by the District, any person that uses water in excess of the allocation shall be subject to a volumetric penalty for each billing unit of water in excess of the allocation. The volumetric penalty for excess water usage shall be cumulative to any other remedy or penalty that may be imposed for violation of these Policies and Procedures. The District Board of Directors, by resolution, shall establish the amount of the volumetric penalty in accordance with applicable law.

SEC. 17.9 WATER SHORTAGE RESPONSE LEVEL 5

Sec. 17.9.1

A Water Shortage Response Level 5 condition may apply when the Water Authority Board of Directors declares a Water Shortage Emergency pursuant to California Water Code section 350 et seq. and notifies its member agencies that Level 5 requires a demand reduction of up to 50 percent in order for the District to have maximum water supplies available to meet anticipated water demands, or as otherwise determined by the District in its reasonable discretion. During a Level 5, the District may implement the applicable Level 5 water use reduction measures identified in these Policies and Procedures. Additionally, the District

Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

Sec. 17.9.2

All persons using District water during a Water Shortage Response Level 5 shall comply with the following mandatory water use reduction and restriction measures:

- a) Stop all landscape irrigation, except crops and landscape products of commercial growers and nurseries. This restriction shall not apply to the following categories of use:
 1. Maintenance of trees and shrubs that are watered on a schedule established by the General Manager and posted by the District, using a bucket, hand-held hose with a positive shut-off nozzle.
 2. Maintenance of existing landscaping necessary for fire protection as specified by the Fire Marshal of the local fire protection agency having jurisdiction over the property to be irrigated.
 3. Maintenance of existing landscaping for erosion control.
 4. Maintenance of plant materials identified to be rare or essential to the well-being of rare animals.
 5. Maintenance of landscaping within active public parks and playing fields, day care centers, school grounds, cemeteries, and golf course greens, provided that such irrigation does not exceed Two (2) days per week.
 6. Watering of livestock.
 7. Public works projects and actively irrigated environmental mitigation projects.
 8. Operation of fountains and water features that do not use recycled water are prohibited.
- b) Repair all water leaks within twenty-four (24) hours of detection, or within twenty-four (24) hours of notification by the ~~Santa Fe Irrigation~~-District, unless other arrangements are made with the General Manager.
- c) Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- d) Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- e) When applicable per measure “a)” of this section, limit residential and commercial landscape irrigation to two (2) assigned days per week from June through October, and one (1) assigned day per week November through May, on a schedule established by the General Manager and posted by the District.

- f) When applicable per measure “a)” of this section, irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.
- g) When applicable per measure “a)” of this section, watering is only permitted before 10 a.m. and after 6 p.m., and only with a bucket or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.
- h) When applicable per measure “a)” of this section, irrigate nursery and commercial grower’s products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- i) Stop washing vehicles except at commercial car washes that re-circulate water, or by commercial high pressure/low volume wash systems.
- j) Serve and refill water in restaurants and other food service establishments only upon request.
- k) Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- l) Use recycled or non-potable water for construction purposes when available.
- m) Comply with any mandatory regulations established by any State agency governing the use of water.
- n) Operation of fountains and water features that do not use recycled water are prohibited.
- o) Customers must sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications.
- p) Stop filling or re-filling ornamental lakes or ponds, except to the extent needed to sustain aquatic life
- q) District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

Sec. 17.9.3

The following shall apply if the District Board of Directors declares a Water Shortage Emergency in the manner and on the grounds provided in California Water Code section 350 et seq., during a Water Shortage Response Level 5 condition:

- a) Upon the declaration of a Water Shortage Level 5., no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:
 - 1. A valid, unexpired building permit has been issued for the project; or
 - 2. The project is necessary to protect the public’s health, safety, and welfare; or

3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of ~~Santa Fe Irrigation~~the District.

Section 17.9.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

Sec. 17.9.4

Upon the declaration of a Water Shortage Response Level 5 condition, District may suspend consideration of annexations to its service area.

Sec. 17.9.5

The District shall establish a water allocation for any property served by the ~~Santa Fe Irrigation~~District. If the District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for water service fees or charges or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for on-going water service. Following the effective date of the water allocation as established by the District, any person that uses water in excess of the allocation shall be subject to a volumetric penalty for each billing unit of water in excess of the allocation. The volumetric penalty for excess water usage shall be cumulative to any other remedy or penalty that may be imposed for violation of these Policies and Procedures. The District Board of Directors, by resolution, shall establish the amount of the volumetric penalty in accordance with applicable law.

SEC. 17.10 WATER SHORTAGE RESPONSE LEVEL 6

Sec. 17.10.1

A Water Shortage Response Level 6 condition may apply when the Water Authority Board of Directors declares a Water Shortage Emergency pursuant to California Water Code section 350 et seq. and notifies its member agencies that Level 6 requires a demand reduction of greater than 50 percent in order for the District to have maximum water supplies available to meet anticipated water demands, or as otherwise determined by the District in its reasonable discretion. During a Level 6, the District may implement the applicable Level 6 water use reduction measures identified in these Policies and Procedures. Additionally, the District Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

Sec. 17.10.2

All persons using District water during a Water Shortage Response Level 6 shall comply with the following mandatory water use reduction and restriction measures:

- a. Stop all landscape irrigation, except crops and landscape products of commercial growers and nurseries. This restriction shall not apply to the following categories of use:
 1. Maintenance of existing landscaping necessary for fire protection as specified by the Fire Marshal of the local fire protection agency having jurisdiction over the property to be irrigated.
 2. Maintenance of existing landscaping for erosion control.
 3. Maintenance of plant materials identified to be rare or essential to the well-being of rare animals.
 4. Watering of livestock.
 5. Public works projects and actively irrigated environmental mitigation projects.
- b. Repair all water leaks within twenty-four (24) hours of detection, or within twenty-four (24) hours of notification by the District, unless other arrangements are made with the General Manager.
- c. Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- d. Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- e. When applicable per measure “a)” of this section, limit residential and commercial landscape irrigation to two (2) assigned days per week from June through October, and one (1) assigned day per week November through May, on a schedule established by the General Manager and posted by the District.
- f. When applicable per measure “a)” of this section, irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.
- g. When applicable per measure “a)” of this section, watering is only permitted before 10 a.m. and after 6 p.m., and only with a bucket or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.
- h. When applicable per measure “a)” of this section, irrigate nursery and commercial grower’s products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- i. Stop washing vehicles except at commercial car washes that re-circulate water, or by commercial high pressure/low volume wash systems.

- j. Serve and refill water in restaurants and other food service establishments only upon request.
- k. Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- l. Use recycled or non-potable water for construction purposes when available.
- m. Comply with any mandatory regulations established by any State agency governing the use of water.
- n. Operation of fountains and water features that do not use recycled water are prohibited.
- o. Customers must sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications.
- p. Stop filling or re-filling ornamental lakes or ponds, except to the extent needed to sustain aquatic life
- q. The District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

Sec. 17.10.3

The following shall apply if the District Board of Directors declares a Water Shortage Response Level 6:

- a. Upon the declaration of a Water Shortage Response Level 6 pursuant to California Water Code section 350 et seq., no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:
 - 1. A valid, unexpired building permit has been issued for the project; or
 - 2. The project is necessary to protect the public’s health, safety, and welfare; or
 - 3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of District.

Section 17.10.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

Sec. 17.10.4

Upon the declaration of a Water Shortage Response Level 6 condition, the District may suspend consideration of annexations to its service area.

Sec. 17.10.5

The District shall establish a water allocation for any property served by the District. If the District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for water service fees or charges or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for on-going water service. Following the effective date of the water allocation as established by the District, any person that uses water in excess of the allocation shall be subject to a volumetric penalty for each billing unit of water in excess of the allocation. The volumetric penalty for excess water usage shall be cumulative to any other remedy or penalty that may be imposed for violation of these Policies and Procedures. The District Board of Directors, by resolution or ordinance, shall establish the amount of the volumetric penalty in accordance with applicable law.

SEC. 17.11 CORRELATION BETWEEN WATER SHORTAGE MANAGEMENT PLAN AND WATER SHORTAGE RESPONSE LEVELS

Sec. 17.11.1

The correlation between the Water Authority's WSCP stages and the District's water shortage response levels identified in these Policies and Procedures is described herein. Under WSCP Stage 1, the District may implement Water Shortage Response Level 1 actions. Under WSCP Stage 2, the District may implement Water Shortage Response Level 2 actions. Under WSCP Stage 3, the District may implement Water Shortage Response Level 3 actions. Under WSCP Stage 4, the District may implement Water Shortage Response Level 4 actions. Under WSCP Stage 5, the District may implement Water Shortage Response Level 5 actions. Under WSCP Stage 6, the District may implement Water Shortage Response Level 6 actions.

Sec. 17.11.2

The water shortage response levels identified in these Policies and Procedures correspond with the Water Authority's WSCP as identified in the following table:

| Water Shortage Response Levels | Conservation Measures | Conservation Target | Water Allocations | WSCP Stage |
|--------------------------------|-----------------------|---------------------|-------------------|------------|
| 1 | Voluntary | Up to 10% | No | Stage 1 |
| 2 | Mandatory | Up to 20% | No | Stage 2 |
| 3 | Mandatory | Up to 30% | No | Stage 3 |
| 4 | Mandatory | Up to 40% | Possible | Stage 4 |
| 5 | Mandatory | Up to 50% | Possible | Stage 5 |
| 6 | Mandatory | Above 50% | Possible | Stage 6 |

SEC. 17.12 PROCEDURES FOR DETERMINATION AND NOTIFICATION OF WATER SHORTAGE RESPONSE LEVEL

Sec. 17.12.1

The existence of a Water Shortage Response Level 1 condition may be declared by the General Manager upon a written determination of the existence of the facts and circumstances supporting the determination. A copy of the written determination shall be filed with the Clerk or Secretary of the District and provided to the District Board of Directors. The General Manager may publish a notice of the determination of existence of Water Shortage Response Level 1 condition in one or more newspapers, including a newspaper of general circulation within the ~~Santa Fe Irrigation~~ District. The District may also post notice of the condition on its website.

Sec. 17.12.2

The existence of a Water Shortage Response Level 2, Level 3, Level 4, Level 5 or Level 6 condition may be declared by resolution of the District Board of Directors, adopted at a regular or special public meeting held in accordance with State law. The mandatory conservation and reduction measures applicable to a Water Shortage Response Level 2, Level 3, Level 4, Level 5 or Level 6 condition shall take effect on the tenth day after the date the response level is declared. Within five (5) days following the declaration of the response level, the District shall publish a copy or summary of the resolution in a newspaper used for publication of

official notices. If the District establishes a water allocation which may be only applicable to Level 4, 5 and 6, it shall provide notice of the allocation by including it in the regular billing statement for water service fees or charges or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for on-going water service. The water allocation shall be effective on the fifth day following the date of mailing or at such later date as specified in the notice.

Additionally, the Board may declare a Water Shortage Emergency in accordance with the procedures specified in California Water Code section 350 et seq. during a Water Shortage Response Level 2, Level 3, Level 4, Level 5 or Level 6 condition. Following at least a seven (7) day notice of the meeting at which the declaration will be made, the District Board of Directors may declare the existence of a Water Shortage Emergency during a Water Shortage Response Level 2, Level 3, Level 4, Level 5 or Level 6 condition by the adoption of a resolution at any regular or special meeting held in accordance with State law. The restrictions applicable during a Water Shortage Emergency shall take effect on the tenth day after the declaration. Within (5) days following the declaration of the Water Shortage Emergency, the District shall publish a copy or summary of the resolution at least one time in a newspaper used for publication of official notices.

Sec. 17.12.3

Notwithstanding anything herein to the contrary, the District, or the General Manager as authorized herein, may declare any Water Shortage Response Level as set forth in Article 17 when it determines under the then existing facts and circumstances that it is necessary to implement the specific water conservation and reduction measures of such Water Shortage Response Level to protect the water supplies of the District.

Sec. 17.12.4

The District Board of Directors may declare an end to a Water Shortage Response Level and/or Water Shortage Emergency by the adoption of a resolution at any regular or special meeting held in accordance with State law.

SEC. 17.13 HARDSHIP VARIANCE

Sec. 17.13.1

If, due to unique circumstances, a specific requirement of these Policies and Procedures or any water allocation established by the District would result in undue hardship to a person using District water or to property upon which District water is used, that is disproportionate to the impacts to District water users generally or to similar property or classes of water uses, then the person may apply for a variance to the requirements as provided in this section.

Sec. 17.13.2

The variance may be granted or conditionally granted, only upon a written finding of the existence of facts demonstrating an undue hardship to a person using District water or to property upon which District water is used, that is disproportionate to the impacts to District water users generally or to similar property or classes of water use due to specific and unique circumstances of the user or the user's property.

Sec. 17.13.3

Application. Application for a variance shall be made on a form prescribed by the District and shall be accompanied by a non-refundable processing fee in an amount set by resolution of the District Board of Directors.

Sec. 17.13.4

Supporting Documentation. The application shall be accompanied by photographs, maps, drawings, and other information, including a written statement of the applicant.

Sec. 17.13.5

Required Findings for Variance. An application for a variance shall be denied unless the approving authority finds, based on the information provided in the application, supporting documents, or such additional information as may be requested, and on water use information for the property as shown by the records of the ~~Santa Fe Irrigation~~ District, all of the following:

- a. That the variance does not constitute a grant of special privilege inconsistent with the limitations upon other District customers.
- b. That because of special circumstances applicable to the property or its use, the strict application of these Policies and Procedures would have a disproportionate impact on the property or use that exceeds the impacts to customers generally.
- c. That the authorization of such variance will not be of substantial detriment to adjacent properties and will not materially affect the ability of the District to effectuate the purpose of these Policies and Procedures and will not be detrimental to the public interest. Substantial detriment does not include diminution of property value.
- d. That the condition or situation of the subject property or the intended use of the property for which the variance is sought is not common, recurrent or general in nature.

Additionally, a variance may be granted, if the approving authority finds, based on the information provided in the application, supporting documents, or such additional information as may be requested, and on water use information for the property as shown by the records

of the ~~Santa Fe Irrigation~~ District, that the subject property had been destroyed by a natural disaster, either entirely, or partially.

Sec. 17.13.6

Approval Authority. The Director of Administrative Services shall exercise approval authority and act upon any completed application no later than ten (10) business days after submittal and may approve, conditionally approve, or deny the variance. The applicant requesting the variance shall be promptly notified in writing of any action taken. Unless specified otherwise at the time a variance is approved, the variance applies to the subject property during the term of the mandatory water shortage response level then in effect.

Sec. 17.13.7

Filing an Appeal on Variance Decisions or Conditions (“Variance Appeals”). Any person (a “Variance Appellant”) who wishes to appeal a decision or condition of the District’s Director of Administrative Services on a variance application shall submit a Variance Appeal Request form to the District’s General Manager no later than fifteen (15) days from the date of the decision on the variance application. During the Variance Appeal process, all decisions or conditions under appeal shall remain in full effect until the conclusion of the Variance Appeal process. The Variance Appellant may request to provide evidence in writing or in person in support of his or her Variance Appeal to the General Manager. The decision of the District’s General Manager on a Variance Appeal shall be final and shall be mailed to the Variance Appellant within ten (10) calendar days of such determination and shall indicate whether the Variance Appeal has been granted in whole or in part and set forth the terms and conditions of the decision, if any. If the Variance Appeal is denied, the Variance Appellant shall comply with all terms and conditions of the order or notice.

SEC. 17.14 VIOLATIONS AND PENALTIES

Sec. 17.14.1

Any person who uses, causes to be used, or permits the use of water in violation of these Policies and Procedures is guilty of an offense punishable as provided herein.

Sec. 17.14.2

Each day that a violation of these Policies and Procedures occurs is a separate offense.

Sec. 17.14.3

A first violation of the water conservation and reduction measures set forth in these Policies and Procedures, and reported to the District, will result in a letter or a door hanger generated by the Customer Services department, notifying the customer of the violation with a weblink to, or a hard copy of the District Water Shortage Response Policies and Procedures. The violation and notification will be recorded on that customer account.

Sec. 17.14.4

Civil penalties may be imposed by issuance of a Citation and Complaint for each violation of a provision of these Policies and Procedures and as follows:

- a. Two hundred and fifty dollars (\$250.00) for a second violation.
- b. Five hundred dollars (\$500.00) for a third violation of any provision of these Policies and Procedures within one year.
- c. One thousand dollars (\$1,000.00) for a fourth violation of any provision of these Policies and Procedures within one year.

The above civil penalties are independent of, and are in addition to, any volumetric penalties imposed in accordance with any allocation program adopted by the ~~Santa Fe Irrigation~~ District, and which volumetric penalties shall be subject to any and all procedures, including appeal procedures, set forth in any such program.

The Citation and Complaint must state the basis for the proposed civil penalty. Unless an appeal and/or hearing is requested pursuant to the provisions of Section 17.15 of these Policies and Procedures, on the 31st day following issuance of the Citation and Complaint, the District's General Manager or his or her authorized designee, shall issue a final order setting the civil penalty. Within ten (10) days after issuance of a final order, any civil penalty(ies) imposed by the District shall be due and payable.

Sec. 17.14.5

Violation of a provision of these Policies and Procedures is subject to enforcement through installation of a flow-restricting device in the meter.

Sec. 17.14.6

Each violation of these Policies and Procedures may be prosecuted as a misdemeanor, punishable by imprisonment in the county jail for not more than thirty (30) days or by a fine not exceeding \$1,000, or by both as provided in California Water Code section 377.

Sec. 17.14.7

Willful violations of the mandatory conservation and reduction measures and water use restrictions as set forth in the Water Shortage Response Policies and Procedures may be enforced by discontinuing service to the property at which the violation occurs as provided by California Water Code section 356.

Sec. 17.14.8

All remedies provided for herein shall be cumulative and not exclusive.

SEC. 17.15 NOTICES OF VIOLATION/ CITATION AND COMPLAINT

Sec. 17.15.1

Any notice of violation, which shall be issued as a Citation and Complaint in accordance with Water Code section 377 and Section 17.14 herein, shall be served pursuant to the requirements of these Policies and Procedures and shall:

- a. identify the provision(s) of these Policies and Procedures and any State law, if applicable, alleged to have been violated; and
- b. state that continued noncompliance may result in civil, criminal, or administrative enforcement actions against the person who committed the violation, or the property owner and/or occupant of the property where the violation occurred; and
- c. state a compliance date that must be met by the person who committed the violation, or the property owner and/or occupant of the property where the violation occurred; and
- d. order remediation work, where applicable, that must be taken by the property owner and/or occupant of the property; and
- e. state that the recipient has a right to appeal the matter as set forth in these Policies and Procedures; and
- f. include the address of the affected property and be addressed to the property owner as shown on the most recently issued equalized assessment roll or as may otherwise appear in the current records of the ~~Santa Fe Irrigation~~ District. If the order applies to a responsible party who is not the property owner, or if the event is not related to a specific property, the notice may be sent to the last known address of the responsible party; and
- g. be deemed served ten (10) business days after posting on the property, if the property owner or occupant of the affected property cannot be located after the reasonable efforts of the General Manager.

Sec. 17.15.2

Any Citation and Complaint may be sent by regular mail. Service by regular mail is effective on the date of mailing.

The Citation and Complaint may include, where deemed applicable by the General Manager, the following terms and conditions:

- a. specific steps or actions and time schedules for compliance as reasonably necessary to prevent future violations of these Policies and Procedures; and
- b. any other terms, conditions, or requirements reasonably calculated to prevent continued or threatened future violations of these Policies and Procedures, including, but not limited to, discontinuing or limiting water service with the installation of a flow restricting device.

Sec. 17.15.3

In addition to or in conjunction with a Citation and Complaint for a first violation of any provision of these Policies and Procedures, within two (2) weeks of the violation:

- a) the District may provide notice to the property owner or occupant of the property where the violation occurred to advise such person of:
 1. the water shortage response level then in effect and the provisions of these Policies and Procedures relating thereto;
 2. water reduction and water shortage response measures that are required and may be implemented pursuant to these Policies and Procedures;
 3. possible consequences and actions which may be taken by the District for future violations of these Policies and Procedures, including discontinuance of water service;
 4. penalties that may be imposed for the specific violation and any future violations of these Policies and Procedures; and
- b) if the General Manager deems it to be appropriate, the District may order the installation of a flow-restricting device on the service line for any person who violates any term or provision of these Policies and Procedures.

Sec. 17.15.4

In addition to or in conjunction with the Citation and Complaint for a second or any subsequent violation of these Policies and Procedures, within two (2) weeks of the violation:

- a. the District may provide notice to the property where the violation occurred to notify the property owner or occupant of the property where the violation occurred to advise such person of:
 - 1. the water shortage response level then in effect and the provisions of these Policies and Procedures relating thereto;
 - 2. the water conservation and water shortage response measures that are required and may be implemented by such person;
 - 3. possible consequences which may occur in the event of any future violations of these Policies and Procedures; and
- b. if the General Manager deems it to be appropriate, the District may order the installation of a flow-restricting device on the service line for any person who violates any term or provision of these Policies and Procedures; and
- c. if the General Manager deems it to be appropriate, the District may discontinue the water service at the location where the violation occurred.

Sec. 17.15.5

The District may, after one (1) Citation and Complaint, order that a special meter reading or readings be made in order to ascertain whether wasteful or unreasonable use of water is occurring. The District may impose a meter reading fee for each meter reading it conducts pursuant to these Policies and Procedures.

SEC. 17.16 RECOVERY OF COSTS (SEE SEC. 17.14.1)

The General Manager shall serve an invoice for costs upon the property owner and/or occupant of any property, or any other responsible person who is subject to a Citation and Complaint. An invoice for costs shall be immediately due and payable to the ~~Santa Fe Irrigation~~-District. If any property owner or person fails to either pay the invoice for costs or appeal successfully the invoice for costs in accordance with these Policies and Procedures, then the District may institute collection proceedings. The invoice for costs may include reasonable attorneys’ fees.

- a) The District may impose any other penalties or regulatory fees, as fixed from time to time by the Board of Directors, for a violation or enforcement of these Policies and Procedures.
 - 1. In order to recover the costs of the water conservation and reduction regulatory program set forth in these Policies and Procedures, the Board of Directors may, from time to time, fix and impose fees and charges. The District fees and charges may include, but are not limited to fees and charges for:
 - a. any visits of a enforcement officer or other District staff for time incurred for meter reading, follow-up visits, or the installation or removal of a flow-restricting device;

- b. monitoring, inspection, and surveillance procedures pertaining to enforcement of these Policies and Procedures;
- c. enforcing compliance with any term or provision of these Policies and Procedures;
- d. reinitiating service at a property where service has been discontinued pursuant to these Policies and Procedures;
- e. processing any fees necessary to carry out the provisions of these Policies and Procedures.

SEC. 17.17 APPEALS

- a) **Filing an Appeal.** Any person (an “Appellant”) who wishes to appeal the imposition of a civil penalty imposed by the District pursuant to this Article 17 shall comply with the following procedures:
 - 1. The Appellant shall pay all amounts due and owing on his or her water bill, except for any disputed fine(s) imposed by the District pursuant to this Article 17.
 - 2. The Appellant shall submit an appeal in writing to the District’s Administration Department no later than fifteen (15) days from the date of the Citation and Complaint or staff decision being appealed. Additional documentation may be requested at the discretion of the District.
- b) **District Response.** A response to the appeal request shall be provided by the District within thirty (30) days from receipt of the written appeal.
- c) **Review or Denial of Appeal Request.** If an appeal request is denied, the appellant may request a hearing before the District’s General Manager or his or her authorized designee.
 - 1. Any hearing request shall be submitted no later than fifteen (15) days from the denial of the appeal. The hearing shall not be held sooner than 30 days after the Citation and Complaint was issued.
 - 2. At the hearing the Appellant shall be given a reasonable opportunity to be heard and a chance provide evidence in writing or in person in support of his or her appeal to the District’s General Manager, or his or her authorized designee.
 - 3. When a pre-established civil penalty pursuant to these Policies and Procedures is not applicable, the District’s General Manager, or his or her authorized designee, shall when determining the amount of civil penalty to assess, take into consideration all relevant circumstances, including but not limited to:
 - a. The nature and persistence of the violation.
 - b. The extent of the harm caused by the violation.
 - c. The length of time over which the violation occurs.
 - d. Any corrective action taken by the violator.

4. The decision by the District's General Manager, or authorized designee shall be final and shall be memorialized in a final order.
5. Within ten (10) days after issuance of a final order, the Appellant shall pay any disputed civil penalty(ies) imposed by the District.
6. The provisions of Section 1094.5 of the Code of Civil Procedure of the State of California shall be applicable to judicial review of the final order.

SEC. 17.18 SEVERABILITY

If any provision, section, subsection, sentence, clause or phrase or sections of these Policies and Procedures, or the application of same to any person or set of circumstances, is for any reason held to be unconstitutional, void or invalid, the invalidity of the remaining portions of sections of these Policies and Procedures shall not be affected, it being the intent of the Board of Directors in adopting these Policies and Procedures that no portions, provisions, or regulations contained herein shall become inoperative, or fail by reason of the unconstitutionality of any other provision hereof, and all provisions of these Policies and Procedures are declared to be severable for that purpose.

SEC. 17.19 EFFECTIVE DATE

These Policies and Procedures are effective immediately upon adoption or as otherwise established by state law for the District.

ARTICLE 18. ANNEXATIONS AND DETACHMENTS, WATER SERVICE OUTSIDE DISTRICT

SEC. 18.1 PROCEDURE

The District is subject to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Cal. Gov. Code § 56000 et seq.) (the “Act”). All annexations and detachments of territory to and from the District or contracted water service to properties or parcel(s) outside of the District shall be processed in accordance with that Act.

SEC. 18.2 TERMS AND CONDITIONS

Prior to the annexation or detachment of any territory to or from the District, or contracted water service to properties or parcel(s) outside of the District, the Board shall fix and determine such terms and conditions, including payment of fees, costs and other charges, for the annexation, detachment, and/or contracted water service as it may deem appropriate. Owners of Properties or parcel(s) outside of the District's boundaries seeking water service will be required to request annexation into the District or request service as otherwise authorized under the Act. Government Code section 56133 generally prohibits a special district from extending services outside of its boundaries and/or sphere of influence without the Local Agency Formation Commission (“LAFCO”)’s approval. This is also applicable to detachment of any territory from the District. Upon receipt of an annexation or detachment request from the property owner, the District will require a deposit from the property owner for the District to perform a feasibility study. All annexation and detachment requests require the Board of Directors' conceptual approval. In the case of a proposed annexation, if the request is approved by the Board of Directors, the owner will be required to go through LAFCO's approval process prior to the District providing water service to the property. The owner shall be solely responsible for obtaining LAFCO’s approval for the annexation or detachment, including submitting any required petitions, applications, or other materials in compliance with the Act, LAFCO policies, and other applicable law. LAFCO and/or the District will require the owner to pay for their costs of reviewing and processing the request. “Agency-to-Agency Service Exchange” agreements or “Out-of-Service Area” type of agreements in lieu of annexation or detachment may be considered by the Board of Directors on a case-by-case basis and shall be processed as required under the Act.

SEC. 18.3 CRITERIA FOR DETACHMENT

A detachment from the District may be initiated by a Resolution of Application of the Board or another agency, or by a petition from registered voters or owners of land submitted to LAFCO. All detachments from the District will be reviewed and considered by the Board of Directors,

subject to the following minimum conditions:

- a. The owner shall initiate a detachment process in accordance with the Act to detach the subject parcels within the District's boundaries.
- b. The owner shall prepare a detailed analysis to determine how the detachment of the subject parcels would impact the District. Potential impacts to the District may include, but are not limited to, loss of property taxes, loss of future water services revenues, and stranded assets. Analysis must include the square footage of the lot(s) being detached from the District and why the detachment is being proposed.
- c. The owner shall pay a deposit to the District to initiate the review of the detailed analysis (section 18.3.b) along with all other parcel(s) maps, documents and information as may be required by the District, and make a recommendation to the Board of Directors.
- d. The potential impacts will be evaluated by the District in making a decision on whether the subject parcels should be detached from the District.

SEC. 18.4 CRITERIA FOR ANNEXATION

An annexation to the District may be initiated by a Resolution of Application of the Board or another agency, or by a petition from registered voters or owners of land submitted to LAFCO. All annexations to the District will be considered by the Board of Directors, subject to the following minimum conditions:

- a. When not detrimental to the District.
- b. When sufficient water supply is available.
- c. When the property cannot feasibly be served by the agency in which it exists (due to physical location, excessive costs, or similar factors; provided, however, excessive costs alone will not be considered as justification for annexation) and a request has been received from that agency requesting that the property be annexed to the District.
- d. All facilities necessary to deliver water to the property will be paid for by the owner of the annexing property.
- e. An annexation fee will be charged at the time of initiating annexation as established by the Board of Directors. The fee will be based on the acreage to be annexed, divided by the total acreage of the District, and multiplied by the total assets of the District without considering the value of the assets donated by the private developer. The total assets will be obtained from the latest annual audit.

- f. After annexation, the property owner will pay all fees, charges, rates, and taxes that any other property within the District would pay.
- g. A determination must be made as to the amount of assessed value that will be transferred to the District from the water agency in which the property exists.
- h. If permitted under the Act, a temporary water supply may be furnished until the annexation process is complete, subject to review and approval by the Board. This may require the execution of an “Agency-to-Agency Service Exchange” agreement or “Out-of-Service Area” agreement, which shall be subject to LAFCO approval.

SEC. 18.5 PROCEDURES AND REQUIREMENTS FOR ALL ANNEXATIONS AND DETACHMENTS

- a. Prior to submission of a petition from registered voters or owners of land to LAFCO or a request for the District to initiate annexation or detachment proceedings, the property owner shall provide to the District's staff, all plat maps, legal description(s) and any other documents that the District's staff deems pertinent or necessary in connection with the proposed annexation or detachment.
- b. All annexations or detachments shall be subject to the condition that the deposit for the District required above shall be paid at the time the request for consideration is made.
- c. In any resolution or other submission to LAFCO on behalf of the District, the District shall include such terms and conditions as the Board may deem appropriate in its sole discretion. Terms and conditions shall include, but not be limited to, the following:
 - 1. Payment of appropriate annexation or detachment fees and charges required under this Code;
 - 2. In the case of annexation to the District, all water distribution and storage facilities required for the delivery of water to the annexed land, including necessary easements or rights of way, shall be provided by the proponent without cost to the District, and the District shall be under no obligation to provide any improvements or service if the facilities are not completed and accepted;
 - 3. All annexations shall be subject to the condition that the land affected by the annexation shall be subject to the payment of the annexation fee provided for above;
 - 4. All annexations shall be subject to the condition that the annexed land shall be subject to the applicable ordinances, resolutions and other rules and regulations of the District in effect, amended or adopted on and after the date of final Board approval;
- d. The District will not defend any action contesting an annexation or detachment and shall leave such defense to the owner of the land affected by the annexation or detachment. The District may take appropriate actions to effectuate this section, including, but not limited to, rescinding

a Resolution of Application or requiring the property owner to execute a written agreement concerning defense and indemnification of the District.

- e. For annexations or detachments initiated by a Resolution of Application by the Board, an annexation or detachment shall terminate on the first to occur of: (a) the date of delivery to the District of an affected property owner's written notice requesting termination, unless termination is otherwise governed by contract; or (b) a Board action terminating the annexation or detachment when the Board determines, in its sole discretion, that good cause exists for such termination, or the approval period identified in the conditions of annexation or detachment has expired.
- f. For annexation or detachment proceedings initiated by petition from registered voters or owners of land or a resolution of another agency, the District's Board of Directors may adopt a resolution requesting termination of the proceedings as provided in the Act.
- g. With regard to annexations or detachments initiated by petition from registered voters or owners of land or a resolution of another agency, the District reserves all rights and remedies available to the District under the Act and other applicable laws which may include, but are not limited to, the right to adopt a resolution requesting termination of the proceedings, and the right to submit proposed conditions to LAFCO which are consistent with this Article or are otherwise in the interest of the District.

SEC. 18.6 CRITERIA FOR CONTRACTING FOR WATER SERVICE TO PROPERTIES OUTSIDE THE DISTRICT

All requests for water service to property located outside of the boundaries of the District shall be referred to the Board of Directors for approval and shall be consistent with the Act. Such methods may include an "Agency to Agency Service Exchange" agreement or "Out-of-Service Area" agreement approved by the Board at its sole discretion. The following minimum conditions shall apply:

- a. When sufficient water supply is available.
- b. A contract fee identical to the annexation fee would be charged.
- c. All facilities necessary to deliver water to the property will be paid for by the owner of the property under contract.
- d. ~~After the contract~~Upon the contract becoming effective, the property owner will pay all fees and charges as a property within the District.
- e. A higher water rate than the water rate charged district customers, reflecting the cost of service to the property, will be assessed and charged to offset not receiving an annual assessment fee.
- f. Final approval may also be required from the San Diego County Water Authority and/or LAFCO. In addition, if the property is located within the boundaries of another water agency, the property owner must obtain approval from that agency to be served by the District.

g. The District has no obligation to provide out of area service.

ARTICLE 19. PROCUREMENT

SEC. 19.1 GENERAL

The Santa Fe Irrigation District (“District”) shall procure required goods and services commensurate with acceptable quality at the lowest possible cost. Appropriate internal financial controls shall be exercised over all procurements. No procurement shall be authorized unless the goods or services to be procured have been approved pursuant to the District’s budgetary process. The General Manager shall execute and maintain administrative procedures to ensure that the procurement of all goods and services are properly documented as conforming to this policy, related internal financial controls, and all applicable administrative procedures.

The District shall not discriminate against any person or entity because of race, color, creed, sex, religion, national origin, disability, medical condition, sexual orientation, or any other protected category under federal, state or local law and shall place, in all procurement related solicitations or advertisements for formal procurement of goods or services, a statement that all qualified bidders will receive consideration without regard to color, creed, sex, religion, marital status, age, national origin, disability, medical condition, sexual orientation, or any other protected category under federal, state or local law, or words to that effect.

The General Manager may, at their discretion, delegate the duties contained in this policy.

SEC. 19.2 PUBLIC WORKS CONSTRUCTION CONTRACT

Sec. 19.2.1 General

All District construction and capital improvements work in excess of \$3580,000, unless performed by District forces, shall be let by competitive bidding in accordance with Sections 20560-20570 of the Public Contract Code, unless otherwise approved by the Board, as in an emergency and in accordance with Public Contract Code section 22050.

Sec. 19.2.2 Acceptance of Bids

Acceptance of any bid over \$3580,000 shall be by action of the Board. The Board reserves the right to reject all bids or to make such an award as it deems to be in the best interest of the District, and in accordance with law.

The General Manager is authorized to accept any bids of \$3580,000 or less and reserves the right to reject all bids or to make such an award in the best interest of the District, and in accordance with law.

Sec. 19.2.3 Relief of Bidders

A bidder shall not be relieved of their bid unless by consent of the Board as provided in Public Contract Code section 5100 et. seq.

Sec. 19.2.4 Prequalified Bidders

The District reserves the right to prequalify bidders on public works projects.

Sec. 19.2.5 Change Orders

Sec. 19.2.5.1 Individual

The General Manager is authorized to approve change orders up to \$3580,000 when a change in the scope of work occurs, as long as the project budget has sufficient funds.

Sec. 19.2.5.2 Cumulative Total

The General Manager is authorized to approve change orders as specified in Sec. 19.2.5.1 to a maximum cumulative total value of 15% of the contract amount for contracts under \$1 million and 7.5% of the contract amount for contracts over \$1 million or \$150,000, whichever is greater, without prior approval of the Board.

Sec. 19.2.6 Project Acceptance

Sec. 19.2.6.1 General

The Board of Directors shall accept all public works projects and authorize staff to file a notice of completion.

Sec. 19.2.6.2 Retention

In addition to withholding any amounts as liquidated damages, the District may withhold 150% of the value of all disputed work items, including punch list work items, as disputed funds pursuant to the provisions of Public Contract Code section 7107. Retention shall be released in accordance with Public Works Contract Code section 7107. The District may further withhold funds to sufficiently address stop payment notices at 125% of the amount of an outstanding stop payment notice pursuant to Civil Code section 8522.

Sec. 19.3 Procurement of Goods, Services and Supplies

Sec. 19.3.1 District Procurement Approval Levels

The General Manager is authorized to make purchases of \$3580,000 or less for goods, services and supplies. Purchases over \$3580,000 require approval of the Board of Directors. The General Manager will designate levels of purchasing authority to appropriate District staff.

Sec. 19.3.2 Authorized Procurement Methods

Sec. 19.3.2.1 Purchase Orders

A purchase order is required for all purchases of \$51,000 or more.

Sec. 19.3.2.2 Open Purchase Orders

Open purchase orders are used when the District must purchase repetitive, specified services or items, or categories of items, from the same vendor over extended periods or on a monthly basis, or requiring numerous shipments.

Sec. 19.3.2.3 Professional Services Contracts

The District may contract for professional services in accordance with Government Code section 4525 et. seq. All contracts awarded for professional services shall be awarded based on demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required at fair and reasonable prices.

Sec. 19.3.2.4 Procurement Card Purchases

Procurement card(s) may be used to purchase supplies, services and equipment. The General Manager shall determine the appropriate number of cardholders and the transaction type, amount and merchant limits of each cardholder.

Sec. 19.3.2.4.1 Procurement Card Purchase Review

The General Manager will review monthly the procurement card purchases made by authorized District staff cardholders. The Finance Committee will review all procurement card purchases made by the General Manager as part of its monthly review of General Manager expenses and reimbursements.

Sec. 19.3.2.5 Petty Cash

The maximum petty cash expenditure allowed is \$100. Splitting purchases in order to utilize petty cash rather than standard purchasing procedures is not permitted.

Sec. 19.3.3 Emergency Purchases

In an emergency, the General Manager is authorized to waive any provision of this policy. Any waiver authorized hereunder will be documented as required by this policy and remedied by informing and retroactively obtaining the approval of the Board of Directors within sixty (60) days of the procurement or the end of the fiscal year, whichever is earlier. Notwithstanding anything to the contrary, the General Manager shall comply with the provisions of Public Contract Code section 22050, as applicable.

Sec. 19.3.4 Sole Source Purchases

Sole source purchases are seldom justified and are discouraged. A sole source purchase must be documented as to why only one supplier is acceptable. This documentation must be verified by the General Manager, who is responsible for making the final determination on sole source purchases.

ARTICLE 22. EXTENSION OF DISTRICT PIPELINES

SEC. 22.1 PIPELINE EXTENSION COSTS

District pipelines within its service areas may be extended at the request of a property owner subject to evaluation and at the total expense of the owner. The District shall not finance the construction of any pipeline extensions.

SEC. 22.2 SUBDIVISIONS

Pipelines and facilities installed by a developer within a subdivision will be accepted by the District as part of its system, provided that plans for the system are prepared by a licensed engineer in the State of California and approved in advance by the District. Before a letter or report is given to the Division of Real Estate, the developer must agree in writing to install such facilities and such agreement must be secured by an approved surety bond from a California admitted surety. A developer must grant to the District any easements, including operation and maintenance access easements, which the District requires for the location of proposed water facilities.

SEC. 22.3 DISTRICT SPECIFICATIONS

The District adopted the San Diego Water Agencies' Standards ("SDWAS") for the design and construction of pipelines, services and valves. All such facilities that are to become the property of the District must be designed and installed in accordance with SDWAS with no exceptions.

SEC. 22.4 PLAN CHECKING, INSPECTION AND HYDRAULIC ANALYSIS FEES

The District shall charge the applicable fee(s) set forth in the District' Schedule of Fees and Charges as established by the Board of Directors for the plan checking of a water facility proposed by developers, inspection of the installation of such facility and any hydraulic analysis or design review performed by the District. All fee(s) shall be paid by the developer prior to review, inspection or analyses performed by the District.

SEC. 22.5 WATER AVAILABILITY LETTERS, COUNTY, AND CITY FORMS

Prior to the District signing and sending a water availability letter or other requested forms

(including County 510 excavation/building permit or City Water Certification Form) to the County or City, the Owner/Developer must submit specific plans for the proposed tentative parcel map for the subdivision, proposed lot split, proposed lot line adjustment, or other improvement. In addition, the Owner/Developer shall provide documentation from the applicable Fire Department that the fire flow requirements for the proposed development can be met by the District without modification of its system or facilities. Owner/Developer shall be solely responsible for making any improvements to their property as may be necessary to decrease the fire flow requirements for the proposed development to a level that can be provided by the District without modification of its system or facilities. If the fire flow requirements for the proposed development as set by the applicable Fire Department cannot be met without modification of the District's system or facilities, then prior to the District signing the letter or forms described above, the Owner/Developer shall request in writing, and pay the full cost of, a cost estimate to install upgrades to the District's system or facilities, including, but not limited to, new dedicated fire protection systems, or enter into a developer agreement with the District to upsize such systems and facilities- ~~to~~- meet the requirements for fire flowdemand. All fees shall be as noted in the District's Schedule of Fees and Charges.

ARTICLE 23. EASEMENTS, ENCROACHMENTS, AND OTHER PERMITS

SEC. 23.1 ACCEPTING EASEMENTS

The General Manager of the District is authorized to accept, on behalf of the District, any deed or grant conveying any interest in or easement upon real property to the District for a public purpose. The General Manager is authorized to consent to the recording of any such deed or grant. (Government Code § 27281).

The General Manager is also authorized to accept easements on behalf of the District dedicated on a final subdivision map. (Government Code § 66440). When so accepted, the following certificate will be included on the final map:

“Santa Fe Irrigation District, an irrigation district of the State of California, pursuant to a duly adopted resolution of its Board of Directors, hereby accepts the interest in real property shown and designated on this map as being offered for dedication to Santa Fe Irrigation District for the public purposes set forth in the offer to dedicate, and the grantee consents to the recording thereof.”

Dated: _____ SANTA FE IRRIGATION DISTRICT

By: _____
General Manager's Name and Signature

If the General Manager determines that it is not in the interest of the District to accept a deed or grant, or to execute a certificate on a final map, the General Manager shall not accept the deed or grant or execute the certificate unless instructed otherwise by the Board of Directors.

Sec. 23.1.1 Easements of Rights of Way

When notified by the county or the city of a proposed vacation of a street or highway, and a pipeline exists or has been planned to be installed in the street or highway to be vacated, District staff shall reply that an easement is required from the county or the city or, if the property over which the street or highway lies is not owned by the county or city, from the underlying property owner. On the contrary, the District shall reserve its prior rights if a pipeline or facility exists in real property that is identified as needed to build, reconstruct and/or maintain roads and highways.

SEC. 23.2 RELEASE OF EASEMENTS

Sec. 23.2.1 Policy

The District will consider easements for relinquishment on a case-by-case basis, in conformance with this policy and in the best interest of the District. A resolution of the Board of Directors is required to release an easement.

Sec. 23.2.2 Procedure

- a. A person applying for the quitclaim of a District easement must submit proof of ownership of the underlying property and the existence of the District easement, the legal description of the property, and the recording date (date, book and page number) of the easement to be released. The applicant must also pay a processing fee based on the District's current Schedule of Fees and Charges to cover staff time and administrative processing of the request. Once all items listed above have been submitted and all fees have been paid, District staff will provide a list of three qualified appraisers. The applicant must then obtain an appraisal of the easement requesting to be quitclaimed from one of the appraisers on the list and provide the appraisal to District staff for Board consideration. The following must then be determined by the Board of Directors:

1. Future need of the easement by the District for potable or recycled water;
2. Quitclaim of the easement will not require the District to purchase an alternative easement for a current or new facility or pipeline;
3. There is no other property that is dependent on the easement proposed for quitclaim for water service now or in the future; and
4. The acceptance of the land value of the appraised easement.

If approved, the property owner shall pay the assessed value to the District prior to execution and recordation of the quitclaim document. The Board of Directors may waive the requirement to pay the assessed value if there is a valid public purpose consistent with applicable law.

Where a water pipeline is known to exist in the easement being released, a provision, in substantially the form provided below, shall be included in the quitclaim indicating that a pipeline is being abandoned in place, . The provision shall include the size if known or show "unknown size" if not known.

The above-described real property being quitclaimed includes "[description of facilities]" buried below the surface of the ground, which are being left in place in an "as-is" condition. Owner of Record acknowledges that the Santa Fe Irrigation District is conveying all rights, title and interest to the easement, right-of-way, and abandoned pipeline to the Owner of Record in an "as-is" condition. Owner of

Record acknowledges that the portion of the pipeline not removed by the Owner shall be cut and plugged in accordance with the San Diego Water Agencies' Standards. Owner of Record further acknowledges that the Santa Fe Irrigation District does not warranty the condition of the abandoned pipeline nor guarantee its fitness for any purpose. Owner of Record agrees to ~~asserted~~the foregoing, and to indemnify, protect and hold harmless the Santa Fe Irrigation District, each member of its board of directors, its agents, officers and employees from and against any and all claims asserted or liability established for damages or injuries to any person or property including bodily injury to Owner of Record's employees arising out of or in any manner directly or indirectly connected with Owner of Record's use of the quitclaimed easement, right-of-way, and abandoned pipeline, however caused, except for the sole negligence, willful misconduct or active negligence of the Santa Fe Irrigation District.

The owner of record shall acknowledge such conditions by formal acceptance/signature.

- b. When the District abandons a facility in place, in an "as-is" condition within an easement and determines no future use for the easement is needed, the property owner shall be notified that they may request the easement be released.

SEC. 23.3 ENCROACHMENTS ON DISTRICT EASEMENTSPROPERTY

- a. Any existing encroachment that inhibits the District's use of its easement or real property, as determined upon evaluation by the District, shall be removed at the expense of the property owner.
- b. When an encroachment is discovered on, or work is undertaken on or within, a District easement or real property without a valid District "Encroachment Permit" or similar document (encroachment agreement or license agreement) (collectively, "Encroachment Agreement"), the General Manager may take any or all of the following actions:
 1. Give appropriate notice that in the opinion of the District, the current improvement or work constitutes or may constitute an encroachment and order the work or improvements to be stopped or removed until an Encroachment Agreement is executed, or a determination is made that the work does not constitute an encroachment; and either:
 - a. Require the property owner or other person encroaching on the District easement or real property to remove the encroachment and/or stop encroaching on the District's real property or easement, and restore the District's real property or easement and any associated facilities, pump stations, pipelines or other appurtenances to their original condition at the sole cost of the person encroaching upon the property or easement; or

2.b. Require the property owner or other person encroaching on the District easement or real property to apply for an Encroachment Agreement, including the payment of District processing and inspection fees for the Encroachment agreement, in addition to any time and materials costs incurred by the District related to inspection of the encroachment before filing of the application. If an Encroachment Agreement is not applied for within 15 business days after the notice is given, the General Manager will give notice that the District's real property or easement and any associated facilities, pump stations, pipelines or other appurtenances must be restored to their original condition at the sole cost of the person encroaching upon the property or easement. Should restoration not begin promptly, legal action may be commenced to protect the District's interests; ~~and.~~

3.c. If the Board of Directors determines that reasonable restoration of the site to its lawful condition is infeasible under either (a) or (b), the Board of Directors may agree to allow the property owner or other person encroaching on the District easement or real property to mitigate the unauthorized encroachment. Mitigation may include the relocation of the District's pipeline/facility within the public right of way. Mitigation shall be at the sole cost of the encroacher.

4.2. Take any or all other actions available under applicable law relating to unauthorized encroachments.

- c. When an encroachment on a District easement is requested, the District will evaluate the potential impact including, but not limited to, the following factors:
1. Size and depth of the District's pipeline(s) within the easement.
 2. Water pipeline pressure.
 3. Number of customers served by the pipeline or facility.
 4. Cost of immediate removal of an encroachment versus the District's need for access.
 5. Potential for interference with existing or future facilities and District's access for maintenance, operation, or replacement.
- d. An encroachment upon ~~the a~~ District's easement may only be authorized by the Board of Directors. If the Board authorizes such an encroachment, the property owner shall enter into the District's standard "Encroachment Permit Agreement", or a license agreement, with the District, each of which shall contain such safeguards as deemed necessary and appropriate to protect the District's facilities, and use of and access to such facilities, within the easement. The agreement shall be recorded against the owner's property.
- e. A processing fee based on the District's current Schedule of Fees and Charges must be paid to the District to cover staff and administrative processing of the encroachment request. The owner must submit proof of property ownership and existence of the District easement, the legal description of the property, plus the recording date (date, book and page number) of the

easement at issue.

SEC. 23.4 GRANTING AN EASEMENT ON DISTRICT PROPERTY

Requests for an easement to construct a facility or gain an ingress/egress access easement on District-owned property will be considered and reviewed on a case-by-case basis. Requests should be made in writing to the District Engineering Department. Proposed projects will be evaluated by the District on a time and materials basis. A deposit is required to initiate the review of plans and discussion with the developer/requester. A final decision will be at the sole discretion of the Board of Directors. If the requested easement is to be granted, the requester shall pay to the District the assessed land value of the easement appraised by a qualified appraiser. The easement document shall provide all safeguards as deemed necessary by the District and appropriate to protect the District's ability to use its property and maintain its facilities within the property.

SEC. 23.5 OTHER PERMITS AND LICENSES

Sec. 23.5.1 Communication Site License Agreements

The District may, at its sole discretion, consider requests from communication providers to enter into a communication site license agreement. All requests shall be accompanied by a deposit in an amount to be determined at the sole discretion of the General Manager. If a communications site license agreement is to be entered into, the provider and the District shall enter into a District standard "Communications Site License Agreement" which provides all safeguards as deemed necessary and appropriate to protect the District's ability to use its property.

Sec. 23.5.2 Other Licenses and Permits

The District may, at its sole discretion, consider other licenses, leases or permit requests. All requests shall be accompanied by a deposit to be determined by the General Manager.

ARTICLE 25. FIRE HYDRANTS & DEDICATED FIRE PROTECTION SYSTEMS

SEC. 25.1 PUBLIC FIRE HYDRANTS

Sec. 25.1.1 Ownership

Fire hydrants on District lines are the property of Santa Fe Irrigation District (the District). However, installation and moving expenses are the responsibility of the appropriate fire protection agency. or of the affected property owner. Maintenance shall be coordinated with the appropriate fire protection agency. Overall maintenance and— repair shall be the responsibility of the District, except as provided in Section 25.1.5 below.

Sec. 25.1.2 Location

Public fire hydrants shall be located at such points as shall be determined by the appropriate fire protection District agency upon agreement of this District and payment of the charges fixed by Section 25.3 hereof.

Sec. 25.1.3 Charges

A construction deposit will be determined on a case-by-case basis by staff, to be paid prior to construction of all new public fire hydrant connections. The deposit must take into consideration the length of the hydrant run, and other pertinent factors. The customer will be refunded or billed the difference between the deposit and actual costs.

Sec. 25.1.4 Repairs

Repairs of public fire hydrants shall be done by the District.

Sec. 25.1.5 Maintenance

Maintenance such as painting, removal of brush or weeds shall be the responsibility of the Solana Beach Fire Department and the Rancho Santa Fe Fire Protection District.

Sec. 25.1.6 Use of Fire Hydrants

No person, other than the District and a fire protection agency, shall use a District hydrant for any purpose without the express written consent of the District. Fire hydrants may be used for construction purposes in the manner provided in Article 15 hereof.

Sec. 25.1.7 Fire Hydrant Flow Tests

Only the District may access a public fire hydrant for the purpose of performing a flow test. Upon a customer's request, the District will perform a flow test and provide resulting data, provided that the flow test does not have potential to cause property damage and that the Regional Water Quality Boards discharge requirement can be met. The customer shall be required to pay the District for all fees and costs associated with performance of the flow test including time, material and water used. The District shall not perform flow tests on privately owned fire hydrants.

SEC. 25.2 DEDICATED FIRE PROTECTION SERVICES

A dedicated fire protection service is a separate lateral for fire flows, typically sized 6 inches in diameter or larger, connected to the District's distribution system. The dedicated fire protection service shall include a connection to the District main, a gate valve at the main and a lateral pipeline terminating at the property line, edge of District easement or other points designated by the District. The termination point is also the point at which the District's maintenance responsibility ends.

Sec. 25.2.1 Installation

Dedicated fire protection services will be installed to Private Residential and Non-Residential/Commercial properties that require on-site fire suppression systems greater than typical residential sprinkler requirements. The appropriate fire protection agency shall approve and properly size these services. Fire sprinkler systems shall not be connected to private dedicated fire protection services. Fire sprinkler meters shall be installed in accordance with article 14.

Installation shall be performed in accordance with the San Diego Water Agency Standards, up to and including the appropriate backflow prevention device as required under Article 26.

A construction deposit will be determined on a case-by-case basis by staff, to be paid prior to construction of all new dedicated fire protection services. The deposit must take into consideration the length of the hydrant run, and other pertinent factors. The customer will be refunded or billed the difference between the deposit and actual costs.

After all required charges, plan approval, deposits, agreements and rights of way are provided, the District will perform the work required as soon as practical.

The District may request that the property owner/developer install the connection to the District's main by entering into a developer agreement for installation. The owner/developer will be responsible for District plan review and inspection fees.

Sec. 25.2.2 Ownership and Maintenance Responsibilities

All fire hydrants and/or fire sprinkler services, mainlines and appurtenances, beyond the District's owned portion, installed for Private Residential or Non-Residential/Commercial purposes shall be owned and maintained by the property owner.

Dedicated fire protection systems shall be a closed system with no other outlets other than the onsite fire protection devices (commercial sprinklers, private fire hydrants, etc.).

At the sole discretion of the District, dedicated fire protection services to Private Residential, Multiple-Family Residential and Non-Residential/Commercial properties shall incorporate a reduced pressure principal detector assembly (RPDA) device be installed in accordance with the District Cross Connection Control Program and Administrative Code Article 26.

An approved backflow prevention device shall be installed and maintained by the property owner, in accordance with the District's latest Cross Connection Control Program and Administrative Code Article 26. Maintenance of the device shall include the maintenance and necessary replacement of the detector meter assembly. The metering assembly shall measure in cubic feet. The District may require the customer provide proof of accuracy for the detector meter assembly at any time after installation pursuant to Article 26, Section 26.7.2.

The District shall have no responsibility for the proper functioning of the dedicated fire system or for the availability of water from its mains for fire protection in the event of emergency. The District shall incur no liability nor be subject to any damage resulting from a failure or malfunctioning of a designated fire service lateral or fire protection systems, discontinuation of service, per Section 25.2.32, or lack of water in adequate quantity or pressure to make it fully effective.

Sec. 25.2.3 Water Use

If water is used through a designated fire protection service for any purpose other than to extinguish a fire, including leakage, the District reserves the right to: 1) charge all appropriate penalties rates and charges for water uses, 2) modify the water service to be fully metered, at the owners' expense, and/or 3) discontinue service and notify the appropriate Fire Protection Agency.

Unauthorized use of dedicated fire services shall be grounds for immediate discontinuation of services. Theft of water shall be enforced per Section ~~15.8~~11.10 of the District's Administrative Code.

Water use will be measured by the detector assembly meter and/or estimated by the District and billed to the property owner at the Fire Line Use Class Rate.

Water service for domestic, irrigation or commercial purposes shall be furnished only after a meter, or meters have been installed on separate laterals connected to the District's system.

Sec. 25.2.4 Fees

The Board of Directors may establish fees for all dedicated fire protection services including maintenance and replacement associated with the connection to the District main, gate valve at the main and lateral pipeline, and other appurtenances, terminating at the property line, edge of District easement or other points designated by the District.

ARTICLE 29. TORT CLAIMS ACT POLICY AND PROCEDURE

SEC. 29.1 GENERAL: POLICY

The California ~~Tort~~ Government Claims Act (commencing with section ~~900810~~) of the California Government Code governs the manner in which a public agency must handle claims for money or damages filed against it. All claims against the District, including claims for money and damages which are excepted by Section 905 from Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of the Government Code and which are not governed by any other statutes or regulations expressly relating thereto, shall be governed by the Claims Presentation Procedure (“Procedure”) set forth below, in accordance with the provisions of Government Code section 935.

SEC. 29.2 CLAIMS PRESENTATION PROCEDURE

Sec. 29.2.1 Notice of Claims (Government Code §§ 905, 915.4, 945.4)

No suit for money or damages may be maintained against the District on a cause of action for which this Procedure requires a claim to be presented until a written claim has first been timely presented to the District and has been acted upon by the Board or its designee or has been deemed to have been rejected by the Board, in conformity with this Procedure.

Sec. 29.2.2 Claims Subject to Claims Presentation Procedure

All claims against the District for money or damages, including claims which are otherwise exempted by section 905 of the Government Code from the claims procedure provided in Part 3 of Division 3.6, Title 1 of the Government Code and which are not expressly governed by any other statute or regulation, shall be governed by this Procedure. Claims set forth in section 905 of the Government Code include the following:

- a. Claims under the Revenue and Taxation Code or other statute prescribing procedures for the refund, rebate, exemption, cancellation, amendment, modification or adjustment of any tax, assessment, fee, charge or any portion thereof, or of any penalties, costs or charges related thereto.
- b. Claims in connection with which the filing of a notice of lien, statement of claim, or stop notice is required under any provision of law relating to mechanics', laborers' or materialmen's liens.
- c. Claims by public employees for fees, salaries, wages, mileage or other expenses and allowances.

- d. Claims for which the workers' compensation authorized by Division 4 (commencing with Section 3200) of the Labor Code is the exclusive remedy.
- e. Applications or claims for any form of public assistance under the Welfare and Institutions Code or other provisions of law relating to public assistance programs, and claims for goods, services, provisions or other assistance rendered for or on behalf of any recipient of any form of public assistance.
- f. Applications or claims for money or benefits under any public retirement or pension system.
- g. Claims for principal or interest upon any bonds, notes, warrants, or other evidences of indebtedness.
- h. Claims which relate to a special assessment constituting a specific lien against the property assessed and which are payable from the proceeds of such an assessment, by offset of a claim for damages against it or by delivery of any warrant or bonds representing it.
- i. Claims by the State or by a state department or agency or by another local public entity.
- j. Claims arising under any provision of the Unemployment Insurance Code, including but not limited to claims for money or benefits, or for refunds or credits of employer or worker contributions, penalties, or interest, or for refunds to workers of deductions from wages in excess of the amount prescribed.
- k. Claims for the recovery of penalties or forfeitures made pursuant to Article 1 (commencing with Section 1720) of Chapter 1 of Part 7 of Division 2 of the Labor Code.
- l. Claims governed by the Pedestrian Mall Law of 1960, part 1 (commencing with Section 11000) of Division 13 of the Streets and Highways Code.

Sec. 29.2.3 Purpose of Claims Presentation Procedure

- a. Provides the District with an opportunity to settle just claims before suit is brought.
- b. Permits the District to make an early investigation of the facts on which the claim is based, enabling the District to defend itself against unjust claims and to correct the conditions or practices which gave rise to the claim.

Sec. 29.2.4 Party Responsible to Allow or Reject Claims

- a. The Board, or its designee, has the authority to allow, compromise, or reject claims.
- b. The Board hereby designates and authorizes the General Manager of the District to perform all functions of the Board as granted under this Article including examination, allowance, compromise or rejection of all claims submitted in accordance with this Article under \$35,000.
- c. The Board's designee's allowance, compromise or rejection of claims shall have the same effect as allowance, compromise or rejection by the Board of Directors.

SEC. 29.3 WRITTEN CLAIM: SUFFICIENCY

Sec. 29.3.1 Written Claim: Required Information (Government Code § 910)

Written claims must contain the following information:

- a. The name and post office address of the claimant;
- b. The post office address to which the person presenting the claim desires notices to be sent;
- c. The date, place, and other circumstances of the occurrence or transaction which gave rise to the claim asserted;
- d. A general description of the indebtedness, obligation, injury, damage or loss incurred so far as it may be known at the time of presentation of the claim;
- e. The name or names of the public employee or employees causing the injury, damage or loss, if known;
- f. The amount claimed if it totals less than Ten Thousand Dollars (\$10,000) as of the date of claim presentation, including the estimated amount of any prospective injury, damage, or loss, insofar as it may be known at the time of the presentation of the claim, together with the basis of computation of the amount claimed. If the amount claimed exceeds ten thousand dollars (\$10,000), no dollar amount shall be included in the claim.
- g. The signature of the claimant or some person on his or her behalf (Government Code § 910.2).
- h. The District may provide a form that the claimant may use in lieu of submitting a claim containing the information specified in Section 29.3.1.
- i. A claim presented on a form provided pursuant to this Section shall be deemed to be in conformity with Section 29.3.1, if the claim complies substantially with the requirements of the form or with the requirements of Section 29.3.1. (Government Code § 910.4).

SEC. 29.4 WRITTEN CLAIM: INSUFFICIENCY (GOVERNMENT CODE §§ 910.8 AND 911)

Sec. 29.4.1 Claim Insufficiency

If the written claim does not substantially comply with the contents requirements of Section 29.3.1 or with the requirements of a District form provided under Section 29.3.1, the claim is insufficient. (Government Code § 910.8).

An insufficient claim should not be rejected but should be acknowledged with written notice of insufficiency.

Within twenty (20) days after the claim is presented, the Board, or its designee, shall give written notice of the claim's insufficiency, stating with particularity the claim's defects or omissions. (Government Code § 910.8).

Written notice of insufficiency shall be given in one of the following ways (Government Code § 915.4):

- a. Personally delivering the notice to the person presenting the claim;
- b. Mailing the notice to the address, if any, stated in the claim or the application.
- c. If the claim was submitted electronically, by sending the notice to the electronic address from which the claim was received unless the person presenting the claim requests the notice to be sent to an alternative electronic address.

No notice needs to be given when the claim fails to state either a street address or post office address. (Government Code § 915.4(b))

The Board, or its designee, may not take action on the claim for a period of 15 days after the written notice of insufficiency is given. (Government Code § 910.8).

SEC. 29.5 TIMELINESS (GOVERNMENT CODE § 911.2)

Sec. 29.5.1 Claims Which Must be Presented Within Six Months

A claim relating to one of the following must be presented not later than six (6) months after accrual of the cause of action for:

- a. Death or personal injury;
- b. Injury to personal property or growing crops.

Sec. 29.5.2 Claims Which Must be Presented Within One Year

A claim relating to any other cause of action must be presented within one (1) year of the accrual of the cause of action (Government Code § 911.2).

SEC. 29.6 REJECTION/ALLOWANCE OF SUFFICIENT AND TIMELY FILED CLAIMS

Sec. 29.6.1 Board Action Within Forty-Five Days (Government Code § 912.4)

The Board, or its designee, shall act on a sufficient and timely submitted claim within forty-five (45) days after the claim has been presented, except as provided in Sections ~~3129~~3129.6.5 and ~~3129~~3129.6.7 below.

Sec. 29.6.2 Actions the Board or its Designee May Take (Government Code § 912.6)

The Board or its designee may act on the claim in one of the following ways:

- a. Reject the claim if the Board or its designee finds the claim is not a proper charge against the District;
- b. Allow the claim if the Board or its designee finds the claim is a proper charge against the District and is for an amount justly due;
- c. Either reject the claim or allow it in the amount justly due and reject it as to the balance if the Board or its designee finds the claim is a proper charge against the District but is for an amount greater than is justly due;
- d. Reject the claim or compromise it if the legal liability of the District or the amount justly due is disputed.

Sec. 29.6.3 Reject or Allow only Timely, Proper and Sufficient Claims

Only those claims with proper and sufficient contents, as provided in Section 29.3, and presented in a timely fashion can be rejected or allowed.

Sec. 29.6.4 Board Action Within Forty-Five Days on Amended Claim (Government Code § 912.4(a))

If a claim is amended, the Board or its designee shall act on the amended claim within forty-five (45) days after the amended claim is presented, except as provided in Sections ~~3129~~3129.6.5 and ~~3129~~3129.6.7 below.

Sec. 29.6.5 Extension of Time by Agreement

The claimant and the Board or its designee may extend the time period within which the Board is required to act on the claim by written agreement. (Government Code § 912.4(b)).

The extension of time must be given:

- a. Before the expiration of the forty-five (45) day period; or
- b. After the expiration of the forty-five (45) day period if an action based on the claim has not been commenced and is not yet barred by the period of limitations provided in Section 29.5. (Government Code § 945.6).

Any claim which is not acted upon within the extended time period shall be deemed to have been rejected by the Board or its designee on the last day of the extended time period. (Government Code § 912.4(c)).

Sec. 29.6.6 Written Rejection (Government Code § 913)

The claimant has six (6) months in which to file a suit on a claim which has been rejected in writing within forty-five (45) days of presentation.

- a. The written letter of claim rejection must be substantially in the form found at Government Code § 913.
- b. The written letter of claim rejection must be given as provided in Section 29.4.1-4.

Sec. 29.6.7 Rejection by Operation of Law (Government Code § 912.4)

A claim that is not rejected in writing within forty-five (45) days of presentation is deemed rejected by operation of law on the forty-fifth (45th) day following presentation.

- a. Written notice of rejection must be provided to the claimant for claims deemed rejected by operation of law.
 1. The claimant has six (6) months in which to file suit in a claim deemed rejected by operation of law if written notice of rejection is provided. (Government Code § 945.6(a)(1)).
 2. The claimant has two (2) years in which to file suit on any claim deemed rejected by operation of law if written notice of rejection is not provided. (Government Code § 945.6(a)(2)).
- b. The written letter of claim rejection must be substantially in the form found at Government Code § 913.

SEC. 29.7 LATE CLAIMS (GOVERNMENT CODE §§ 911.4, 911.6 AND 911.8)

Sec. 29.7.1

Any claim which is filed late, and which is not accompanied by an Application to Present a Late Claim shall be returned because it is late and shall not be considered on its merits. The notice of the returned claim shall include a warning in substantially the form described in Government Code § 911.3.

Sec. 29.7.2 Application to Present a Late Claim (Government Code § 911.4)

Should the claimant fail to present a claim within the time provided in Section 29.5, the claimant must present an Application to Present a Late Claim.

The Application to Present a Late Claim must:

- a. Be presented within one (1) year after the accrual of the cause of action;
- b. Set forth the reasons for the delay;
- c. Have a written claim attached.

Partially Late/Partially Timely Claims

- a. A claim which contains several causes of action must be carefully reviewed to determine which causes of action are timely or untimely filed.
- b. Written notice of rejection or allowance, pursuant to Section 29.6, must be provided to claimant for those causes of action within the claim which are sufficient and timely presented.
- c. Written notice of late filing, pursuant to Section 29.7, must be provided to the claimant for those causes of action within the claim which are not timely presented.

Sec. 29.7.3 Acceptance of Application to Present a Late Claim (Government Code § 911.6)

The District shall grant the Application to Present a Late Claim only in the following instances:

- a. The failure to timely present the claim was due to mistake, inadvertence, surprise or excusable neglect, and the District is not prejudiced in its defense of the claim by the claimant's failure to timely present the claim; or
- b. The person who sustained the alleged injury, damage or loss was a minor during all the time specified in Section 29.5 for the presentation of the claim; or
- c. The person who sustained the alleged injury, damage, or loss was a minor during any of the time specified in Section 29.5 for the presentation of the claim, provided the application is presented within six months of the person turning 18 years of age or a year after the claim accrues, whichever occurs first; or
- d. The person who sustained the alleged injury, damage or loss was physically or mentally incapacitated during all the time specified in Section 29.5 for the presentation of the claim; or
- e. The person who sustained the alleged injury, damage, or loss was physically or mentally incapacitated during any of the time specified in Section 29.5 for the presentation of the claim and by reason of that disability failed to present a claim during that time, provided

- the application is presented within six months of the person no longer being physically or mentally incapacitated, or a year after the claim accrues, whichever occurs first; or
- f. The person who sustained the alleged injury, damage or loss died before the expiration of the time specified in Section 29.5 for the presentation of the claim.

The Board or its designee must grant or deny the Application to Present a Late Claim within forty-five (45) days after it has been presented, except as provided below.

- a. The claimant and the Board or its designee may extend the period within which the Board must act on the application by written agreement made before the end of the forty-five (45) day period.
 1. The Board or its designee must act within the extended period of time, or the application shall be deemed denied on the last day specified in the agreement.

If the Board or its designee fails to act on the application within the forty-five (45) days following the presentation of the claim, the application shall be deemed to have been denied on the forty-fifth (45th) day. (Government Code § 911.6(c)).

Sec. 29.7.4 Denial of Application to Present a Late Claim (Government Code §§ 911.8, 946.6)

The District shall deny the Application to Present a Late Claim if it is not excused pursuant to Section 29.7.3.

Any denial of an Application to Present a Late Claim must be in writing and must advise the claimant that he or she has six (6) months to petition the appropriate court for relief.

The denial of the Application to Present a Late Claim is unrelated to the validity of the claim. Denial of an Application to Present a Late Claim means only that this claim was not properly presented.

Any Application to Present a Late Claim filed or presented a year from the date of accrual of the cause of action shall be rejected in writing. (Government Code § 911.8).

- a. Written notice of denial of an Application to Present a Late Claim shall be given as provided in Section 29.4.1 and shall include a warning substantially the form described in Government Code section 911.8.

SEC. 29.8 AMENDMENT OF CLAIMS (GOVERNMENT CODE § 910.6)

Sec. 29.8.1 Time to Amend Claim

A claim may be amended at any time before the expiration of the period designated in Section 29.5 or before final action on the claim is taken by the Board, whichever is later.

Sec. 29.8.2 Amended Claim Must Relate to Original Claim

The amended claim must relate to the same transaction or occurrence which gave rise to the original claim.

The amendment shall be considered a part of the original claim for all purposes.

EXHIBIT B

Santa Fe Irrigation District

Administrative Code



February 19, 2026

CONTENTS

| | |
|--|-------|
| ARTICLE 1. GENERAL PROVISIONS | 1 |
| Sec. 1.1 Mission Statement | 1 |
| Sec. 1.2 Purpose | 1 |
| Sec. 1.3 Adoption | 1 |
| Sec. 1.4 Severability | 1 |
| Sec. 1.5 Amendments (<i>Rev. 04/17/25; Resolution No. 25-05</i>)..... | 1 |
| Sec. 1.6 Resolutions | 2 |
| ARTICLE 2. OFFICIAL DESIGNATIONS | 3 |
| Sec. 2.1 Official Seal | 3 |
| Sec. 2.2 Principal Place of Business..... | 3 |
| Sec. 2.3 Agent for Service of Process | 3 |
| Sec. 2.4 Business Hours and Holidays | 3 |
| Sec. 2.5 Designation of Newspapers for Publication of Official Notices | 4 |
| ARTICLE 3. DEFINITIONS AND INTERPRETATIONS..... | 5 |
| Sec. 3.1 Definitions | 6 |
| Sec. 3.2 Titles and Headings | 6 |
| Sec. 3.3 Limitation and Liability (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | 6 |
| ARTICLE 4. ORGANIZATION..... | 7 |
| Sec. 4.1 Board of Directors | 7 |
| Sec. 4.1.1 Term of Office – Directors | 7 |
| Sec. 4.1.2 Officers – Designation (<i>Rev. 01/18/24; Resolution No. 24-01</i>) | 7 |
| Sec. 4.1.2.1 President | 7 |
| Sec. 4.1.2.2 Vice President..... | 7 |
| Sec. 4.1.2.3 Secretary | 7 |
| Sec. 4.1.2.4 Treasurer..... | 8 |
| Sec. 4.1.3 Officers – Selection | 8 |
| Sec. 4.2 Standing Committees..... | 8 |
| Sec. 4.2.1 Committees and Duties..... | 8 |
| Sec. 4.2.2 Executive Committee | 8 |
| Sec. 4.2.3 Administrative and Finance Committee | 9 |
| Sec. 4.2.4 Water Resources Committee | 9 |
| Sec. 4.2.5 Other Committees (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | 9 |
| Sec. 4.3 Representative of the San Diego County Water Authority | 9 |
| Sec. 4.4 Meetings | 9 |
| Sec. 4.4.1 Time and Place of Meetings | 10 |
| Sec. 4.4.2 Order of Proceedings at Meetings | 10 |
| Sec. 4.4.3 Chairperson..... | 10 |
| Sec. 4.4.4 Quorum..... | 10 |
| Sec. 4.4.5 Voting (<i>Rev. 04/17/25; Resolution No. 25-05</i>)..... | 10 |

| | | |
|--|--|----|
| Sec. 4.4.6 | Ralph M. Brown Act | 10 |
| Sec. 4.4.7 | Adjourned Meetings | 11 |
| Sec. 4.4.8 | Continuance | 11 |
| Sec. 4.4.9 | Disruption of Meetings (<i>Rev. 02/19/26; Resolution No. 26-02</i>)..... | 11 |
| Sec. 4.5 | Minutes | 12 |
| Sec. 4.6 | Agendas (<i>Rev. 04/17/25; Resolution No. 25-05</i>)..... | 12 |
| ARTICLE 5. DIRECTOR POLICIES | | 14 |
| Mission | | 14 |
| Vision | | 14 |
| Values | | 14 |
| Sec. 5.1 | Responsibilities of Public Office..... | 15 |
| Sec. 5.2 | Fair and Equal Treatment..... | 15 |
| Sec. 5.3 | Proper Use and Safeguarding of District Property and Resources | 15 |
| Sec. 5.3.1 | District Owned Mobile Computing Devices (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | 16 |
| Sec. 5.3.2 | Public Records Act Requirements (<i>Rev. 01/18/24; Resolution No. 24-01</i>) | 16 |
| Sec. 5.4 | Use of Confidential Information (<i>Rev. 02/19/26; Resolution No. 26-02</i>) | 16 |
| Sec. 5.5 | Conflict of Interest (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | 17 |
| Sec. 5.6 | Political Contributions (<i>Rev. 04/17/25; Resolution No. 25-05</i>)..... | 18 |
| Sec. 5.7 | Incompatible Offices (<i>Rev. 02/19/26; Resolution No. 26-02</i>) | 19 |
| Sec. 5.8 | Director-General Manager Relationship | 20 |
| Sec. 5.9 | Improper Activities and the Reporting of Such Activities; Protection of “Whistle Blowers” | 20 |
| Sec. 5.10 | Compliance with the Brown Act (<i>Rev. 04/17/25; Resolution No. 25-05</i>)..... | 21 |
| Sec. 5.11 | Director Compensation (<i>Rev. 03/20/25; Resolution No. 25-03</i>) | 21 |
| Sec. 5.12 | Reserved (<i>Rev. 03/20/25; Resolution No. 25-04</i>) | 22 |
| Sec. 5.13 | Director Expenses..... | 22 |
| Sec. 5.13.1 | Travel/Transportation | 23 |
| Sec. 5.13.2 | Lodging..... | 24 |
| Sec. 5.13.3 | Meals | 24 |
| Sec. 5.13.4 | Incidental Expenses (<i>Rev. 04/17/25; Resolution No. 25-05</i>)..... | 24 |
| Sec. 5.14 | Miscellaneous Expenses of Office | 25 |
| Sec. 5.15 | Reports to Governing Board..... | 25 |
| Sec. 5.16 | Penalties for Violation of Reimbursement Policies..... | 25 |
| Sec. 5.17 | Exhibits | 25 |
| ARTICLE 6. DISTRICT STAFF (<i>Rev. 02/19/26; Resolution No. 26-02</i>) | | 26 |
| Sec. 6.1 | General Manager | 26 |
| Sec. 6.2 | Director of Distribution System | 26 |
| Sec. 6.3 | Director of Water Treatment Plant | 26 |
| Sec. 6.4 | Director of Administrative Services..... | 27 |
| Sec. 6.5 | Director of Engineering Services | 27 |
| Sec. 6.6 | Independent Professional Services | 27 |

| | | |
|---------------|--|----|
| Sec. 6.6.1 | General Counsel | 27 |
| Sec. 6.6.2 | Auditor..... | 28 |
| ARTICLE 7 | CONFLICT OF INTEREST (<i>Rev. 09/19/24; Resolution No. 24-11</i>)..... | 29 |
| Sec. 7.1 | District Code..... | 29 |
| Sec. 7.2 | Compliance with Code | 29 |
| ARTICLE 8 | EMPLOYMENT POLICIES | 30 |
| Sec. 8.1 | Introductory Policies..... | 30 |
| Sec. 8.1.1 | Introduction | 30 |
| Sec. 8.1.2 | Policy Changes | 30 |
| Sec. 8.1.3 | Entire Agreement..... | 31 |
| Sec. 8.1.4 | Equal Employment Opportunity/ADA (<i>Rev. 04/17/25</i>); <i>Resolution No. 25-05</i>)..... | 31 |
| Sec. 8.1.5 | Reasonable Accommodation/ADA Policy | 32 |
| Sec. 8.1.6 | Lactation Policy | 33 |
| Sec. 8.2 | Employment (<i>Rev. 01/18/24; Resolution No. 24-01</i>) | 35 |
| Sec. 8.2.1 | Employment Status Definitions..... | 35 |
| Sec. 8.2.1.1 | Probationary Employees..... | 35 |
| Sec. 8.2.1.2 | Part-Time and Limited-Term Employee | 35 |
| Sec. 8.2.1.3 | Regular Employee | 35 |
| Sec. 8.2.1.4 | General Manager | 36 |
| Sec. 8.2.1.5 | Exempt Employee..... | 36 |
| Sec. 8.2.1.6 | Non-Exempt Employee | 36 |
| Sec. 8.2.2 | Rules Governing Employer-Employee Relations..... | 36 |
| Sec. 8.2.2.1 | Right of Employees to Join Recognized Employee Organizations..... | 36 |
| Sec. 8.2.2.2 | Right of Employees to Abstain from Joining Employee Organization | 37 |
| Sec. 8.2.2.3 | Discrimination Prohibited..... | 37 |
| Sec. 8.2.2.4 | Recognition Requirements | 37 |
| Sec. 8.2.2.5 | Processing of Recognition Petition..... | 38 |
| Sec. 8.2.2.6 | Determination by Board of Directors | 38 |
| Sec. 8.2.2.7 | Current Information..... | 38 |
| Sec. 8.2.2.8 | Representation of Members..... | 38 |
| Sec. 8.2.2.9 | Scope of Representation | 38 |
| Sec. 8.2.2.10 | District Representatives | 38 |
| Sec. 8.2.2.11 | Conferences | 38 |
| Sec. 8.2.2.12 | Mediation..... | 40 |
| Sec. 8.2.2.13 | Memorandum of Understanding..... | 40 |
| Sec. 8.2.2.14 | Closed Sessions | 40 |
| Sec. 8.2.2.15 | Reasonable Time Off to Meet and Confer..... | 40 |
| Sec. 8.2.2.16 | Advance Notice | 40 |
| Sec. 8.2.2.17 | Use of Bulletin Boards | 41 |

| | | | |
|-------------|---------------|---|----|
| | Sec. 8.2.2.18 | Activities on District's Premises | 41 |
| | Sec. 8.2.2.19 | Collection of Association Dues | 41 |
| | Sec. 8.2.2.20 | Availability of Data | 41 |
| | Sec. 8.2.2.21 | Amendments | 42 |
| | Sec. 8.2.2.22 | Job Classifications, Certification Requirements, and Job Descriptions..... | 42 |
| | Sec. 8.2.2.23 | Quarterly Labor Management Meetings..... | 42 |
| Sec. 8.2.3 | | Standby Duty Response Time | 42 |
| Sec. 8.2.4 | | Personnel Records | 43 |
| Sec. 8.2.5 | | Employee References | 43 |
| Sec. 8.2.6 | | Conflict of Interest..... | 43 |
| Sec. 8.2.7 | | Reduction in Work Force | 44 |
| Sec. 8.2.8 | | Employment Separation | 44 |
| Sec. 8.2.9 | | Rehiring | 44 |
| Sec. 8.2.10 | | Emergency Policy..... | 45 |
| Sec. 8.3 | | Compensation (<i>Rev. 01/18/24; Resolution No. 24-01</i>)..... | 45 |
| | Sec. 8.3.1 | Work Hours | 45 |
| | Sec. 8.3.2 | Definition of Workweek..... | 46 |
| | | Sec. 8.3.2.1 District Employees | 46 |
| | | Sec. 8.3.2.2 Filtration Plant Operators | 46 |
| Sec. 8.3.3 | | Time Keeping Requirements | 46 |
| Sec. 8.3.4 | | Reporting to Work..... | 46 |
| Sec. 8.3.5 | | Salary and Performance Review..... | 47 |
| Sec. 8.3.6 | | Payment of Wages | 47 |
| Sec. 8.3.7 | | Overtime | 48 |
| | | Sec. 8.3.7.1 Prior Approval Required | 48 |
| | | Sec. 8.3.7.2 "Overtime" Defined..... | 48 |
| | | Sec. 8.3.7.3 Compensatory Time | 48 |
| Sec. 8.3.8 | | Standby Pay | 48 |
| Sec. 8.3.9 | | Recovery Period | 48 |
| Sec. 8.3.10 | | Holiday Pay | 49 |
| Sec. 8.3.11 | | Shift Differential Pay..... | 49 |
| Sec. 8.3.12 | | Expense Reimbursement | 50 |
| | | Sec. 8.3.12.1 Travel/Transportation | 50 |
| | | Sec. 8.3.12.2 Lodging..... | 50 |
| | | Sec. 8.3.12.3 Meals | 51 |
| | | Sec. 8.3.12.4 Incidental Expenses | 51 |
| Sec. 8.4 | | Employee Leave (<i>Rev. 01/18/24; Resolution No. 24-01</i>) | 51 |
| | Sec. 8.4.1 | Holidays..... | 51 |
| | Sec. 8.4.2 | Vacation..... | 52 |
| | Sec. 8.4.3 | Personal Leave..... | 53 |
| | Sec. 8.4.4 | Administrative Leave | 53 |
| | Sec. 8.4.5 | Sick Leave (<i>Rev. 04/17/25; Resolution No. 25-05</i>)..... | 53 |
| | Sec. 8.4.6 | Family Medical Leave | 54 |
| | | Sec. 8.4.6.1 Definitions | 54 |

| | | | |
|-------------|---------------|---|----|
| | Sec. 8.4.6.2 | Family Leave Eligibility:..... | 56 |
| | Sec. 8.4.6.3 | Pregnancy Disability..... | 56 |
| | Sec. 8.4.6.4 | Use of Family Leave:..... | 56 |
| | Sec. 8.4.6.5 | Family Leave Duration:..... | 57 |
| | Sec. 8.4.6.6 | Intermittent Family Leave: | 57 |
| | Sec. 8.4.6.7 | Use of Accrued Leave | 58 |
| | Sec. 8.4.6.8 | Notice..... | 58 |
| | Sec. 8.4.6.9 | Certification:..... | 59 |
| | Sec. 8.4.6.10 | Employment and Benefits Protection:..... | 59 |
| Sec. 8.4.7 | | Pregnancy Disability Leave..... | 61 |
| | Sec. 8.4.7.1 | Employee Eligibility Criteria..... | 61 |
| | Sec. 8.4.7.2 | Events That May Entitle an Employee to Leave | 61 |
| | Sec. 8.4.7.3 | Duration of Pregnancy Disability Leave | 62 |
| | Sec. 8.4.7.4 | Pay During Pregnancy Disability Leave | 62 |
| | Sec. 8.4.7.5 | Insurance Benefits | 62 |
| | Sec. 8.4.7.6 | Seniority..... | 63 |
| | Sec. 8.4.7.7 | Medical Certifications | 63 |
| | Sec. 8.4.7.8 | Procedure for Requesting and Scheduling Pregnancy Disability Leave | 63 |
| | Sec. 8.4.7.9 | Return to Work | 64 |
| | Sec. 8.4.7.10 | Employment during Leave | 64 |
| | Sec. 8.4.7.11 | Coordination of Leave | 64 |
| Sec. 8.4.8 | | Special Leave Without Pay..... | 65 |
| Sec. 8.4.9 | | Fitness for Duty | 65 |
| Sec. 8.4.10 | | Bereavement Leave (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | 66 |
| Sec. 8.4.11 | | Jury or Witness Duty | 66 |
| Sec. 8.4.12 | | Military Leave of Absence | 66 |
| Sec. 8.4.13 | | Military Spouse Leave..... | 66 |
| Sec. 8.4.14 | | Voting Time..... | 67 |
| Sec. 8.4.15 | | Leave Related to Domestic Violence, Sexual Assault or Stalking (<i>Rev. 2/19/26; Resolution No. 26-02</i>) | 67 |
| Sec. 8.4.16 | | Crime Victims' Leave | 69 |
| Sec. 8.4.17 | | Leave for Organ and Bone Marrow Donation | 69 |
| Sec. 8.4.18 | | Reproductive Loss Event Leave (<i>Added on (Rev. 04/17/25; Resolution No. 25-05)</i>) | 70 |
| Sec. 8.5 | | Employee Benefits (<i>Rev. 01/18/24; Resolution No. 24-01</i>) | 71 |
| | Sec. 8.5.1 | Group Health Insurance..... | 71 |
| | Sec. 8.5.2 | Retiree Health Insurance | 71 |
| | Sec. 8.5.3 | Group Dental Insurance..... | 72 |
| | Sec. 8.5.4 | Group Vision Insurance..... | 72 |
| | Sec. 8.5.5 | Workers' Compensation Insurance and Return to Work | 72 |
| | Sec. 8.5.6 | Short- and Long-Term Disability Insurance..... | 73 |
| | Sec. 8.5.7 | Life Insurance | 73 |
| | Sec. 8.5.8 | Employee Assistance Program (EAP)..... | 74 |

| | | |
|-------------|--|----|
| Sec. 8.5.9 | Deferred Compensation (457) Plan (Rev. 04/17/25; Resolution No. 25-05) | 74 |
| Sec. 8.5.10 | Longevity Pay | 74 |
| Sec. 8.5.11 | Retirement | 75 |
| Sec. 8.5.12 | Education Assistance Program | 75 |
| Sec. 8.5.13 | Uniforms | 77 |
| Sec. 8.5.14 | Employee Recognition Program | 77 |
| Sec. 8.5.15 | Computer Purchase Program | 77 |
| Sec. 8.5.16 | Benefits Commencement | 78 |
| Sec. 8.6 | Employee Relations (Rev. 01/18/24; Resolution No. 24-01) | 79 |
| Sec. 8.6.1 | Code of Conduct for Employees | 79 |
| | Sec. 8.6.1.1 General Principles | 79 |
| | Sec. 8.6.1.2 District Values | 80 |
| | Sec. 8.6.1.3 Guide to Ethical Decision Making | 80 |
| | Sec. 8.6.1.4 Acceptance of Gifts or Benefits | 81 |
| | Sec. 8.6.1.5 Fairness and Equity | 81 |
| | Sec. 8.6.1.6 Public Comment About the Santa Fe Irrigation District and/or its Activities | 81 |
| | Sec. 8.6.1.7 Reporting Corrupt Conduct and Serious and Substantial Waste of Santa Fe Irrigation District Resources | 82 |
| | Sec. 8.6.1.8 Internal Reporting Procedure | 82 |
| Sec. 8.6.2 | Harassment | 82 |
| | Sec. 8.6.2.1 Policy Against Harassment | 82 |
| | Sec. 8.6.2.2 Harassment | 83 |
| | Sec. 8.6.2.3 Sexual Harassment | 83 |
| | Sec. 8.6.2.4 Duty to Report Harassment (Rev. 04/17/25; Resolution No. 25-05) | 85 |
| | Sec. 8.6.2.5 Remedies and No Retaliation for Reporting | 86 |
| Sec. 8.6.3 | Dress Code | 87 |
| Sec. 8.6.4 | Customer Relations | 87 |
| Sec. 8.6.5 | Confidentiality | 87 |
| Sec. 8.6.6 | Alcohol and Drug Free Workplace | 88 |
| | Sec. 8.6.6.1 Policy Statement | 88 |
| | Sec. 8.6.6.2 Reasonable Suspicion Drug and Alcohol Screening | 88 |
| | Sec. 8.6.6.3 Use, Being under the Influence, Possession, Distribution, or Manufacture of Drugs or Alcohol | 88 |
| | Sec. 8.6.6.4 Employee Reporting Requirements | 89 |
| | Sec. 8.6.6.5 Disciplinary Action | 89 |
| | Sec. 8.6.6.6 Definitions (Rev. 04/17/25; Resolution No. 25-05) ... | 89 |
| Sec. 8.6.7 | Grievance Procedures | 90 |
| | Sec. 8.6.7.1 Definitions | 90 |
| | Sec. 8.6.7.2 General Provisions | 90 |

| | | | |
|--|--------------|--|-----|
| | Sec. 8.6.7.3 | Level I -- Informal Resolution..... | 91 |
| | Sec. 8.6.7.4 | Level II -- Formal Written Grievance..... | 92 |
| | Sec. 8.6.7.5 | Level III -- Appeal to Department Head | 92 |
| | Sec. 8.6.7.6 | Level IV -- Appeal to General Manager..... | 93 |
| | Sec. 8.6.8 | Disciplinary Procedures..... | 93 |
| | Sec. 8.6.8.1 | Disciplinary Action..... | 93 |
| | Sec. 8.6.8.2 | Disciplinary Procedures for Regular Employees..... | 95 |
| Sec. 8.7 | | Operational Considerations (<i>Rev. 01/18/24; Resolution No. 24-01</i>) | 98 |
| | Sec. 8.7.1 | District Property | 98 |
| | Sec. 8.7.2 | District Vehicle Use..... | 98 |
| | Sec. 8.7.2.1 | District Vehicle Assignments | 98 |
| | Sec. 8.7.2.2 | General Vehicle Use Rules..... | 99 |
| | Sec. 8.7.3 | Cellular Phone Policy | 99 |
| | Sec. 8.7.3.1 | Acquisition and Assignment of Cellular Telephones | 99 |
| | Sec. 8.7.3.2 | Responsibility | 99 |
| | Sec. 8.7.3.3 | Use of District-Owned Cellular Telephones..... | 100 |
| | Sec. 8.7.3.4 | Cessation of Employee Usage | 101 |
| | Sec. 8.7.3.5 | Miscellaneous | 101 |
| | Sec. 8.7.4 | Acceptable Use of District Technology Resources | 102 |
| | Sec. 8.7.5 | Conducting Personal Business..... | 103 |
| | Sec. 8.7.6 | Health and Safety..... | 103 |
| | Sec. 8.7.7 | Accident Reporting..... | 103 |
| | Sec. 8.7.8 | Workplace Violence (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | 103 |
| | Sec. 8.7.9 | Smoking Policy..... | 103 |
| | Sec. 8.7.9.1 | Definitions | 104 |
| | Sec. 8.7.9.2 | Use of Tobacco Products During the Workday | 104 |
| | Sec. 8.7.9.3 | Visitors..... | 104 |
| | Sec. 8.7.9.4 | Failure to Comply with the District's Smoking Policy | 105 |
| | Sec. 8.7.9.5 | Human Resources Department | 105 |
| | Sec. 8.7.10 | Children at Work Policy (<i>Added on 04/17/25; Resolution No. 25-05</i>)..... | 105 |
| Sec 8.8 | | Exhibits..... | 105 |
| ARTICLE 9. PUBLIC RECORDS POLICY | | | 106 |
| Sec. 9.1 | | Purpose (<i>Rev. 2/19/26; Resolution No. 26-02</i>) | 106 |
| Sec. 9.2 | | Definitions | 106 |
| Sec. 9.3 | | Inspection and Copying of Public Records | 107 |
| | Sec. 9.3.1 | Requests to Inspect and/or Obtain Copies of Records | 107 |
| | Sec. 9.3.2 | Making Determination on Records Requests/Taking Time Extensions (<i>Rev. 02/19/26; Resolution No. 26-02</i>) | 108 |
| | Sec. 9.3.3 | Inspecting Public Records and Obtaining Copies | 109 |
| | Sec. 9.3.4 | Optional Appeal Procedure | 110 |

| | | |
|--|--|-----|
| Sec. 9.4 | Records Retention and Disposal of Obsolete Records | 111 |
| | Sec. 9.4.1 Purpose | 111 |
| | Sec. 9.4.2 Authorization | 111 |
| | Sec. 9.4.3 Records Retention Schedule | 111 |
| | Sec. 9.4.4 General Guidelines for Records Retention | 111 |
| | Sec. 9.4.5 Procedure | 112 |
| | Sec. 9.4.6 Exceptions | 113 |
| Sec. 9.5 | Electronic Communication (E-mail) Policy | 113 |
| Sec. 9.6 | Litigation Holds | 115 |
| | Sec. 9.6.1 Purpose | 115 |
| | Sec. 9.6.2 Procedure and Responsibilities | 116 |
| Sec. 9.7 | Attachments (Enclosure) (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | 118 |
| ARTICLE 10. DISTRICT FUNDS (<i>Rev. 2/19/26; Resolution No. 26-02</i>) | | 119 |
| Sec. 10.1 | General Funds | 119 |
| | Sec. 10.1.1 General Checking Account | 119 |
| | Sec. 10.1.2 Payroll Account | 119 |
| | Sec. 10.1.3 Petty Cash | 119 |
| Sec. 10.2 | Reserve Funds | 119 |
| Sec. 10.3 | Investment Policy: (Government Code Sec. 53646) | 120 |
| Sec. 10.4 | Exhibits | 120 |
| ARTICLE 11. WATER SERVICE | | 121 |
| Sec. 11.1 | Application | 121 |
| Sec. 11.2 | Account Name | 121 |
| Sec. 11.3 | Ownership of Facilities | 121 |
| Sec. 11.4 | Water Pressure | 121 |
| Sec. 11.5 | Resale of Water | 121 |
| | Sec. 11.5.1 Sub-Metering and Sub-Billing of Water | 122 |
| | Sec. 11.5.2 Multi-Unit Residential and Mixed-Use Structures | 122 |
| Sec. 11.6 | Waste of Water | 122 |
| Sec. 11.7 | Regulation of Water Service | 122 |
| Sec. 11.8 | Damage to District Property | 122 |
| Sec. 11.9 | District Right of Inspection and Access | 123 |
| Sec. 11.10 | Theft of Water (<i>Rev. 02/19/26; Resolution No. 26-02</i>) | 123 |
| Sec. 11.11 | State Laws (<i>Rev. 02/19/26; Resolution No. 26-02</i>) | 127 |
| ARTICLE 12. WATER RATES AND BASE METER FEES | | |
| | (<i>Rev. 02/19/26; Resolution No. 26-02</i>) | 128 |
| Sec. 12.1 | Base Meter Fee | 128 |
| Sec. 12.2 | Water Rates | 128 |
| | Sec. 12.2.1 Agricultural Water Rate Agreement | 128 |
| | Sec. 12.2.1.1 Application and Agreement | 129 |
| | Sec. 12.2.1.2 Metering of Commercial Agricultural Water | |
| | & Backflow Requirement | 130 |

| | | | |
|--------------------------------------|--|--|-----|
| | Sec. 12.2.1.3 | Certification and Audits..... | 130 |
| | Sec. 12.2.1.4 | PSAWR Fee..... | 130 |
| | Sec. 12.2.1.5 | Service Limitation and Compliance Revisions | 130 |
| | Sec. 12.2.2 | Water Delivered to Other Water Agencies | 131 |
| | Sec. 12.2.3 | Pass Through | 132 |
| Sec. 12.3 | Exhibits..... | | 132 |
| ARTICLE 13. BILLING PROCEDURES | | | 133 |
| Sec. 13.1 | Bills and Payments | | 133 |
| | Sec. 13.1.1 | Payment Options..... | 133 |
| Sec. 13.2 | Billing Dispute (<i>Rev. 02/19/26; Resolution No. 26-02</i>) | | 133 |
| Sec. 13.3 | Financial Assistance | | 133 |
| Sec. 13.4 | Estimated Billings..... | | 134 |
| Sec. 13.5 | Billing Adjustment | | 134 |
| Sec. 13.6 | Checks Returned - Not Sufficient Funds..... | | 134 |
| Sec. 13.7 | Collection Procedures (<i>Rev. 02/19/26; Resolution No. 26-02</i>) | | 134 |
| | Sec. 13.7.1 | Single Family Residence/ No Change of Tenant or Ownership..... | 134 |
| | Sec. 13.7.2 | Multi-Unit Residential Services (<i>Rev. 02/19/26; Resolution No. 26-02</i>)..... | 135 |
| | Sec. 13.7.3 | Procedures for Tenants to Become Customers on Delinquent Accounts | 135 |
| | Sec. 13.7.4 | Discontinuation of Service for Vulnerable Peoples | 136 |
| | Sec. 13.7.5 | Transfer of Outstanding Balances Between Customer Accounts (<i>Rev. 02/19/26; Resolution No. 26-02</i>) | 137 |
| Sec. 13.8 | Charges to Reinstate Terminated Services | | 137 |
| Sec. 13.9 | Time to Restore Service (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | | 138 |
| Sec. 13.10 | Damage to District Facilities | | 138 |
| Sec. 13.11 | Final Bill - Change of Tenant/No Change of Ownership | | 138 |
| Sec. 13.12 | Final Bill - Change of Property Ownership (<i>Rev. 07/18/24; Resolution No. 24-10</i>)..... | | 138 |
| Sec. 13.13 | Bankruptcy of Customer..... | | 139 |
| Sec. 13.14 | Identity Theft Prevention Policy..... | | 139 |
| | Sec. 13.14.1 | Purpose | 139 |
| | Sec. 13.14.2 | Definitions | 140 |
| | Sec. 13.14.3 | Designation of Authority..... | 140 |
| | | Sec. 13.14.3.1 Compliance Reports to be Prepared By District Staff | 140 |
| | | Sec. 13.14.3.2 Red Flags Identified by the District | 141 |
| | | Sec. 13.14.3.3 Procedures for Detecting Red Flags | 142 |
| | | Sec. 13.14.3.4 Procedures for Responding To Red Flags | 143 |
| | | Sec. 13.14.3.5 Training of Staff | 143 |
| | | Sec. 13.14.3.6 Oversight of Third-Party Service Provider Involved with Customer Accounts | 144 |

Sec. 15.6 Responsibility of Applicant 156
 Sec. 15.7 Removal of Meter 156

ARTICLE 16. RECYCLED AND NON-POTABLE WATER

(Rev. 02/19/26; Resolution No. 26-02) 157
 Sec.16.1 Recycled and Non-Potable Water 157
 Sec. 16.1.1 157
 Sec. 16.1.2 157
 Sec. 16.1.3 157
 Sec.16.2 Delivery and Use 157
 Sec.16.3 Findings 157
 Sec. 16.3.1 157
 Sec. 16.3.2 158
 Sec. 16.3.3 158
 Sec. 16.3.4 158
 Sec. 16.3.5 158
 Sec. 16.4 Application 158
 Sec.16.5 Authorization 158
 Sec.16.6 Rules and Regulations (Rev. 01/18/24; Resolution No. 24-01) 159
 Sec. 16.6.1 Establishing Rules and Regulations 159
 Sec.16.6.2 Conversion Determination 159
 Sec.16.6.3 Notice 159
 Sec.16.6.4 Objections; Appeals 159
 Sec.16.7 Validity of Rules and Regulations 160
 Sec.16.8 Prior Actions 160

ARTICLE 17. WATER SHORTAGE RESPONSE POLICIES AND

PROCEDURES (Rev. 02/19/26; Resolution No. 26-02) 161
 Sec. 17.1 Declaration of Policies 161
 Sec. 17.2 Declaration of Necessity and Intent 162
 Sec. 17.2.1 162
 Sec. 17.2.2 162
 Sec. 17.2.3 163
 Sec. 17.2.4 163
 Sec. 17.3 Definitions 163
 Sec. 17.3.1 163
 Sec. 17.3.2 163
 Sec. 17.3.3 163
 Sec. 17.3.4 164
 Sec. 17.3.5 164
 Sec. 17.3.6 164
 Sec. 17.3.7 164
 Sec. 17.3.8 164
 Sec. 17.3.9 164

| | | |
|------------|--|-----|
| Sec. 17.4 | Application | 165 |
| | Sec. 17.4.1 | 165 |
| | Sec. 17.4.2 | 165 |
| | Sec. 17.4.3 | 165 |
| | Sec. 17.4.4 | 165 |
| Sec. 17.5 | Water Shortage Response Level 1..... | 165 |
| | Sec. 17.5.1 | 165 |
| | Sec. 17.5.2 | 167 |
| Sec. 17.6 | Water Shortage Response Level 2..... | 167 |
| | Sec. 17.6.1 | 167 |
| | Sec. 17.6.2 | 167 |
| | Sec. 17.6.3 | 168 |
| Sec. 17.7 | Water Shortage Response Level 3..... | 169 |
| | Sec. 17.7.1 | 169 |
| | Sec. 17.7.2 | 169 |
| | Sec. 17.7.3 | 170 |
| Sec. 17.8 | Water Shortage Response Level 4..... | 171 |
| | Sec. 17.8.1 | 171 |
| | Sec. 17.8.2 | 171 |
| | Sec. 17.8.3 | 172 |
| | Sec. 17.8.4 | 173 |
| Sec. 17.9 | Water Shortage Response Level 5..... | 173 |
| | Sec. 17.9.1 | 173 |
| | Sec. 17.9.2 | 173 |
| | Sec. 17.9.3 | 175 |
| | Sec. 17.9.4 | 176 |
| | Sec. 17.9.5 | 176 |
| Sec. 17.10 | Water Shortage Response Level 6..... | 176 |
| | Sec. 17.10.1 | 176 |
| | Sec. 17.10.2 | 177 |
| | Sec. 17.10.3 | 178 |
| | Sec. 17.10.4 | 178 |
| | Sec. 17.10.5 | 179 |
| Sec. 17.11 | Correlation Between Water Shortage Management Plan and Water Shortage Response Levels | 179 |
| | Sec. 17.11.1 | 179 |
| | Sec. 17.11.2 | 180 |
| Sec. 17.12 | Procedures for Determination and Notification of Water Shortage Response Level..... | 180 |
| | Sec. 17.12.1 | 180 |
| | Sec. 17.12.2 | 180 |
| | Sec. 17.12.3 | 181 |
| | Sec. 17.12.4 | 181 |
| Sec. 17.13 | Hardship Variance | 181 |
| | Sec. 17.13.1 | 181 |

| | |
|---|-----|
| Sec. 17.13.2 | 182 |
| Sec. 17.13.3 | 182 |
| Sec. 17.13.4 | 182 |
| Sec. 17.13.5 | 182 |
| Sec. 17.13.6 | 183 |
| Sec. 17.13.7 | 183 |
| Sec. 17.14 Violations and Penalties | 183 |
| Sec. 17.14.1 | 183 |
| Sec. 17.14.2 | 183 |
| Sec. 17.14.3 | 184 |
| Sec. 17.14.4 | 184 |
| Sec. 17.14.5 | 184 |
| Sec. 17.14.6 | 184 |
| Sec. 17.14.7 | 185 |
| Sec. 17.14.8 | 185 |
| Sec. 17.15 Notices of Violation/ Citation and Complaint | 185 |
| Sec. 17.15.1 | 185 |
| Sec. 17.15.2 | 186 |
| Sec. 17.15.3 | 186 |
| Sec. 17.15.4 | 186 |
| Sec. 17.15.5 | 187 |
| Sec. 17.16 Recovery of Costs (See Sec. 17.14.1) | 187 |
| Sec. 17.17 Appeals | 188 |
| Sec. 17.18 Severability | 189 |
| Sec. 17.19 Effective Date | 189 |
| | |
| ARTICLE 18. ANNEXATIONS AND DETACHMENTS, WATER SERVICE | |
| OUTSIDE DISTRICT (<i>Rev. 02/19/26; Resolution No. 26-02</i>) | 190 |
| Sec. 18.1 Procedure | 190 |
| Sec. 18.2 Terms and Conditions | 190 |
| Sec. 18.3 Criteria for Detachment | 191 |
| Sec. 18.4 Criteria for Annexation | 191 |
| Sec. 18.5 Procedures and Requirements for All Annexations and Detachments | 192 |
| Sec. 18.6 Criteria for Contracting for Water Service to Properties Outside the District | 193 |
| | |
| ARTICLE 19. PROCUREMENT (<i>Rev. 02/19/26; Resolution No. 26-02</i>) | 195 |
| Sec. 19.1 General | 195 |
| Sec. 19.2 Public Works Construction Contracts | 195 |
| Sec. 19.2.1 General | 195 |
| Sec. 19.2.2 Acceptance of Bids | 195 |
| Sec. 19.2.3 Relief of Bidders | 196 |
| Sec. 19.2.4 Prequalified Bidders | 196 |
| Sec. 19.2.5 Change Orders | 196 |
| Sec. 19.2.5.1 Individual | 196 |

| | | | | |
|---|--|---|---|-----|
| | Sec. 19.2.5.2 | Cumulative Total | 196 | |
| | Sec. 19.2.6 | Project Acceptance | 196 | |
| | | Sec. 19.2.6.1 | General..... | 196 |
| | | Sec. 19.2.6.2 | Retention..... | 196 |
| Sec. 19.3 | Procurement of Goods, Services and Supplies..... | | 197 | |
| | Sec. 19.3.1 | District Procurement Approval Levels..... | 197 | |
| | Sec. 19.3.2 | Authorized Procurement Methods..... | 197 | |
| | | Sec. 19.3.2.1 | Purchase Orders..... | 197 |
| | | Sec. 19.3.2.2 | Open Purchase Orders | 197 |
| | | Sec. 19.3.2.3 | Professional Services Contracts..... | 197 |
| | | Sec. 19.3.2.4 | Procurement Card Purchases | 197 |
| | | Sec. 19.3.2.4.1 | Procurement Card Purchase Review | 197 |
| | | Sec. 19.3.2.5 | Petty Cash | 198 |
| | Sec. 19.3.3 | Emergency Purchases | 198 | |
| | Sec. 19.3.4 | Sole Source Purchases | 198 | |
| ARTICLE 20. CAPITALIZATION (<i>Revised 08-19-21, Reso 21-19</i>)..... | | | 199 | |
| Sec. 20.1 | Capital Assets | | 199 | |
| Sec. 20.2 | General Provisions..... | | 199 | |
| | Sec. 20.2.1 | Valuation Threshold | 199 | |
| | Sec. 20.2.2 | Useful Life..... | 199 | |
| | Sec. 20.2.3 | Procurement..... | 200 | |
| | Sec. 20.2.4 | Groups of Assets..... | 200 | |
| | Sec. 20.2.5 | Tagging and Identification..... | 201 | |
| | Sec. 20.2.6 | Custodianship | 201 | |
| | Sec. 20.2.7 | Impairment..... | 201 | |
| Sec. 20.3 | Land and Easements | | 201 | |
| Sec. 20.4 | Land Improvements | | 202 | |
| Sec. 20.5 | Capital Improvement Projects/Construction in Progress..... | | 202 | |
| Sec. 20.6 | Buildings and Additions | | 202 | |
| | Sec. 20.6.1 | General..... | 202 | |
| | Sec. 20.6.2 | Acquired with Land | 203 | |
| | Sec. 20.6.3 | Demolition Costs | 203 | |
| Sec. 20.7 | Owned Equipment | | 203 | |
| | Sec. 20.7.1 | Non-Moveable Equipment | 203 | |
| | Sec. 20.7.2 | Accessory Equipment | 203 | |
| | Sec. 20.7.3 | Fabricated Equipment..... | 204 | |
| Sec. 20.8 | Leased Equipment | | 204 | |
| | Sec. 20.8.1 | Capital Leases..... | 204 | |
| | Sec. 20.8.2 | Operating Leases | 204 | |
| Sec. 20.9 | Computers and Software | | 204 | |
| Sec. 20.10 | Contributed Assets..... | | 204 | |
| Sec. 20.11 | Modifications of Existing Assets..... | | 205 | |
| | Sec. 20.11.1 | Enhancements | 205 | |

| | | |
|---|---|-----|
| Sec. 20.11.2 | Repairs and Maintenance..... | 205 |
| Sec. 20.12 | Disposition (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | 205 |
| Sec. 20.12.1 | Sale or Transfer | 205 |
| Sec. 20.12.2 | Trade-in | 205 |
| Sec. 20.12.3 | Lost or Stolen..... | 206 |
| ARTICLE 21. MAINTENANCE AND REPLACEMENT OF DISTRICT LINES | | 207 |
| Sec. 21.1 | Ownership..... | 207 |
| Sec. 21.2 | Maintenance and Repairs..... | 207 |
| Sec. 21.2.1 | Main Lines | 207 |
| Sec. 21.2.2 | Services..... | 207 |
| Sec. 21.2.3 | Meters (<i>Rev. 04/17/25; Resolution No. 25-05</i>)..... | 207 |
| Sec. 21.2.4 | Improvements and Upgrades | 207 |
| ARTICLE 22. EXTENSION OF DISTRICT PIPELINES | | |
| | (<i>Rev. 02/19/26; Resolution No. 26-02</i>)..... | 209 |
| Sec. 22.1 | Pipeline Extension Costs | 209 |
| Sec. 22.2 | Subdivisions..... | 209 |
| Sec. 22.3 | District Specifications..... | 209 |
| Sec. 22.4 | Plan Checking, Inspection and Hydraulic Analysis Fees | 209 |
| Sec. 22.5 | Water Availability Letters | 210 |
| ARTICLE 23. EASEMENTS, ENCROACHMENTS, AND OTHER PERMITS | | |
| | (<i>Rev. 04/17/25; Resolution No. 25-05</i>)..... | 211 |
| Sec. 23.1 | Accepting Easements..... | 211 |
| Sec. 23.1.1 | Easements of Rights of Way | 211 |
| Sec. 23.2 | Release of Easements | 212 |
| Sec. 23.2.1 | Policy..... | 212 |
| Sec. 23.2.2 | Procedure | 212 |
| Sec. 23.3 | Encroachments on District Properties (<i>Rev. 02/19/26; Resolution No. 26-02</i>) | 213 |
| Sec. 23.4 | Granting an Easement on District Property | 215 |
| Sec. 23.5 | Other Permits and Licenses | 215 |
| Sec. 23.5.1 | Communication Site License Agreements..... | 215 |
| Sec. 23.5.2 | Other Licenses and Permits | 215 |
| ARTICLE 24. INTERRUPTION OF SERVICE | | 216 |
| Sec. 24.1 | Notice of Interruption (<i>Rev. 04/17/25; Resolution No. 25-05</i>)..... | 216 |
| Sec. 24.2 | Emergency Interruption..... | 216 |
| Sec. 24.3 | Customer Responsibility..... | 216 |

| | | |
|-------------|--|-----|
| ARTICLE 25. | FIRE HYDRANTS & DEDICATED FIRE PROTECTION SYSTEMS | |
| | <i>(Rev. 02/19/26; Resolution No. 26-02)</i> | 217 |
| Sec. 25.1 | Public Fire Hydrants | 217 |
| | Sec. 25.1.1 Ownership | 217 |
| | Sec. 25.1.2 Location | 217 |
| | Sec. 25.1.3 Charges | 217 |
| | Sec. 25.1.4 Repairs | 217 |
| | Sec. 25.1.5 Maintenance | 217 |
| | Sec. 25.1.6 Use of Fire Hydrants | 218 |
| | Sec. 25.1.7 Fire Hydrant flow tests | 218 |
| Sec. 25.2 | Dedicated Fire Protection Services | 218 |
| | Sec. 25.2.1 Installation | 218 |
| | Sec. 25.2.2 Ownership and Maintenance Responsibilities | 219 |
| | Sec. 25.2.3 Water Use | 220 |
| | Sec. 25.2.4 Fees | 220 |
| ARTICLE 26. | CROSS-CONNECTION CONTROL AND BACKFLOW PREVENTION | |
| | <i>(Rev. 04/17/25; Resolution No. 25-05)</i> | 221 |
| Sec. 26.1 | Rules and Regulations | 221 |
| | Sec. 26.2.1 State and Local Regulations | 221 |
| | Sec. 26.1.2 Purpose | 221 |
| Sec. 26.2 | Compliance | 221 |
| | Sec. 26.2.1 Discontinuation of Service | 222 |
| | Sec. 26.2.2 Restoration of Service | 222 |
| | Sec. 26.2.3 Coordinator; Administration and Enforcement | 222 |
| Sec. 26.3 | Hazard Assessments | 223 |
| Sec. 26.4 | Backflow Prevention Assembly Installation and Maintenance | 223 |
| | Sec. 26.4.1 Installation of Approved BPA | 223 |
| | Sec. 26.4.2 Entry and Inspection | 224 |
| | Sec. 26.4.3 Levels of Protection Required | 224 |
| | Sec. 26.4.4 Backflow Prevention Assembly Standard | 225 |
| | Sec. 26.4.5 Backflow Prevention Assembly Installation Criteria | 225 |
| | Sec. 26.4.6 Existing Non-Conforming Fire Detector Assemblies | 225 |
| Sec. 26.5 | Backflow Prevention Assembly Testing | 225 |
| | Sec. 26.5.1 General Provisions | 225 |
| | Sec. 26.5.2 Testing | 226 |
| | Sec. 26.5.3 Approved Testers | 227 |
| ARTICLE 27. | CALIFORNIA ENVIRONMENTAL QUALITY ACT | 228 |
| Sec. 27.1 | District Guidelines | 228 |
| Sec. 27.2 | Compliance with Guidelines | 228 |

| | |
|--|-----|
| ARTICLE 28. REIMBURSEMENT AGREEMENTS | 229 |
| Sec. 28.1 Reimbursement Agreements..... | 229 |
| ARTICLE 29. TORT CLAIMS ACT POLICY AND PROCEDURE | 230 |
| Sec. 29.1 General: Policy (<i>Rev. 02/19/26; Resolution No. 26-02</i>) | 230 |
| Sec. 29.2 Claims Presentation Procedure | 230 |
| Sec. 29.2.1 Notice of Claims (Government Code §§ 905, 915.4, 945.4) (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | 230 |
| Sec. 29.2.2 Claims Subject to Claims Presentation Procedure | 230 |
| Sec. 29.2.3 Purpose of Claims Presentation Procedure | 230 |
| Sec. 29.2.4 Party Responsible to Allow or Reject Claims (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | 230 |
| Sec. 29.3 Written Claim: Sufficiency | 232 |
| Sec. 29.3.1 Written Claim: Required Information (Government Code § 910) ... | 232 |
| Sec. 29.4 Written Claim: Insufficiency (Government Code §§ 910.8 And 911) | 232 |
| Sec. 29.4.1 Claim Insufficiency (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | 232 |
| Sec. 29.5 Timeliness (Government Code § 911.2)..... | 233 |
| Sec. 29.5.1 Claims Which Must be Presented Within Six Months (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | 233 |
| Sec. 29.5.2 Claims Which Must be Presented Within One Year | 233 |
| Sec. 29.6 Rejection/Allowance of Sufficient and Timely Filed Claims | 233 |
| Sec. 29.6.1 Board Action Within Forty-Five Days (Government Code § 912.4)..... | 234 |
| Sec. 29.6.2 Actions the Board or its Designee May Take (Government Code § 912.6) | 234 |
| Sec. 29.6.3 Reject or Allow only Timely, Proper and Sufficient Claims | 234 |
| Sec. 29.6.4 Board Action Within Forty-Five Days on Amended Claim (Government Code § 912.4(a)) | 234 |
| Sec. 29.6.5 Extension of Time by Agreement | 234 |
| Sec. 29.6.6 Written Rejection (Government Code § 913)..... | 235 |
| Sec. 29.6.7 Rejection by Operation of Law (Government Code § 912.4) | 235 |
| Sec. 29.7 Late Claims (Government Code §§ 911.4, 911.6 and 911.8) | 236 |
| Sec. 29.7.1 | 236 |
| Sec. 29.7.2 Application to Present a Late Claim (Government Code § 911.4)..... | 236 |
| Sec. 29.7.3 Acceptance of Application to Present a Late Claim (Government Code § 911.6) (<i>Rev. 04/17/25; Resolution No. 25-05</i>) | 236 |
| Sec. 29.7.4 Denial of Application to Present a Late Claim (Government Code §§ 911.8, 946.6) (<i>Rev. 04/17/25; Resolution No. 25-05</i>)..... | 237 |
| Sec. 29.8 Amendment Of Claims (Government Code § 910.6) | 238 |
| Sec. 29.8.1 Time to Amend Claim | 238 |
| Sec. 29.8.2 Amended Claim Must Relate to Original Claim | 238 |

ARTICLE 1. GENERAL PROVISIONS

SEC. 1.1 MISSION STATEMENT

Santa Fe Irrigation District will provide its customers with safe and reliable water.

SEC. 1.2 PURPOSE

The purpose of this Administrative Code is to provide a statement regarding the organizational structure of the District, the duties and powers of the Board of Directors, the duties and powers of the management staff and employees, and the policies by which the work of the District is carried out. It is the purpose of the adoption of this Administrative Code to codify operative provisions of existing resolutions and actions recorded in minute orders and of other matters heretofore adopted by the Board of Directors to the extent such provisions have continuing effect.

SEC. 1.3 ADOPTION

This Code was adopted by Resolution No. 2004-16 of the Board of Directors of the Santa Fe Irrigation on April 15, 2004. Existing rules, regulations, procedures, charges, fees, and policies in conflict with the provisions of this Code were repealed concurrently with its adoption.

SEC. 1.4 SEVERABILITY

It is hereby declared to be the intention of the Board of Directors that the sections, paragraphs, sentences, clauses, and phrases of this Code are severable; and if any phrase, clause, sentence, paragraph, or section of this Code shall be declared unconstitutional or otherwise invalid by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality or invalidity shall not affect any remaining phrases, clauses, sentences, paragraphs, and sections of this Code.

SEC. 1.5 AMENDMENTS

This Code and any of its provisions may be amended, supplemented, or repealed from time to time. Such amendment, supplement, or repeal shall be accomplished only by adoption of a resolution of the Board of Directors at a duly constituted meeting. Said resolution will provide for the insertion into the Code and the removal, as required, from the Code of applicable sections. Changes or additions shall be effective from the date of adoption or from such other date as may be provided by the Board in its resolution.

SEC. 1.6 RESOLUTIONS

Legislative action of the Board of Directors may be taken by resolution. Except as otherwise required by law, resolutions shall be adopted by the affirmative vote of the majority of the Board of Directors.

- a) Administrative, executive, or ministerial actions of the Board of Directors may be taken by resolution or motion duly noted in the record of the meeting at which the motion is made.
- b) Actions to levy, impose, fix, adjust or increase taxes, charges, fees or rates, shall be taken by resolution.
- c) All resolutions shall be prepared or approved as to legal form and legality by the District's General Counsel.
- d) Resolutions may be adopted at any meeting subject to the provisions of the Ralph M. Brown Act (Gov. Code §§ 54950 et seq).
- e) The title of resolutions shall be read prior to approval.
- f) The Secretary of the District shall permanently retain the resolutions, in accordance with the applicable records retention requirements of Government Code section 60200 et seq.
- g) Resolutions may be signed by the President of the Board of Directors and the Secretary of the Board. No resolution duly adopted by the Board of Directors shall be deemed invalid due to the delay or failure of the President or Secretary to sign it.
- h) The Secretary or General Manager is authorized to provide a conformed copy of any resolution of the District to any person, and to certify that such conformed copy is a true and correct copy of an original official record of the District.
- i) Except as otherwise specifically authorized, resolutions shall not be amended, superseded, or repealed except by adoption of an amending, superseding, or repealing resolution. However, at any time, corrections of typographical or clerical errors in resolutions may be made upon approval of the District's General Counsel.

ARTICLE 2. OFFICIAL DESIGNATIONS

SEC. 2.1 OFFICIAL SEAL

- a) The design of the official seal of the Santa Fe Irrigation District (“District”) is a circle with the words “Santa Fe Irrigation District” inscribed around the perimeter thereof with the words “Organized 1923” in the center thereof.
- b) The official seal may be affixed to an instrument, document, or thing upon order of the Board of Directors. However, affixing the seal to an instrument, document, or thing shall not be required for the execution of any instrument or document of the District.
- c) The Board of Directors may develop and adopt an emblem, symbol, logo, or other distinctive mark of the District.
- d) The official seal and any emblem, logo, or other distinctive mark of the District shall be used for District purposes and programs, unless otherwise authorized by the Board of Directors. Private, commercial, or non-commercial use of the official seal, mark, name, or identity of the District is prohibited.

SEC. 2.2 PRINCIPAL PLACE OF BUSINESS

The principal place of business of the District and office of the District is 5920 Linea del Cielo, Rancho Santa Fe, California 92067. The Board of Directors may change this principal place of business as it determines necessary and convenient for the conduct of District business.

SEC. 2.3 AGENT FOR SERVICE OF PROCESS

Unless otherwise provided in this Code, the Secretary of the District is designated as the agent for service of process on the District and is designated as the Secretary of the Board of Directors of the District for such purpose.

SEC. 2.4 BUSINESS HOURS AND HOLIDAYS

- a) The District’s general business hours at its principal place of business are from 7:30 a.m. to 5:00 p.m., Monday through Thursday. Alternating Fridays, the District’s general business hours at its place of principal business are from 7:30 a.m. to 4:00 p.m. or closed, respectively. The General Manager may establish other business hours applicable to other offices or facilities of the District.

- b) The holidays of the District on which the offices shall normally be closed are as follows: January 1st (New Year's Day), the third Monday in February (President's Day), the last Monday in May (Memorial Day), July 4th (Independence Day), the first Monday in September (Labor Day), the Thursday in November designated as Thanksgiving Day, and the Friday following Thanksgiving Day, the day before **or** after Christmas Day, and December 25th (Christmas Day). If any of these holidays falls on a Sunday, the following Monday is a holiday. If any holiday falls on a Saturday, the General Manager shall determine whether the holiday is the preceding Friday or the following Monday. Nothing in this section shall preclude the establishment of additional holidays by memorandum of understanding with a recognized employee organization.

SEC. 2.5 DESIGNATION OF NEWSPAPERS FOR PUBLICATION OF OFFICIAL NOTICES

The Board of Directors shall, by resolution, designate the newspaper or newspapers for publication of official notices of the District.

ARTICLE 3. DEFINITIONS AND INTERPRETATIONS

SEC. 3.1 DEFINITIONS

- a) The following words and phrases whenever used in this Code shall have the meaning defined in this section unless a different meaning is specifically defined elsewhere in this Code and specifically stated to apply:

“Authority” means the San Diego County Water Authority.

“Board” means the Board of Directors of the Santa Fe Irrigation District.

“Brown Act” means the Ralph M. Brown Act, Government Code section 54950 et seq.

“Code” means, when used in the context of this “Code”, the Administrative Code of the Santa Fe Irrigation District.

“County” means the County of San Diego.

“Director” means a duly appointed member of the Santa Fe Irrigation District Board of Directors.

“District” shall mean the Santa Fe Irrigation District.

“General Counsel” means the chief legal officer of the District, retained by the Santa Fe Irrigation District Board of Directors.

“General Manager” means the executive and administrative officer of the Santa Fe Irrigation District, appointed by the Board of Directors.

“Metropolitan” means the Metropolitan Water District of Southern California.

“Person” means any natural person, firm, joint venture, company, partnership, association, club, corporation, business trust, organization, or the manager, agent, officer, or employee of any of them, or any other entity that is recognized by law as the subject of rights or duties.

“President” means the presiding officer of the Santa Fe Irrigation District Board.

“Secretary” means the secretary of the Santa Fe Irrigation District Board.

“*Treasurer*” means the treasurer of the Santa Fe Irrigation District Board.

“*Vice-President*” means vice president of the Santa Fe Irrigation District Board.

b) For the purposes of this Code the following rules of interpretation shall be used:

1. Reference to any gender shall include the other gender;
2. “Shall” or “will” is mandatory; “may” is permissive;
3. The singular number includes the plural and the plural the singular, unless otherwise clearly intended from the context;
4. Words used in the present tense include the past and future tense and vice versa;
5. Words and phrases used in this Code that are not specifically defined shall be construed according to the context and approved usage of the language.

SEC. 3.2 TITLES AND HEADINGS

Article and section titles or headings of this Code shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning, or intent of the provisions of any article or section.

SEC. 3.3 LIMITATION AND LIABILITY

It is the intent of the Board that any provision of this Code establishing performance standards for or establishing an obligation or duty to act or refrain from acting by any District officer or employee shall not be construed as creating a mandatory duty for the purpose of tort liability if the officer or employee fails to perform such a directed obligation or duty or meet such a performance standard.

ARTICLE 4. ORGANIZATION

SEC. 4.1 BOARD OF DIRECTORS

The District is governed by a five-member Board of Directors elected by the voters of the District from five separate divisions. All powers, privileges, and duties vested in and imposed upon the District by law and the Irrigation District Act shall be exercised and performed by the Board, except as such Board shall delegate executive, administrative, and ministerial powers to officers and employees of the District, as provided in this Code. The District's policies, mission, goals, and programs are established by a majority of the Board at public meetings.

Sec. 4.1.1 Term of Office – Directors

The term of office of each Director is four years (or until their successor qualifies and takes office), starting at noon on the first Friday of December following a general election. The terms of the five Directors are staggered so that an election is held on the first Tuesday after the first Monday in November in even years and is conducted in accordance with the Uniform District Election Law (Elections Code §§ 10500 et seq.). Each Director shall take and file the official oath of office prior to taking office and shall file the required financial disclosure statement within thirty (30) days of taking office.

Sec. 4.1.2 Officers – Designation

The officers of the Board shall consist of the President, Vice-President, Treasurer, and Secretary.

Sec. 4.1.2.1 President

The President is the presiding officer at the Board meetings. The duties of the President are to assure that the business of the Board is conducted in an orderly and businesslike manner, to appoint committees, and to perform such other duties as may be required by law or delegated by the Board.

Sec. 4.1.2.2 Vice President

In the absence of the President, or in the event of their inability to perform the duties of the President, the Vice President shall perform the duties of the President.

Sec. 4.1.2.3 Secretary

The Secretary shall cause the recording of all minutes of the meetings of the Board and the retaining of District records and perform other duties as may be delegated by the Board.

Sec. 4.1.2.4 Treasurer

The Treasurer shall cause the accurate accounting of all funds collected by and for the District and records to be kept of all deposits, bonds, and securities held by the District. The Treasurer is responsible for making investment decisions according to District policy. The Treasurer shall cause the making of all payments by warrants drawn against the District funds.

Sec. 4.1.3 Officers – Selection

At the first meeting in December of each even numbered year, following the election and seating of Directors, the Board shall elect from its members a President and Vice President and shall appoint a Secretary and Treasurer who shall each hold office at the pleasure of the Board.

SEC. 4.2 STANDING COMMITTEES

Standing committees may be established by the Board that are advisory to the Board with respect to the matters within their respective responsibility. A standing committee has jurisdiction to consider and make recommendations to the Board regarding any item of business within the delegated responsibility of the committee. Committee recommendations may be communicated to the Board in any manner necessary and convenient to the transaction of Board business and consistent with the provisions of the Brown Act. A standing committee may consider other matters referred to it by the Board, the Chair, or the General Manager.

Sec. 4.2.1 Committees and Duties

At the first Board meeting in the January following an election year the Board shall determine which committees shall be activated and the President shall appoint two members of the Board to serve on each committee. Committee member terms will be two years, with the Board President having authority to change an appointment with a majority of the Board's approval.

Sec. 4.2.2 Executive Committee

This committee shall review and consider legal, legislative, and governmental affairs, and shall meet with the General Manager to review preparation of the agenda for Board meetings. When authorized by the Board, the committee shall meet and confer with the General Manager regarding the terms and conditions of the General Manager's employment by the District. This committee shall review and consider personnel matters and employment policies, shall meet with the General Manager regarding wages, hours, and other terms and conditions of employment of employees, and when authorized by the Board shall meet and confer with representatives of duly recognized employee organizations and with employees not represented by a duly recognized employee organization.

Sec. 4.2.3 Administrative and Finance Committee

This committee shall work with the General Manager and other officers of the District on annual budgets, projections, and other administrative and financial matters. This committee shall review programs and policies regarding public affairs and community outreach. The committee shall review the General Manager and Directors' expenses, annual audit, the annual financial statement before publication and other financial records and operations of the District. This committee shall also work with the General Manager and other officers on water rate structures and other District charges. This committee will have the responsibility to review on a monthly basis all investments of the District. The committee will ensure that investment policies are being followed and that funds are invested in a prudent manner with adequate protections to insure funds are not misused. This Committee will also have the responsibility for District security and related matters.

Sec. 4.2.4 Water Resources Committee

This committee shall work with the General Manager and other officers of the District on water resource and facility planning. The committee will review matters related to engineering and operations, and the District's long range capital improvement plans. This committee shall also work with the General Manager on right-of-way and real property matters.

Sec. 4.2.5 Other Committees

The Board may authorize other committees (including ad hoc committees) to perform specific tasks or studies or assign special duties to standing committees.

SEC. 4.3 REPRESENTATIVE OF THE SAN DIEGO COUNTY WATER AUTHORITY

One representative of the District shall be designated and appointed by the President, with the consent of the Board, to serve a six-year term beginning on December 13, as a member of the Board of Directors of the Authority. The appointment will be made in the month prior to December of the year in which the prior term ends. The representative may be recalled by a majority vote of the District Board. The representative shall periodically report to the Board of the District regarding the activities of the Authority.

SEC. 4.4 MEETINGS

Sec. 4.4.1 Time and Place of Meetings

The regular meetings of the Board shall be held on the third Thursday of each month, at 8:30 a.m. in the Board Room or the District's Emergency Operations Center at the District office campus.

Sec. 4.4.2 Order of Proceedings at Meetings

Except as otherwise required by law or otherwise specified in this Article 4, the business of the meetings of the Board of Directors and the order of procedure for same shall be as provided by "Rosenberg's Rules of Order, as amended."

Sec. 4.4.3 Chairperson

The President shall act as Chairperson at all of the meetings of the Board, and in their absence the Vice-President shall act as Chairperson. In the absence of the President and Vice-President, the Chairperson shall be selected by a majority vote of the members of the Board present at such meeting.

Sec. 4.4.4 Quorum

A quorum necessary for the transaction of business at any meeting of the Board shall be declared to exist whenever there are at least three Directors present. Any meeting of the Board at which a quorum is not present may be continued until a quorum is present to transact the business of the District.

Sec. 4.4.5 Voting

Except as otherwise provided by law, the decisions of the Board shall be expressed and determined by motions made and adopted by a majority of the members of the Board. A roll call vote shall be taken if requested by any Director. A roll call vote shall be taken on all resolutions and on all items whenever any Director participates in the meeting by teleconference or by other technological means.

Sec. 4.4.6 Ralph M. Brown Act

All meetings of the Board, whether regular, adjourned regular, special, or adjourned special, shall be conducted in accordance with the provisions of the Ralph M. Brown Act (the "Brown Act"). (Gov. Code, § 54950-54963.) Additionally, under the Brown Act, standing committees

are considered “legislative bodies” and are subject to the provisions of the Brown Act. (Government Code § 54952(b).)

Sec. 4.4.7 Adjourned Meetings

The Board may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in order of adjournment. If all members are absent from any regular or adjourned regular meeting, the Secretary may declare the meeting adjourned to a stated time and place and shall cause a written notice of adjournment to be given. A copy of the order or notice of adjournment shall be conspicuously posted on the public bulletin board at the District office within 24 hours after the time of adjournment.

Sec. 4.4.8 Continuance

Any meeting or hearing continued to another date may be continued to a subsequent time. If the meeting or hearing is continued to a time less than 24 hours after the time specified in the order or notice of meeting or hearing, a copy of the order or notice of continuance shall be posted immediately following the meeting at which the order was adopted.

Sec. 4.4.9 Disruption of Meetings

In the event any meeting of the Board is willfully interrupted by a group or groups of persons so as to render the orderly conduct of such meeting unfeasible, and order cannot be restored by removal of individuals who are willfully interrupting the meeting, the Board member conducting the meeting may order the meeting room cleared and continued in session. Only matters appearing on the agenda may be considered in such a session. Duly accredited representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any open session held pursuant to this section. The Board may establish procedures for readmitting an individual or individuals not responsible for willfully disturbing the orderly conduct of the meeting.

Additionally, the Board member conducting a meeting of the Board may remove, or cause the removal, of an individual disrupting the meeting. Prior to removing the individual, the Board member conducting the meeting shall warn the individual that their behavior is disrupting the meeting and that their failure to cease their behavior may result in their removal. The Board member conducting the meeting may then remove the individual if they do not promptly cease their disruptive behavior. However, this prior warning shall not be required if the individual is engaging in behavior that constitutes use of force or a true threat of force. For purposes of this paragraph, “disrupting” and “true threat of force” shall have the same meaning as in Section 54957.95 of the Government Code.

SEC. 4.5 MINUTES

- a) The minutes of the meetings of the Board shall be prepared and kept permanently by the Secretary. Unless otherwise expressly directed at the time of their adoption, the resolutions adopted by the Board may be referred to in the minutes by number and title only, but the same shall be recorded in their entirety and kept permanently by the Secretary.
- b) The President and Secretary shall authenticate the minutes and resolutions after they have been approved and adopted by the Board, and when so authenticated they shall constitute the official minutes and resolutions of the Board
- c) Minutes shall be prepared in condensed form and shall satisfy all legal record-keeping requirements and provide in a clear and concise manner an accurate report of all actions taken by the Board. Each Public Comment shall be recorded in a one to two sentence summary, including the subject of the comments.

SEC. 4.6 AGENDAS

- a) Posting. Agendas for all meetings of the Board and its committees shall be posted in a location accessible to the public in accordance with the provisions of the Brown Act.
- b) Distribution. Each member of the Board/a committee shall receive a copy of the agenda prior to the meeting.
- c) Public Comments. Meeting agendas shall provide an opportunity for members of the public to address the Board on any item within the jurisdiction of the District at the beginning of the agenda. Directors and staff may respond to statements made or questions asked by members of the public during the period for public comment and may refer such matters to staff for review and subsequent discussion; however, no action may be taken on a public comment item until it has been put on the agenda.
- d) Consent Calendar. The consent calendar shall consist of items which appear to be routine or ministerial in nature on which no Board discussion will be required. Items may be added to or removed from the consent calendar upon request from a Board member prior to action to approve the consent calendar.
- e) Closed Sessions. The Board may hold closed sessions on items as provided in the Brown Act. All information discussed by the Board in closed session shall be kept strictly confidential unless otherwise directed by a majority of the Board.
- f) The General Manager or designee will be responsible for developing the agenda for each Board meeting. Agenda items will be determined by the need to conduct the District's business in a timely manner.

The General Manager is responsible for presenting the agenda and all necessary background materials and staff reports to the Board for its consideration. The General Manager shall review with the Executive Committee the agenda for regular meetings of the Board, or with the President if no Executive Committee meeting is held.

By providing a written request to the General Manager, any Director may place an item on the agenda of a Board meeting for initial discussion. Requests must be submitted to the General Manager no later than two weeks prior to a regularly scheduled Board meeting. Once placed on the agenda, the item will be presented to the Board by the proponent Board member. Additionally, any Director may request an item for future Board consideration during the "Future Agenda Items" item on the Board agendas.

The Board must authorize the preparation of agenda materials when an item placed by an individual Director on the agenda for initial discussion would require a significant expenditure of staff time or other resources.

- g) Special Meeting Agendas. Section 54956 of the Brown Act provides that a special meeting may be called at any time by the President of the legislative body of a local agency or by a majority of the members of the legislative body. Notice of the Special Meeting shall be posted at least 24 hours before the time of such meeting as specified in the notice. In case of an emergency as described in Government Code section 54956.5, the Board may hold an emergency meeting without complying with the 24-hour notice requirements.
- h) Written Requests to Receive Agendas. Members of the public wishing to receive agendas shall submit a request in writing to the Secretary.
- i) Modifications. With the consent of the Board, the President may modify the order of items on the agenda. No action or discussion may be undertaken on any item not appearing on the posted agenda, with the following exceptions:
 - 1. Directors may take action on items not appearing on the posted agenda when any of the following occur:
 - a. Upon a determination by a majority vote of the Board that an emergency exists as defined in the Brown Act;
 - b. Upon a determination by two-thirds vote of the Directors present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the District subsequent to the agenda being posted; or
 - c. The item was posted for a prior meeting of the Board occurring not more than five calendar days prior to the date action was taken on the item, and at the prior meeting the item was continued to the meeting at which the action was taken.

ARTICLE 5. DIRECTOR POLICIES

It is the policy of the District to maintain the highest ethical standards for its Board of Directors. The proper operation of the District requires that decisions and policy be made within the proper channels of governmental structure, that public office not be used for personal gain, and that Directors remain objective and responsive to the needs of the public they serve. Accordingly, it is the policy of the District that Directors and District employees maintain the highest standard of honesty and fairness in carrying out their duties as exemplified in the District Mission Statement and Vision Statement, and Core Values:

MISSION

The mission of Santa Fe Irrigation District is to meet the water supply needs of all its customers — safely, sustainably, reliably, and cost-effectively.

VISION

Santa Fe Irrigation District will proactively ensure:

Sustainable water supplies — providing, efficiently using, and managing water resources to cost-effectively meet long-term needs.

Reliable infrastructure — planning, improving, and managing facilities to cost-effectively meet customer needs.

High-performing staff — creative, forward-thinking staff that provide excellent service in an inclusive, team-oriented environment.

Cost-effective operations — continually improving operations to efficiently deliver quality services.

Customer service focus — transparently communicating and engaging with customers, considering their interests, and exceeding expectations.

Environmental stewardship — adapting to our changing climate and decreasing our environmental impact.

Resiliency — planning and preparing for potentially significant events and threats to mitigate their effects.

VALUES

In our actions and decisions, we prioritize:

Teamwork — Our success is built on cooperation, collaboration, and respect for each other, our customers, communities, neighboring agencies, and staff.

Inclusiveness — Our organization is positive and respectful, embracing diversity, and listening to every voice.

Continuous improvement – We are dedicated to excellence and innovation in everything we do.

Transparency — We communicate freely, report honestly, listen attentively, and make decisions transparently.

Accountability — We are all responsible—individually and collectively—for providing cost-effective, high-quality service to our customers.

Sustainability — We are good stewards of our resources and our environment, benefiting current and future customers.

This article sets forth the minimum ethical standards to be followed by the Board. The objectives of this policy are to (1) provide guidance for dealing with ethical issues, (2) heighten awareness of ethics and values as critical elements in Directors’ conduct, and (3) improve ethical decision-making and value-based management.

SEC. 5.1 RESPONSIBILITIES OF PUBLIC OFFICE

Directors are obligated to uphold the Constitution of the United States and the Constitution of the State of California. Directors will comply with applicable laws, including but not limited to, laws regulating their conduct, including conflict of interest, financial disclosure and open government laws. Directors will strive to work in cooperation with other public officials unless prohibited from so doing by law or officially recognized confidentiality of their work.

SEC. 5.2 FAIR AND EQUAL TREATMENT

Directors, in the performance of their official duties and responsibilities, will not discriminate in any way, against any person, on the ground of race, color, national origin, religion, religious creed, age (over 40), sex and gender (including pregnancy, childbirth, breastfeeding or related medical conditions), sexual orientation, gender identity, gender expression, disability (mental and physical), medical condition, genetic information, marital status, or military and veteran status. A Director will not grant any special consideration, treatment, or advantage to any person or group beyond that which is available to every other person or group in similar circumstances.

SEC. 5.3 PROPER USE AND SAFEGUARDING OF DISTRICT PROPERTY AND RESOURCES

Except as specifically authorized, the California Constitution prohibits a Director from making a “gift of public funds” by utilizing or permitting the use of District-owned vehicles, equipment, telephones, materials, or property for the primary purpose of providing the Director with a personal benefit or profit of third parties. A Director will not ask or require a District employee to perform services for the personal benefit or profit of a Director. Each Director must protect and properly use any District asset within their control, including information recorded on paper or in electronic

form. Directors will safeguard District property, equipment, moneys, and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust.

Sec. 5.3.1 District Owned Mobile Computing Devices

This Section 5.3 is intended to guide the use of mobile computing devices by the Board. However, it does not cover every situation that may arise. All existing District policies continue to apply to a Director's conduct while using a mobile computing device. Section 5.3 is adopted by the Board and constitutes its mutual statement of what are, and are not, appropriate uses for important technology tools, as well as the proper standards of care and maintenance of District provided mobile computing devices.

Compliance (Rev. 02/19/26; Resolution No. 26-02)

The District reserves the right to inspect any and all files stored on tablets or laptops that are District property, in order to ensure compliance with Section 5.3. Directors do not have any personal privacy right in any matter created, received, stored in, or sent from any District issued tablet or laptop, and the Board shall institute appropriate practices and procedures to ensure compliance with Section 5.3.

Details related to the procedures, care, maintenance, and acceptable use are provided in the "Mobile Computer Devices Agreement," (Exhibit 5.3).

Sec. 5.3.2 Public Records Act Requirements

Limited use of a private device for public business is permissible, though not encouraged. Regardless of whether the device is public or private, electronic communications regarding District business that are created, sent, received, or stored on an electronic messaging account, may be subject to the California Public Records Act (Government Code § 7920.000, *et seq.*) and the requirements of Article 9 (Public Records Policy), including but not limited to Section 9.3.

SEC. 5.4 USE OF CONFIDENTIAL INFORMATION (REV. 02/19/26; RESOLUTION NO. 26-02)

A Director is not authorized, without approval of the Board, to disclose information that qualifies as confidential information to a person not authorized to receive it. Under applicable provisions of law, information qualifies as confidential if it (1) has been received for, or during, a closed session meeting of the Board, (2) is protected from disclosure under the attorney/client or other evidentiary privilege, or (3) is not required to be disclosed under the California Public Records Act.

This section does not prohibit a Director from taking any of the following actions: (1) making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury that are necessary to establish the alleged illegality of an action taken by the District, an elected official or employee or the potential illegality of an action that has been the subject of deliberation at a closed session if that action were to be taken by a legislative body of the District, (2) expressing an opinion concerning the propriety or legality of actions taken by the District in closed session, including disclosure of the nature and extent of the allegedly illegal or potentially illegal action, or (3) disclosing information acquired by being present in a closed session that is not confidential information. Prior to taking an action described above, a Director will first bring such matter to the attention of either the President of the Board or General Counsel, to provide the Board an opportunity to cure an alleged violation.

A Director who willfully and knowingly discloses, for pecuniary gain, confidential information received in the course of their official duties, or uses any such information for pecuniary gain, may be guilty of a misdemeanor under Government Code section 1098.

SEC. 5.5 CONFLICT OF INTEREST (REV. 02/19/26; RESOLUTION NO. 26-02)

- a) Directors will not have a financial interest in a contract with the District, be a purchaser at a sale by the District, or a vendor at a purchase made by the District, unless the Director's participation was authorized under Government Code sections 1091 or 1091.5, or other provisions of law. A Director will not make, participate in the making (including participating in the discussion, deliberation, or vote on a matter before the Board of Directors) or in any way attempt to use their official position to influence a decision of the Board, if they have reason to know they have a disqualifying financial interest with respect to the matter, as defined in the Political Reform Act of 1974 (Government Code § 81000 *et seq.*) relating to conflicts of interest.

Generally, a Director has a disqualifying financial interest in a matter if it is reasonably foreseeable that the Board decisions would have a material financial effect, that is distinguishable from the effect on the public generally, on the Director or their immediate family or on any of the following: (a) a business entity in which the Director has a direct or indirect investment in the amount specified in Fair Political Practices Commission ("FPPC") regulations; (b) real property in which the Director has a direct or indirect interest, with a value in the amount specified in FPPC regulations; (c) a source of income for the Director in the amount specified in FPPC regulations, within 12 months before the Board decision; (d) a source of gifts to the Director in an amount specified in FPPC regulations within 12 months before the Board decision; or (e) a business entity in which the Director holds a position as a director, trustee, officer, partner, manager, or employee. An "indirect investment or interest" means any investment or interest owned by the spouse or dependent child of the Director, by an agent on behalf of the Director, or by a business entity or trust in which the Director, or the Director's spouse, dependent child, or agent, owns directly, indirectly, or beneficially a 10% interest or greater. An elected official will not accept honoraria or gifts that exceed the limitations specified

in the Political Reform Act or FPPC regulations. Directors will report all gifts, campaign contributions, income, and financial information as required under the District's Conflict of Interest Code and the provisions of the Political Reform Act and FPPC regulations.

- b) If a member of the Board believes that they may be disqualified from participation in the discussion, deliberations, or vote on a particular matter due to a conflict of interest, the following procedure will be followed: (a) if the Director becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Director will notify the District's General Manager and General Counsel of the potential conflict of interest, so that a determination can be made whether it is a disqualifying conflict of interest; (b) if it is not possible for the Director to discuss the potential conflict with the General Manager and the General Counsel before the meeting, or if the Director does not become aware of the potential conflict until during the meeting, the Director will immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is a disqualifying conflict of interest; and (c) upon a determination that there is a disqualifying conflict of interest, the Director (1) will not participate in the discussion, deliberation, or vote on the matter for which a conflict of interest exists, which will be so noted in the Board minutes, and (2) will leave the room until after discussion, vote, and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters, or the Director has been advised that a specific FPPC exemption or another exception applies.
- c) A Director will not recommend the employment of a relative by the District. A Director will not recommend the employment of a relative to any person known by the Director to be bidding for or negotiating a contract with the District.
- d) A Director who knowingly asks for, accepts, or agrees to receive any gift, reward, or promise thereof for doing an official act, except as may be authorized by law, may be guilty of a misdemeanor under Penal Code section 70.
- e) No Director who leaves office with the District may represent another person or entity before that District for one year after leaving office. This prohibition is very broad and covers any appearance before the District or one of its committees or any written or oral communication with the District for the purpose of influencing any type of decision. The limited exceptions are for the former Director to represent themselves; represent another person or entity without compensation; or where the former Director is an employee, officer, or director of another public agency, and represents that other public agency.

SEC. 5.6 POLITICAL CONTRIBUTIONS

Directors are prohibited from soliciting political funds or contributions at District facilities, or from District employees. A Director must not solicit or direct a political contribution from (a) District employees, officers, consultants, or contractors, or (b) vendors, consultants, or other parties who have a material financial interest in a contract or other matter while that contract or other matter is

pending before the District. A Director must not use the District's seal, trademark, stationery, or other indicia of the District's identity, or facsimile thereof, in any solicitation for political contributions contrary to state or federal law.

In addition, Directors shall comply with the provisions of Government Code section 84308 and its implementing regulations of the Fair Political Practices Commission, which provide that a Director shall not accept, solicit, or direct a contribution of more than five hundred dollars (\$500) from any party or a party's agent, or from any participant or a participant's agent while a proceeding involving a license, permit, or other entitlement for use (including certain contracts) is pending, and for 12 months following the date a final decision is rendered in the proceeding, if the Director knows or has reason to know that the participant has a financial interest in the decision.

Before making any decision in a proceeding involving a license, permit, or other entitlement for use (including certain contracts) pending before the District, each Director who received a contribution within the preceding 12 months in an amount of more than five hundred dollars (\$500) from a party or from any participant shall disclose that fact on the record of the proceeding.

A Director shall not make, participate in making, or in any way attempt to use the Director's official position to influence the decision in a proceeding involving a license, permit, or other entitlement for use (including certain contracts) pending before the District if the Director has willfully or knowingly received a contribution in an amount of more than five hundred dollars (\$500) within the preceding 12 months from a party or a party's agent, or from any participant or a participant's agent if the officer knows or has reason to know that the participant has a financial interest in the decision.

Additional details, including detailed definitions, cure provisions, and disclosure requirements for a party or participant in a proceeding, are provided in Government Code section 84308 and its implementing regulations.

SEC. 5.7 INCOMPATIBLE OFFICES (REV. 02/19/26; RESOLUTION NO. 26-02)

Another aspect of prohibited conflicts of interest is simultaneous holding of two incompatible public offices unless simultaneous holding of the offices is compelled or expressly authorized by law. When public offices are incompatible, the public officer forfeits the first office upon taking the second.

Offices are incompatible under any of the following circumstances unless the simultaneous holding of the office is compelled or expressly authorized by law.

- a) Either office may audit, overrule, remove members of, dismiss employees of, or supervise the other office or body;

- b) Based on the powers and jurisdictions of the offices, there is a possibility of a significant clash of duties or loyalties between the offices; or
- c) Public policy considerations make it improper for one person to hold both offices.

An employee of a special district is prohibited from taking office as an elected or appointed member of the Board of the same special district unless they resign as an employee. (Government Code § 53227.) If the employee does not resign, their employment shall automatically terminate upon his or her being sworn into office.

SEC. 5.8 DIRECTOR–GENERAL MANAGER RELATIONSHIP

- a) The Board sets policy for the District.
- b) The General Manager serves at the pleasure of the Board. The Board will provide policy direction and instructions to the General Manager on matters within the authority of the Board by majority vote of the Board during duly convened Board and Board committee meetings.
- c) The Board will retain and periodically review the work of an auditor as an independent contractor of the District (or other Financial Officer/Treasurer), who will report to the Board, to conduct an annual audit of the District’s books, records, and financial affairs.
- d) The District’s General Manager (a) has full charge and control of the construction, maintenance, and operation of the water system and other facilities of the District, (b) has full power and authority to employ and discharge employees and assistants, consistent with District policy and other provisions of the law, (c) prescribes the duties of employees and assistants, consistent with District policy, and (d) fixes and alters the compensation of employees and assistants, subject to approval by the Board.
- e) Members of the Board will deal with matters within the authority of the General Manager through the General Manager, and not through other District employees. Members of the Board will refrain from making requests directly to District employees (rather than to the General Manager) to undertake analyses, perform other work assignments, or change the priority of work assignments.

SEC. 5.9 IMPROPER ACTIVITIES AND THE REPORTING OF SUCH ACTIVITIES; PROTECTION OF “WHISTLE BLOWERS”

- a) The General Manager has primary responsibility for (1) ensuring compliance with the District’s Personnel Manual and ensuring that District employees do not engage in improper activities, (2) investigating allegations of improper activities, and (3) taking appropriate corrective and disciplinary actions.

- b) The Board has a duty to ensure that the General Manager is operating the District according to law and the policies approved by the Board.
- c) Directors are encouraged to fulfill their obligation to the public and the District by disclosing to the General Manager, to an extent not expressly prohibited by law, improper activities within their knowledge.
- d) The General Manager’s responsibility is to identify, investigate, and correct improper activities, unless the Board determines that the General Manager is not properly carrying out these responsibilities.
- e) A Director will not directly or indirectly use or attempt to use the authority or influence of their position for the purpose of intimidating, threatening, coercing, commanding, or influencing any other person for the purpose of preventing such person from acting in good faith to report or otherwise bring to the attention of the General Manager or the Board any information that, if true, would constitute a work-related violation by a Director or District employee of any law or regulation, gross waste of District funds, gross abuse of authority, a specified and substantial danger to public health or safety due to an act or omission of a District official or employee, use of a District Director office or position or of District resources for personal gain, or a conflict of interest of a Director or employee.
- f) A Director will not use or threaten to use any official authority or influence to effect any action as a reprisal against a Director or District employee who reports or otherwise brings to the attention of the General Manager any information regarding the subjects described in this section.

SEC. 5.10 COMPLIANCE WITH THE BROWN ACT

The members of the Board, and persons elected but who have not yet assumed office as members of the Board, will fully comply with the provisions of the State’s open meeting law for public agencies: the Ralph M. Brown Act (Gov. Code, § 54950 et seq.).

SEC. 5.11 DIRECTOR COMPENSATION (REV. 02/19/26; RESOLUTION NO. 26-02)

- a) Pursuant to Resolution No. 25-03, adopted March 20, 2025, Directors shall receive compensation in the amount of one hundred seventy five dollars (\$175) daily for attending authorized meetings, conferences, and activities.
- b) Pursuant to Water Code Section 20202, per diem compensation may not be paid for more than a total of 10 days in any calendar month.

- c) Changes in Director compensation shall require the approval of the Board in an open meeting of the Board held at least sixty (60) days prior to the effective date of the change, following a noticed public hearing.
- d) Changes in Director compensation shall be considered on an annual basis in conjunction with the development of the District’s annual budget.
- e) For a Director to be paid a lawfully-established per diem for an authorized meeting, conference, or activity, or for reasonable and necessary travel time to and from an authorized meeting, conference, or activity, it must be: (1) a “meeting” as defined in subdivision (a) of Government Code Section 54952.2 of the Brown Act; (2) committee meetings of the District; (3) a conference or organized educational activity conducted in compliance with subdivision (c) of Section 54952.2 of the Government Code; or (4) other meetings or activities specifically listed in this section.
- f) Without receiving prior approval of the Board, Directors shall receive compensation daily, up to a maximum of ten (10) days of service monthly for:
 - 1) Each day’s attendance at regular, special, and adjourned meetings of the Board of Directors; and
 - 2) Each day’s attendance at regular, standing, or ad hoc committee meetings; and
 - 3) Each day’s attendance at authorized meetings, conferences, or activities listed in the *Authorized Meetings, Conferences, and Activities* that are open to the public, at which topics of general interest to the public or to public agencies are discussed and which are hereby deemed as functions attended in an official capacity as a member of the Board.
- g) The Board may authorize the payment to a director for acting under the order of the Board for attending any additional meetings. Any director attending an activity not listed in the Authorized Meetings, Conferences, Activities must receive the Board President’s prior approval if compensation will be requested.

SEC. 5.12 (RESERVED) (REV. 03/20/25; RESOLUTION NO. 25-04)

SEC. 5.13 DIRECTOR EXPENSES

General Principles

Each member of the Board is encouraged to participate in those outside activities and organizations that, in the judgment of the Board, further the interests of the District. Expenses incurred by

Directors in connection with meetings, conferences, or activities authorized in this policy are reimbursable, in accordance with the limits set forth herein. The following rules apply:

- a) All expenses must be actually incurred and necessary for the performance of the Directors' duties, and Directors shall exercise prudence in all expenditures.
- b) This policy is intended to result in no personal gain or loss to a Director.
- c) Upon incurring expenses, Directors shall submit a request for reimbursement on the expense report form provided by the District, accompanied by evidence of payment of such expenses or receipts for all amounts. Expense reports shall clearly document that the expenses were incurred in connection with an authorized meeting, conference, or other activity. The expenses may not exceed the maximum limits set forth herein.
- d) All requests for reimbursement will be submitted to the Board (or its designee) within 60 days after the expenses have been incurred or expenditures made. Expenditures that are improper or otherwise not properly accounted for, or not consistent with this policy, will not be reimbursed. Where the District has paid such improper expenses, they will be promptly refunded to the District or deducted from moneys otherwise due to a Director.
- e) To implement the reporting requirements of Government Code section 53065.5, the District will prepare a list of the amount and purpose of each expense reimbursement made to each Director for the preceding fiscal year, which will be available to the public.

Maximum limits for reimbursement are as follows, unless the Board at a public meeting, in advance of the expense being incurred, authorizes a higher amount.

Sec. 5.13.1 Travel/Transportation (Rev. 02/19/26; Resolution No. 26-02)

- a) Air travel is authorized whenever, due to distance or time constraints, air travel is more economical than use of the Director's vehicle for transportation to and from authorized meetings, conferences, and activities. Reimbursement for airfare shall not exceed the most economical coach fare available for the required travel dates from the airport nearest the Director's residence or place of business to the airport nearest the destination.
- b) Directors shall use the most economical means of transportation to and from the airport and the location of the authorized meeting, conference, or activity whether by rental car, taxi, rideshare, or airport shuttle. Provided the most economical transportation is used, Directors may be reimbursed the full cost actually incurred for car rental and fuel, taxicab or ridesharing fare with tips, or airport shuttle with tips. Reimbursement for tips shall not exceed 15%.

- c) Mileage reimbursement for use of the Director's vehicle for travel to authorized meetings, conferences, or activities shall be reimbursed at the current standard mileage reimbursement rate specified by the IRS for business travel.

Sec. 5.13.2 Lodging

Lodging expenses actually and reasonably incurred by Directors in connection with attending authorized meetings, conferences, or activities at least 50 miles outside the District's service area will be reimbursed. Lodging expenses in connection with an authorized meeting, conference, or activity shall not exceed the maximum group rate published by the authorized meeting, conference, or activity, provided that the lodging at the group rate is available to the Director at the time of booking. Directors shall use government or group rates offered by providers of lodging services when available.

Lodging for the night prior to or after the authorized meeting, conference, or activity will be reimbursable only when the starting or ending time for the event makes it impractical to travel to or from the Director's residence on the same date as the activity.

Sec. 5.13.3 Meals

Reimbursement will be provided for meals while a Director is attending authorized meetings, conferences, or activities and shall not exceed \$125 per day, including tips and beverages. No reimbursement will be allowed for alcoholic beverages.

Sec. 5.13.4 Incidental Expenses

Incidental expenses for items actually and reasonably incurred in connection with attendance at authorized meetings, conferences, or activities, including reasonable tips for luggage handling, telephone and facsimile charges, parking and similar expenses, will be reimbursed.

- a) Directors will be reimbursed for actual telephone and fax expenses incurred for District business. Telephone bills should identify which calls were made for district business.
- b) Long-term parking should be used for travel exceeding 24 hours.
- c) No reimbursement shall be allowed for transportation, lodging, meals, or incidental expenses of family members or guests of a Director traveling with the Director to an authorized meeting, conference, or activity.
- d) No reimbursement shall be allowed for personal expenses such as entertainment, barbering, personal grooming, or the personal portion of any trip.

SEC. 5.14 MISCELLANEOUS EXPENSES OF OFFICE

Expenses for items actually and reasonably incurred in connection with carrying out the duties of a Director will be reimbursed. These miscellaneous expenses include office supplies, phone/fax and internet access charges. The District will provide a standard laptop computer to Directors for use in carrying out business and duties related to the District.

SEC. 5.15 REPORTS TO GOVERNING BOARD

At the regular meeting of the Board following any authorized meeting, conference, or activity for which per diem compensation or reimbursement is requested, the Director attending the authorized meeting, conference, or activity shall give a brief report of the authorized meeting, conference, or activity. If more than one Director of the District attended, a joint report may be made. Reports may be written or oral, but in the event a written report is submitted, the Director shall give a brief oral summary of the report at the Board meeting following the authorized meeting, conference, or activity.

SEC. 5.16 PENALTIES FOR VIOLATION OF REIMBURSEMENT POLICIES

A Director who falsifies an expense report, or claims reimbursement in violation of the expense reimbursement policy, will be subject to one or more of the following penalties:

- a) The loss of reimbursement privileges;
- b) Restitution to the District;
- c) Civil penalties for misuse of public resources pursuant to Government Code section 8314; or
- d) Prosecution for misuse of public resources pursuant to Penal Code section 424.

SEC. 5.17 EXHIBITS

Mobile Computer Devices Agreement
Authorized Meetings, Conferences, and Activities

ARTICLE 6. DISTRICT STAFF

SEC. 6.1 GENERAL MANAGER

The General Manager implements and carries out the policies of the Board. The General Manager shall be the chief administrative officer responsible directly to the Board. The General Manager plans, directs, coordinates, and administers the activities of the District, including the design and construction of all works and field operations and does related work as required.

The General Manager is the designated District representative for labor negotiations.

The General Manager shall give full time to the duties of his or her office; shall have charge of and supervise the administration and all operations of the district; shall plan and carry out all construction work necessary or proper to carry out the purposes of the district when authorized by the Board; shall make such recommendations to the Board concerning the affairs of the District as the General Manager may deem advisable; shall prepare and submit to the Board an annual budget estimate, monthly agenda, and such other reports as may be required by that body; and shall perform such other duties as may from time to time be required by the Board and as required by law.

In the absence of the General Manager, the General Manager's designee shall assume the duties and responsibilities of the General Manager during such absence.

SEC. 6.2 DIRECTOR OF DISTRIBUTION SYSTEM

Under general direction of the General Manager, the Director of Distribution System plans, organizes, manages, integrates and directs the operations, maintenance, repair, construction and installation of District potable water distribution facilities; ensures potable water delivered to customers meets water quality standards established by state and federal law and regulations; oversees and directs maintenance and repair of District buildings, facilities, grounds and fleet; provides expert advice to management and the Board of Directors on distribution strategies and processes, local and regional water quality issues and regulatory compliance; and performs related duties as assigned.

SEC. 6.3 DIRECTOR OF WATER TREATMENT PLANT

Under general direction of the General Manager, the Director of Water Treatment Plant plans, organizes, manages, integrates and directs the operations, maintenance and repair of

District water treatment facilities for the storage and treatment of potable water; ensures water quality meets standards established by state and federal regulations; oversees operations of the District's certified water quality laboratory in compliance with provisions of state law, regulations and accreditation standards; provides expert advice to management and the Board of Directors on water treatment strategies and processes, local and regional water quality issues and regulatory compliance; and performs related duties as assigned.

SEC. 6.4 DIRECTOR OF ADMINISTRATIVE SERVICES

Under general direction of the General Manager, the Director of Administrative Services plans, organizes, manages, integrates and directs operations, programs and activities of the Administrative Services Department including finance, risk management, information technology, and customer service; manages development and administration of the District's annual operating and capital budgets; performs complex and difficult financial and accounting analyses and reporting; coordinates assigned activities with other departments and outside agencies; provides highly responsible and complex administrative support to the General Manager; provides expert advice to management and the Board of Directors in areas of responsibility; and performs related duties as assigned.

SEC. 6.5 DIRECTOR OF ENGINEERING SERVICES

Under general direction of the General Manager, the Director of Engineering Services plans, organizes, manages, integrates and directs the operations and activities of the Engineering Services department; serves as the District's Chief Engineer and directs development and implementation of the District's Capital Improvement Program ("CIP") and master plans; leads and coordinates the design and construction of District facilities and improvements and major maintenance projects performed by or with District staff and/or consultants and contractors; leads and oversees water resource planning and local water management and coordination activities; manages and directs developer plan check services; provides expert advice to management and the Board of Directors in areas of responsibility; and performs related duties as assigned.

SEC. 6.6 INDEPENDENT PROFESSIONAL SERVICES

The Board may retain attorneys, independent certified public accountants, and such other professionals, as it may deem appropriate.

SEC. 6.6.1 GENERAL COUNSEL

General Counsel shall be appointed by the Board and shall be directly responsible to the Board. General Counsel shall provide legal services and advice as requested by the Board and shall assist the General Manager, the Director of Engineering, or other

district staff on negotiating and drafting District agreements, managing claims and lawsuits on behalf of the District, and defending the District in court actions, and in handling various issues and legal issues which may arise in the administration of General Counsel's respective duties.

SEC. 6.6.2 AUDITOR

An independent certified public accountant or accounting firm shall be engaged by the Board to prepare a yearly audit of the financial records of the District, to prepare reports required by the State Controller, and to assure that the books and records are in accordance with generally accepted accounting practices and the laws of the State of California.

**ARTICLE 7. CONFLICT OF INTEREST (*Rev. 09/19/24;
Resolution No. 24-11*)**

SEC. 7.1 DISTRICT CODE

The District has adopted a [CONFLICT OF INTEREST CODE](#), which shall be deemed to be part of this Administrative Code as though fully set forth herein.

SEC. 7.2 COMPLIANCE WITH CODE

All designated employees and Board Members as defined in said Conflict of Interest Code, shall comply with the disclosure and disqualification provisions set forth in the code.

ARTICLE 8. EMPLOYMENT POLICIES

SEC. 8.1 INTRODUCTORY POLICY

Sec. 8.1.1 Introduction

This article of the Administrative Code is meant to serve as a general guide to employment policies and practices of the Santa Fe Irrigation District (“District”). This article, hereinafter referred to as the Employee Handbook (or “Handbook”) describes some basic terms and conditions of employment with the District.

Employees are expected to read this Handbook carefully and to know and understand its contents. The District reserves the right to make changes to this Handbook. Employees are responsible for knowing about and understanding those changes once they have been disseminated. The District also reserves the right to interpret the provisions of this Handbook. For this reason, employees should check with the Human Resources Department to obtain information regarding specific employment guidelines, practices, policies or procedures.

Employees should not interpret anything in this Handbook as creating a contract or guarantee of continued employment. In addition, this Handbook is not intended to cover all possible situations that may arise in your employment relationship with the District.

This Handbook is the property of the District, and it is intended for personal use and reference by employees of the District.

Every employee is responsible for completing the following within two weeks of receiving this Handbook: reading and signing the Handbook Acknowledgment Form and returning it to the Human Resources Department. This Acknowledgment Form contains important points for employees and provides the District with a record that each employee has received this Handbook

Sec. 8.1.2 Policy Changes

While we have attempted to be as comprehensive as possible in preparing this article, it is inevitable that new policies and benefits will need to be written from time to time and that old policies and benefits will need to be revised. Subject to provisions stated in the Rules Governing Employer-Employee Relations, the District reserves the right to revise, modify, delete, or add to any and all policies, procedures, work rules, or benefits stated in this article or in any other document. However, any such changes must be in writing and must be approved by the Board of Directors.

Any written changes to this article will be distributed to all employees so that employees will be aware of the new policies or practices. No oral statements or representations can in any way change or alter the provisions of this article.

Sec. 8.1.3 Entire Agreement

This Handbook contains the employment policies and practices of the District in effect at the time of publication. All previously issued handbooks and any inconsistent policy statements or memoranda are superseded. This Handbook is also intended to be in conformity with all applicable employment and wage-related laws and should be interpreted as such. The District 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. The District shall meet and confer in good faith with the SFID Employees Association to the extent that any such modifications concern the wages, hours and other terms and conditions of employment. Any written changes to this Handbook will be distributed to all employees so that employees will be aware of the new policies or procedures.

Nothing in this Employee Handbook or in any other personnel document, including benefit plan descriptions, creates or is intended to create a promise or representation of continued employment for any employee.

Sec. 8.1.4 Equal Employment Opportunity/ADA

The District is an equal opportunity employer and makes employment decisions on the basis of merit. The District wants the best available person for each job. District policy prohibits unlawful discrimination on the basis of race (including but not limited to, hair texture and protective hairstyles such as braids, locks, and twists), color, religious creed (including religious dress and religious grooming practices), national origin, ancestry, citizenship status, age (40 years and older), sex (including pregnancy, perceived pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity and expression (including transgender identity and expression), because an individual has transitioned (to live as the gender with which they identify), is transitioning (or is perceived to be transitioning), sexual orientation, sex stereotyping, marital status, domestic partner status, military service and veteran status, physical and/or mental disability (including HIV and AIDS), legally protected medical condition or information (including genetic information,) protected medical leaves (requesting or approved), status as a victim of domestic violence, sexual assault or stalking, enrollment in a public assistance program, or any other basis protected by local, state or federal laws. Any such discrimination is unlawful, and all persons involved in the operations of the District are prohibited from engaging in this type of conduct. Please contact the Human Resources Administrator if you have any questions or concerns.

The District's management team is dedicated to this policy with respect to recruitment, hiring, placement, promotion, transfer, training, compensation, benefits, employee activities, access to facilities and programs and general treatment during employment.

The District prohibits unlawful harassment, discrimination, and retaliation based on:

1. Any combination of the above characteristics;
2. A perception that the person has any of the above characteristics or any combination of those characteristics;
3. A perception that the person is associated with a person who has, or is perceived to have, any of those characteristics of any combination of the above characteristics.

Any employees with questions or concerns about equal employment opportunities in the workplace are encouraged to bring these issues to the attention of the Human Resources Administrator. To ensure our workplace is free of artificial barriers, violation of this policy including any improper retaliatory conduct will lead to discipline, up to and including discharge. All employees must cooperate with all investigations conducted pursuant to this policy.

The District utilizes the same complaint procedures for complaints of discrimination as it does for complaints of harassment. Please see the separate policy prohibiting employee harassment. California law, and the District, also prohibit retaliation against any employee for making a good faith complaint of discrimination or for cooperating, assisting, testifying, or participating in any of the discrimination complaint procedures in the separate policy prohibiting employee harassment.

Sec. 8.1.5 Reasonable Accommodation/ADA Policy

To carry out the District's commitment to providing equal opportunity for all applicants and employees, the District will provide reasonable accommodations, including as required under applicable laws, in accordance with this policy.

Reasonable Accommodations Related to Disability and Religion: The District will provide reasonable accommodations for applicants and employees with disabilities in accordance with the Americans with Disabilities Act (the "ADA") and California law, and for applicants and employees based on their sincerely held religious beliefs, practices, or observance under state and federal law. Employees seeking such accommodations should promptly notify the District's Human Resources Department.

Reasonable Accommodations Relating to Pregnancy: The District will provide reasonable accommodations to employees who are affected by a pregnancy, childbirth, or related medical conditions, as medically advisable. Such accommodations may consist of:

- Modified work duties or a modified schedule to permit earlier or later hours or more frequent breaks; stools, chairs, or other furniture; modified or acquired equipment or devices; reduced work hours; or other accommodations,
- Temporary transfers to a less strenuous or less hazardous position, if such transfer can be reasonably accommodated, or

- A “Pregnancy-Related Disability Leave” if the employee is disabled by pregnancy, as described in the District’s leave of absence policy.

Employees seeking pregnancy-related accommodation, including transfer under this policy, should notify the District’s Human Resources Department. This notice must be timely and be provided by employees in advance when the need for reasonable accommodation is foreseeable; in all other circumstances, notice must be provided as soon as practicable. Failure to give advance notice when the need is foreseeable may delay the reasonable accommodation or transfer until 30 days after the date the employee provides notice (unless such delay would endanger the health of the employee, her pregnancy or her coworkers).

Reasonable Accommodations for Victims of Domestic Violence, Stalking, or Sexual Assault: The District will also provide reasonable accommodations for an employee who is the victim of domestic violence, stalking or sexual assault if: (i) the employee has disclosed that status to the District, and (ii) the employee requests an accommodation for the employee’s safety while at work.

In such circumstances, the District will engage, in good faith, in a timely and interactive process with the employee to determine effective reasonable accommodation. In this process, the employee may be asked to provide: (i) a written statement, signed by the employee or someone acting on the employee’s behalf, certifying that the accommodation is for the purposes stated above, and (ii) a certification confirming the employee’s status as a victim of domestic violence, sexual assault or stalking. Six months after the date of each previous certification, the District may request a recertification of such status. The District will maintain any such certification as confidential if it identifies the employee as a victim of domestic violence, sexual assault or stalking, disclosing such information only as required by law, or as needed to protect the employee’s workplace safety, and with prior notice of such disclosure to the employee.

Retaliation and Discrimination Prohibited: The District prohibits discrimination, discharge, retaliation, or any other unlawful acts against an individual because such person requests or receives accommodation under this (or another applicable) policy, or because such individual engaged in any other conduct protected by the law. Additionally, as addressed in the District’s separate policy on harassment, discrimination and retaliation, the District prohibits unlawful harassment, discrimination, or retaliation against any employee on the basis of an individual’s disability, religion, religious creed, sex (including pregnancy, childbirth and related medical conditions), status as a victim of domestic violence, sexual assault or stalking, or any other status as protected by law.

Sec. 8.1.6 Lactation Policy

The District provides accommodation to lactating employees who need to express breastmilk during work hours in accordance with applicable law. The District will provide a room or other location (not a bathroom) for employees to express breastmilk in private. The District

will ensure that the lactation room or location will:

- Be in close proximity to the employee's work area, shielded from view, and free from intrusion while the employee is expressing milk;
- Be clean, safe and free of hazardous materials;
- Contain a surface to place a breast pump and other personal items;
- Contain a place to sit; and
- Have access to electricity or alternative devices, including, but not limited to, extension cords or charging stations, needed to operate an electric or battery powered breast pump.

In addition, the District will provide access to a sink with running water and a refrigerator suitable for storing milk (or other cooling device suitable for storing milk) in close proximity to an employee's workspace. In the event that more than one employee needs use of the lactation room, the District will discuss alternative options with the employees to determine what arrangement addresses their needs, such as finding an alternative space or creating a schedule for such use.

The District shall also provide a reasonable amount of break time for an employee to express any breast milk each time that she needs to do so. The break time, if possible, should run concurrently with any break time already provided to the employee. Break time for a nonexempt employee that does not run concurrently with rest time already authorized for the employee is unpaid. However, if the employee performs any work during such a break, she must accurately record all time worked and the District will compensate her for such time.

Employees who are nursing have a right to request lactation accommodation. Such requests may be made verbally or in writing, should indicate the need for accommodation in order to express breastmilk at work, and should be directed to the District's Human Resources Department. The District shall respond to such requests in a reasonable manner, not exceeding five business days. If the District cannot provide break time, location, or other reasonable accommodations in accordance with this policy, it will inform the requesting employee in writing. Because lactation accommodation needs may change over time, employees may request changes to existing accommodations by a written request to the District's Human Resources Department that describes the nature of the change that is requested.

The District prohibits any form of retaliation or discrimination against an employee for exercising or attempting to exercise any rights provided under the above policies. Any such conduct or violations of the above-referenced policies should be reported to the Human Resources Department. Employees also have the right to file a complaint with the California Labor Commissioner for violation of a lactation accommodation right described in the policy above.

SEC. 8.2 EMPLOYMENT

Sec. 8.2.1 Employment Status Definitions

Sec. 8.2.1.1 Probationary Employees

During the first six months of employment a new employee must successfully complete an initial employment period. During this initial employment period, the employee serves at the pleasure of the District and may be discharged or suspended for any reason or cause. Regular Employees who are promoted to or transfer to a new position will also be required to serve a six-month probationary period.

If the employee fails to satisfactorily complete the probationary period in the promotional position, the employee may be entitled to return to the position held prior to promotion at the pay range held prior to promotion, if there is a vacancy in the prior position and if the performance deficiency in the new position was not subject to discipline. If the prior position has been filled with a probationary employee, the probationary employee shall be "bumped" and the employee who failed probation in the promotional position shall be entitled to return to the position held prior to promotion. The District may use its discretion to find another position within the District or separate the "bumped" employee from the District.

If there is no vacancy in the position held prior to promotion, and the employee would otherwise be eligible, the employee may be assigned to a vacant position which is nearest the employee's classification and pay range prior to the promotion. In no event shall the employee be assigned to a vacant position which is in a higher classification or pay range than the position held by the employee prior to the promotion.

An employee who does not satisfactorily complete the probationary period in a promotional position is not entitled to notice or a hearing.

Sec. 8.2.1.2 Part-Time and Limited-Term Employee

During this employment, the employee serves at the pleasure of the District and may be discharged or suspended for any reason or cause. The Part-Time Employee receives no benefits other than required by the State of California unless approved by the General Manager. If Holidays, Vacation, Personal Leave and/or Sick Leave are given, such leave time will be pro-rated based upon the employee's hours worked. Any additional leave that a part-time employee may be entitled to, as included in the leave section of this handbook, shall be provided on a pro-rated basis.

Sec. 8.2.1.3 Regular Employee

Employee who has successfully completed the initial employment period and has received a satisfactory performance review by their supervisor. A regular employee shall be subject to disciplinary action under the procedures set forth in these rules.

Sec. 8.2.1.4 General Manager

The General Manager is employed at the mutual consent of the General Manager and the District. Consequently, either the General Manager or the District may terminate the employment relationship at any time, with or without cause.

Sec. 8.2.1.5 Exempt Employee

Employee whose position meets specific tests established by the Fair Labor Standards Act (FLSA) and is exempt from overtime pay requirements.

Sec. 8.2.1.6 Non-Exempt Employee

Employee whose position is paid on an hourly basis and is paid a multiple of one and one-half times their hourly wage for overtime.

Sec. 8.2.2 Rules Governing Employer-Employee Relations

The purpose of this section is to implement the Meyers-Milias-Brown Act (Chapter 10, Division 4, Title 1 of the Government Code of the State of California, commencing with Section 3500), by providing orderly procedures for the administration of employer-employee relations between the District and employee organizations.

Sec. 8.2.2.1 Right of Employees to Join Recognized Employee Organizations

Employees shall have the right to form, join, and participate in the activities of the recognized employee organization for the purpose of representation on all matters of employer-employee relations. Due to the small size of the District and to more efficiently facilitate employer-employee relations, the District shall recognize an organization representing a majority of all non-Director employees. Director employees may only be included in an organization consisting solely of Director employees. Director employees are defined as employees having responsibility for formulating, administering, or managing the implementation of District policies and programs. Director employees may not represent or bargain on behalf of the employee organization representing non-management employees.

Sec. 8.2.2.2 Right of Employees to Abstain from Joining Employee Organization

Employees shall have the right to refuse to join or to refuse to participate in the activities of the recognized employee organization.

If there is no recognized employee organization or if there are employees who are unrepresented, the District may establish an employee committee representing each of the following groups:

- a) Non-management filtration plant employees;
- b) Non-management distribution employees;
- c) Non-management office employees;
- d) Management/confidential employees

Sec. 8.2.2.3 Discrimination Prohibited

Employees shall not be discriminated against, interfered with, intimidated, restrained, or coerced (by either the District or the recognized employee organization) because: they form, join, and participate in the activities of the recognized employee organization; they refuse to join or refuse to participate in the activities of the recognized employee organization.

Sec. 8.2.2.4 Recognition Requirements

An employee organization that seeks formal acknowledgment by the Board of Directors as the recognized employee organization which represents a majority of the employees of the District must be currently designated in writing as their representative, and shall file with the General Manager a petition, signed under penalty of perjury by a duly authorized officer of the Organization. Such petition shall contain the following information and documentation:

- a) Name and address of the employee organization.
- b) Names and titles of its officers.
- c) Names of employee organization representatives who are authorized to represent its members.
- d) A statement whether the employee organization is a chapter or local of or affiliated directly or indirectly in any manner with a regional, state, national, or international organization, and, if so, the name and address of each such regional, state, national, or international organization.
- e) Copies of the employee organization's constitution and bylaws.
- f) A designation of those persons, not exceeding three in number, and their addresses, to whom notice sent by regular United States mail will be deemed sufficient notice to the employee organization for any purpose.
- g) A statement that the employee organization has no restriction on membership based on race, color, creed, sex, national origin, marital status, or age.
- h) The names of all District employees currently represented by the employee organization.

- i) A statement that the employee organization has in its possession written proof, dated within three months of the date upon which the petition is filed, to establish that a majority of the District's employees have designated the employee organization in writing to represent them in their employment relations with the District.
- j) A request that the Board of Directors formally acknowledges the petitioner as the recognized employee organization, which represents a majority of the employees of the District.

Sec. 8.2.2.5 Processing of Recognition Petition

Within a reasonable time after receipt of the petition, the General Manager shall determine whether:

- a) The petition fully complies with the requirements of these rules.
- b) The petitioner represents the majority of the employees of the District, as listed in the petition.
- c) The petitioner qualifies as a recognized employee organization.

In doing so, the General Manager may require the employee organization to submit such written proof as the employee organization has that it has been designated by the majority of the District's employees, as listed, to represent them, including all written authorizations signed by employees designating the employee organization to represent them.

Submit the petition to the Board of Directors with a report as to the Manager's determinations and his/her recommendations with regard to formal acknowledgment.

Sec. 8.2.2.6 Determination by Board of Directors

Within a reasonable time after receipt of the report and recommendations of the General Manager, the Board of Directors shall determine if the petitioner qualifies as the recognized employee organization representing the majority of the employees of the District. The Board of Directors may direct the General Manager to make further determinations to assist the Board of Directors in making its decision. The Board of Directors shall formally acknowledge that the petitioner is the recognized employee organization if the petitioner qualifies as such under these rules.

Sec. 8.2.2.7 Current Information

The information contained in the petition shall be kept current by the recognized employee organization. The General Manager may, from time to time, require verification by the recognized employee organization of any information contained in the petition (and current supplements thereto), including submission of such written proof as the recognized employee organization has it has been designated by a majority of the employees, as listed, to represent them.

Sec. 8.2.2.8 Representation of Members

Subject to these rules, as they may be from time to time amended, a recognized employee organization shall have the right to represent District employees who are members of said organization in such employees' employment relations with the District.

Sec. 8.2.2.9 Scope of Representation

The scope of representation may include all matters concerning employment conditions and employer-employee relations, including, but not limited to; wages, hours, and other terms and conditions of employment; except, however, that the scope of representation shall not include consideration of the merits, necessity, or organization, or any service, or activity provided by law or established by the District.

Sec. 8.2.2.10 District Representatives

The General Manager has been appointed as the District's Employee Relations Officer to meet and confer with the representatives of the recognized employee organization. The Board of Directors may appoint one or more other representatives, including the Executive Committee of the Board of Directors or one or more other members of the Board, to assist the Employee Relations Officer or to act as the Employee Relations Officer in place of the General Manager on specific matters.

Sec. 8.2.2.11 Conferences

The Employee Relations Officer or his/her designee shall, upon written request, meet and confer in good faith regarding wages, hours and other terms and conditions of employment with the representatives of the recognized employee organization and shall consider fully such presentations as are made on behalf of employees who are members of the recognized employee organization. Meetings and conferences shall be held within a reasonable time after receipt of the written request, which shall set forth the matters desired to be presented. The Employee Relations Officers may utilize consultants, Board members, and other staff of the District to assist them and attend conferences with them.

"Meet and confer in good faith" means that the Employee Relations Officer and representatives of the recognized employee organization, or individual employees, shall have the mutual obligation personally to meet and confer promptly upon written request by either party and to continue for a reasonable period of time in order to exchange freely information, opinions, and proposals, and to endeavor to reach agreement on matters within the scope of representation prior to adoption by the District of its final budget for the ensuing fiscal year.

Sec. 8.2.2.12 Mediation

Pursuant to Government Code 3505.2, if after a reasonable period of time, representatives of the public agency and the recognized employee organization fail to reach agreement, the public agency and the recognized employee organization or recognized employee organizations together may agree upon the appointment of a mediator mutually agreeable to the parties. Costs of mediation shall be divided one-half to the public agency and one-half to the recognized employee organization or recognized employee organizations.

Sec. 8.2.2.13 Memorandum of Understanding

If agreement is reached by the Employee Relations Officer and a recognized employee organization, they shall jointly prepare a written memorandum of such understanding, signed by the Employee Relations Officer and the representative of the recognized employee organization, which shall not be binding, and present it to the Board of Directors for determination.

Sec. 8.2.2.14 Closed Sessions

Pursuant to Section 54957.6 of the Government Code, the Board of Directors may hold closed sessions with the Employee Relations Officer and other staff members who are assisting them prior to and during confrontations and discussions with representatives of the recognized employee organization and unrepresented employees regarding the salaries, salary schedule, or compensation paid in the form of fringe benefits of employees, in order to review the Board's position and to instruct the Employee Relations Officer.

Sec. 8.2.2.15 Reasonable Time Off to Meet and Confer

The recognized employee organization may select the smaller of three employee members or 10% of the employee members of the organized employees, but not less than one person, to attend scheduled meetings with the Employee Relations Officer on subjects within the scope of representation during regular work hours without loss of compensation. The recognized employee organization shall submit the names of the employee representatives to the General Manager at least five working days in advance of such meetings. Any such meeting is subject to scheduling by the General Manager in a manner consistent with operating needs and work schedules of the District.

Sec. 8.2.2.16 Advance Notice

Reasonable written notice shall be given to the recognized employee organization affected by any rules, resolution, or regulation directly relating to matters within the scope of representation proposed to be adopted by the Board of Directors. The recognized employee organization shall be given the opportunity to meet and confer with the Employee Relations Officer regarding the proposed rules, resolution, or regulation prior to adoption. In cases of emergency when the Board of Directors determines that a rule, resolution, or regulation

must be adopted immediately without prior notice or meeting with the recognized employee organization, the Board of Directors shall provide such notice and opportunity to meet at the earliest possible time following the adoption of such rule, resolution, or regulation.

Sec. 8.2.2.17 Use of Bulletin Boards

The District will furnish, for the exclusive use of the recognized employee organization, adequate bulletin board space at reasonable locations. The board shall be used for the following subjects:

- a) Information on the recognized employee organization's elections, reports, and notices.
- b) Reports of official business of the recognized employee organization, including reports of committees or the governing board thereof.
- c) Scheduled recognized organization membership benefits, programs, and promotions.
- d) Recognized employee organization membership benefits, programs, and promotions.
- e) Any other written material pertaining to the official business of the recognized employee organization.

Sec. 8.2.2.18 Activities on District's Premises

Membership meetings, organizing activities, membership campaigns, or dues collecting by the recognized employee organization or its representatives on District premises or at work locations during business hours shall not be permitted. Representatives of the recognized employee organization shall be granted reasonable access to employee work locations to investigate matters relating to employer-employee relations only if such investigation cannot be conducted elsewhere, unless such access to given work locations would constitute a safety hazard or would interfere with operations of the District. Access to work locations may be regulated by the General Manager so as not to constitute a safety hazard or to interfere with the operations of the District. Representatives of the recognized employee organization shall not enter a work location without the consent of the General Manager or his/her designee in his/her absence.

Sec. 8.2.2.19 Collection of Association Dues

The District may allow the collection of association dues for recognized employee organizations.

Sec. 8.2.2.20 Availability of Data

The District shall make available to the recognized employee organization such non-confidential information pertaining to employment relations as is contained in the public records of the District, subject to the limitations of the California Public Records Act (Government Code sections 6250, et seq.) A request for such information shall be made to the General Manager, and such information shall be made available during regular office hours after payment of reasonable costs of duplication, if duplication is requested. Nothing

herein shall be construed as requiring the District to furnish confidential information or to do research, to assemble information, or to compile data.

Sec. 8.2.2.21 Amendments

The Board of Directors may amend these rules by changes, additions, or deletions. Except in emergencies, such amendments shall be adopted after consultation in good faith with representatives of the recognized employee organizations.

Sec. 8.2.2.22 Job Classifications, Certification Requirements, and Job Descriptions

If the District wishes to revise or alter current Association classifications or job descriptions, the District shall propose such changes to the Association by providing written notice to the Association Representatives. Such notice shall contain the specific changes the District is proposing and the reason for the proposed change.

The parties agree to meet and confer, if necessary, as required under the MMBA. If the Association wishes to meet and confer over the District's proposed changes, it shall notify the District within 14 business days after receiving the written notice from the District.

Sec. 8.2.2.23 Quarterly Labor Management Meetings

Management and Representatives from SFIDEA agree to meet on a quarterly basis to effectively share concerns and resolve issues. These meetings are not intended to be or to replace formal labor negotiations and are not subject to the rules and procedures of collective bargaining. These meetings are also not intended to replace steps in the grievance procedures, but issues related to grievances may be discussed, either before or after a grievance is filed, with the intention of resolving them, if possible.

At least two days before the scheduled Labor-Management Meeting, each party will provide the other party a written list of topics they wish to discuss. The discussions will be informal, collegial, and non-adversarial, undertaken to promote shared understanding and cooperation. The parties agree that it is important to make the best and most efficient use of the available time.

Sec. 8.2.3 Standby Duty Response Time

All personnel that are subject to call for emergencies or standby duty shall respond without delay and within sixty (60) minutes or less. Response time is measured from the time the employee receives the call to the time the employee arrives at the incident site.

The purpose of this policy is to ensure an acceptable response time to customer requests for assistance during non-working hours or for response to emergency repairs to District systems during non-working hours.

Sec. 8.2.4 Personnel Records

An employee has the right to review certain documents in their Personnel file, as provided by law. All employees must submit their requests to review these files to Human Resources. The review of Personnel files will take place in the presence of a Human Resources representative at a time that is mutually convenient. The District does not allow the duplication of any documents in an employee file except for those which have the employee's signature on it. An employee may, however, add their interpretation of any disputed item to the file.

The information in an employee's Personnel file is permanent and confidential and must be kept up-to-date. Employees should inform Human Resources 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 emergency.

The District will try to restrict the release of any Personnel information to outside sources; however, where legally required, the District will cooperate with authorized local, state, or federal agencies that request information. All outside agencies must submit their request for confidential Personnel information to Human Resources.

Sec. 8.2.5 Employee References

Human Resources or a designee will respond to all requests for employee references. No other supervisor or employee is authorized to release references for current or former employees.

The District's policy as to references for employees who have left the District is to disclose only the dates of employment and the title of the last position held. If an employee authorizes disclosure in writing, the District will also provide a prospective employer with information on the amount of salary or wage they last earned.

Sec. 8.2.6 Conflict of Interest

All employees are expected to work for the best interests of the District at all times. Every employee has an obligation to avoid any activity, agreement, business investment or interest, or other situation which could be construed as a conflict with the District's best interests or as an interference with the employee's duty to serve the District to the best of the employee's ability.

Employees are not specifically prohibited from holding outside employment while being employed with the District, although such dual employment is discouraged. Employees should be guided by the following principles in this matter: such employment must not be with an organization that could constitute a potential conflict of interest. Any outside employment responsibilities should be disclosed to and discussed in advance with the General Manager.

Sec. 8.2.7 Reduction in Work Force

Notwithstanding any other provision of these rules, nothing provided herein shall prohibit the District from discharging, suspending, or transferring an employee upon a determination by the District that the needs of the District do not require continuance of the employee's position. Thirty working days before the effective day of any layoff, the General Manager shall notify the employee and the recognized employee organization of the intended action and reasons therefore and a statement certifying whether or not the services of the employee have been satisfactory. If certified as having given satisfactory service, the name of the employee laid off shall be placed on a reemployment list which shall be maintained for two years and they, if fully qualified, shall be given priority recognition for return to employment should a suitable opening become available during that period. If an employee is laid off after five years satisfactory employment and they are reemployed within two years of termination in the classification the employee formerly was assigned, they shall be reemployed as a regular employee rather than as a probationary employee. Any such employee rehired shall be eligible to use previous service in retaining leave accrual and other benefits.

Employees will be laid off in the inverse order of their seniority in their classification in the department (Administration, Distribution, Engineering, and Treatment Plant). Seniority is determined based upon date of hire in the classification and higher classification in the department. A lay-off out of the inverse order of seniority may be made, in the District's judgment, in conjunction with the consideration of job performance and if retention of special job skills is required. Within each class, employees will be laid off in the following order, unless special skills are required: part-time, probationary, regular.

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

First all employees having ratings of: "some deficiencies evident"; Second, all employees having ratings of "satisfactory"; Third, all employees having ratings of "exceptional."

Sec. 8.2.8 Employment Separation

Upon separation from employment with the District, the employee must immediately turn in all District-owned property to Human Resources. Employees are thereafter continually bound to maintain the confidentiality of any proprietary information obtained during the course of the employee's employment with the District.

Sec. 8.2.9 Rehiring

An employee who is rehired following a break in service of more than one year, other than an approved leave of absence, may be required to complete a probationary period of no less than

six months. The District will consider any employee returning to service after more than one year a new employee as of the date they are rehired for the purpose of all benefits.

Sec. 8.2.10 Emergency Policy

When an emergency is declared by the General Manager and the Emergency Operations Center (EOC) is activated, employees will be subject to disaster service activities as may be assigned to them by their superiors or by law, per government code. Employees are required to check in daily with their supervisor to ascertain their assignment, based on the needs of the EOC. Per the Emergency Response Plan, employees will remain on standby during an emergency. District personnel not assigned to the EOC will observe normal working hours and locations unless otherwise directed by their supervisor or per the Emergency Response Plan. If an employee that has previously signed the Loyalty Oath, reports to the EOC or checks in with their supervisor, they will be paid, regardless of whether their services are needed, or they are sent home or instructed to stay home. If an employee elects not to call or come in, then they must use their own vacation or sick time, in order to be compensated. If an employee that has previously signed the Loyalty Oath, is physically blocked from reporting to the EOC or the District by a road closure, they will be paid.

SEC. 8.3 COMPENSATION

Sec. 8.3.1 Work Hours

Work hours shall be established to accommodate our customers, properly operate the business, and otherwise meet the needs of the District. The District is normally open for business between the hours of 7:30 a.m. and 5:00 p.m. Monday through Thursday, and 7:30 a.m. and 4:00 p.m. on open Fridays, except on holidays. The R.E. Badger Filtration Plant is normally open for business between the hours of 6:30 a.m. and 4:00 p.m. Monday through Thursday, and 6:30 a.m. and 3:00 p.m. on open Fridays, except on holidays. Some departments or work groups may have scheduled work shifts that are different than District or Plant business hours. Such scheduled work shifts are subject to approval by the General Manager. Employees receive a thirty-minute unpaid lunch break and two ten-minute paid breaks.

The District expects all employees to be at their workstations at the start of their scheduled shifts, ready to perform their work. An employee who is unable to report to work at the scheduled time should notify their supervisor prior to, or within thirty minutes after the beginning of their workday. Notification should include an explanation of the absence and its anticipated duration. An employee must also advise the supervisor of any changed condition in the duration of their absence.

Sec. 8.3.2 Definition of Workweek

Sec. 8.3.2.1 District Employees

District employees work on a 9/80 schedule. The work period will be forty hours per week. District employees will work eight days for nine (9) hours a day and one day for eight (8) hours; for a total of eighty (80) hours in a two-week period. District employees will have alternate Fridays off.

The workweek will begin four hours and one minute into each employee's workday on Friday and end the following Friday four hours into the employee's workday. By beginning and ending the work period four hours into the workday on Fridays, each seven-day work period is limited to equal 40-hour blocks.

Sec. 8.3.2.2 Filtration Plant Operators

The workweek begins at 7:00am on Saturday and ends at 6:59am on the following Saturday, except as otherwise designated for employees on a flexible schedule. Operators rotate the following shifts:

- a) Day shift: 7:00am to 3:00pm
- b) Swing shift: 3:00pm to 11:00pm
- c) Midnight shift: 11:00pm to 7:00am
- d) Weekend shift: 11:00pm Friday to 11:00pm Sunday

Sec. 8.3.3 Time Keeping Requirements

All employees must record their time worked on a standard Santa Fe Irrigation District time sheet for payroll purposes. Each employee is responsible for the daily recording of all time worked on this time sheet. The time sheets will be certified "true and correct" by the supervisor directing the work, and by the payroll department. These time sheets need to be signed by the employee and supervisor and may, from time to time, be audited by the General Manager or a designee.

Sec. 8.3.4 Reporting to Work

The District expects employees to report to work on a reliable and punctual basis. Absenteeism, early departures from work, and late arrivals burden fellow employees and the District. If an employee cannot avoid being late to work or is unable to work as scheduled, the employee must call their immediate supervisor as soon as possible.

Every time an employee is absent or late, or leaves early, the employee must provide their Director employee with an honest reason or explanation. Employees must also inform their Director employee of the expected duration of any absence. The District will comply with applicable laws relating to time off from work, including paid sick leave, but it is the

employee's responsibility to provide sufficient information to enable the District to make a determination. Employees must notify their Director employee of any change in status as soon as possible.

Individuals with disabilities may be granted reasonable accommodation in complying with these policies if undue hardship does not result to the District's operations. However, regular attendance and promptness are considered part of each employee's essential job functions.

Sec. 8.3.5 Salary and Performance Review

It is the policy of the District to review salary and performance from time to time. In determining whether an adjustment in salary is warranted, the District will evaluate the employee's performance, including proficiency and knowledge of their job, cooperation, teamwork, initiative, and willingness to handle difficult assignments, work habits, attitudes, attendance, and punctuality. In addition, the District will consider the length of service of the employee, comparable salaries in the industry, cost of living changes, District performance, and other relevant factors.

District employees will receive periodic evaluations on their work performance. An employee's initial evaluations will take place at the end of their six-month probationary period and one year from their date of hire. All evaluations thereafter will normally occur on a yearly basis. The frequency of these performance evaluations may vary depending upon the length of service, job position, past performance, changes in job duties, or recurring performance problems. On occasion, a supervisor may request an informal meeting with an employee to determine their progress in reaching previously stated performance goals.

All evaluations are performed in a confidential manner between an employee and their supervisor. A supervisor will clearly explain all aspects of the evaluation and answer any questions or concerns an employee may have at that time. When completed, an employee will sign the evaluation to acknowledge they have seen and understood its contents. A positive evaluation does not guarantee a salary increase for an employee. Employees with salaries above their position's salary range maximum will be ineligible for merit increases until their position's salary range maximum moves above their salary. When applicable, merit increases are given effective during the pay period following an employee's review date.

Sec. 8.3.6 Payment of Wages

The District's payroll is calculated according to bi-weekly pay periods. There will usually be 26 such pay periods each year. All employees will receive payment of wages on the Wednesday that follows the end of each pay period. If the regular payday falls on a holiday, payment will be made on the preceding workday. If a payday is to occur when an employee is on vacation or another type of leave, payment will be held unless the employee picks it up in person at the office or the employee authorizes the District in writing to make other arrangements.

Employees who are terminated will receive compensation for all outstanding wages and accrued benefits.

Sec. 8.3.7 Overtime

Sec. 8.3.7.1 Prior Approval Required

Overtime-eligible employees are not permitted to work overtime except as the department director authorizes or directs. No employee may work overtime without receiving the approval of the appropriate supervisor prior to performing the work. Working overtime without advanced approval may be grounds for discipline.

Sec. 8.3.7.2 "Overtime" Defined

Unless otherwise stated in a memorandum of understanding, "overtime" is all hours an overtime-eligible employee actually works over 40 in their work week. Overtime is compensated for at 1.5 times the Fair Labor Standards Act regular rate of pay. Only hours worked shall be counted toward the 40-hour threshold for purposes of calculating FLSA overtime pay. Hours worked shall include all paid leave. No overtime shall be recorded or reported for less than 8 minutes of work.

The District provides compensation for all overtime hours worked by non-exempt employees in accordance with state and federal laws as follows:

- a) All hours that a non-exempt employee works in excess of forty (40) hours in one week are considered overtime.
- b) Compensation for hours in excess of forty (40) hours in one week will be paid at a rate one and one-half times the employee's regular straight time pay.

Sec. 8.3.7.3 Compensatory Time

In lieu of receiving overtime pay, an employee may elect to receive compensatory time off on a time and one-half basis. No employee shall accrue more than eighty (80) hours of such compensatory time. An employee may use such compensatory time within a reasonable period after making the request, subject to supervisor approval. Unused compensatory time may not be carried over to a subsequent calendar year. Any compensatory time balances will be cashed out to the employee at his/her regular rate of pay on the payday that concludes the final pay period of each calendar year and no compensatory time may be accrued during that pay period.

Sec. 8.3.8 Standby Pay

Standby pay is compensated at 1.5 times an employee's regular rate of pay. For each workday of standby duty, an employee receives one (1) hour of standby pay. For each closed Friday,

District-recognized holiday or weekend day of standby duty, an employee receives two (2) hours of standby pay. Additionally, standby hours worked will be calculated at the standby duty rate. Employees will receive a minimum of 2 hours pay for responding to emergency callouts.

Sec. 8.3.9 Recovery Period

For safety reasons, all employees of the District are eligible for paid recovery time if subject to night work. If an employee is required to work beyond their regular scheduled workday until after 10:00 pm, or is called back to work after 10:00 pm, the employee may be allowed up to nine (9) recovery hours off from the time of release from night work before reporting for their next regular scheduled workday to ensure the employee gets enough rest to return to work safely. These hours are only provided if needed and per the discretion of the employee's supervisor. If the recovery hours fall into the regular scheduled workday, the employee will be paid, at their regular hourly rate, for those overlap hours and report for work at the end of the recovery period to complete the regular scheduled workday. With permission of the supervisor, the employee may use vacation, sick, personal, floating holiday, or compensatory time off for any additional regular work hours beyond the recovery period. If the recovery period extends past the end of the regular workday, no additional payments for recovery hours will be made. If there are less than two hours remaining in the regular scheduled workday, the employee shall return at their next regular workday and be paid for their regular workday that was missed to satisfy the recovery period permitted by their supervisor.

Sec. 8.3.10 Holiday Pay

Hours worked on a holiday recognized by the District are compensated at two (2) times the employee's regular rate of pay. If an employee who is normally required to work on an approved holiday because he/she works in a position that requires scheduled staffing without regard to holidays, then the two times rate of pay will be reported to CalPERS in the following manner: 9 hours as regular pay and 9 hours as holiday pay (special compensation), unless the holiday falls on a Friday on which the employee is scheduled to work and then it will be 8 hours. The day of a holiday recognized by the District may be different than the day the holiday is nationally observed. See Sec. 8.4.1 Holidays. In such a scenario, holiday pay will apply to the day that is recognized by the District as the holiday.

Sec. 8.3.11 Shift Differential Pay

When Filtration Plant Operators work on the swing, midnight, and/or weekend shifts, they receive a 5% shift differential for hours worked, to be calculated on base pay, including longevity if applicable.

Sec. 8.3.12 Expense Reimbursement

The District will reimburse its employees for all authorized expenses incurred on behalf of the District. To be authorized, all attendance at meetings, conferences, and activities subject to reimbursement of expenses must be approved in advance by the General Manager of the District, or if that is impractical, by the employee's supervisor. Expense claims should be made on the approved form available from Accounting.

For authorized attendance, the following criteria are applicable to all employee expense reimbursements:

Sec. 8.3.12.1 Travel/Transportation

- a) Air travel is authorized whenever, due to distance or time constraints, air travel is more economical than use of the Employee's vehicle for transportation to and from authorized meetings, conferences, and activities. Reimbursement for airfare shall not exceed the most economical coach fare available for the required travel dates from the airport nearest the Employee's residence or place of business to the airport nearest the destination.
- b) Employees shall use the most economical means of transportation to and from the airport and the location of the authorized meeting, conference, or activity whether by rental car, taxi, or airport shuttle. Provided the most economical transportation is used, Employees may be reimbursed the full cost actually incurred for car rental and fuel, cab fare with tips, or airport shuttle with tips. Reimbursement for tips shall not exceed 15%.
- c) Mileage reimbursement for use of the Employee's vehicle for travel to authorized meetings, conferences, or activities shall be reimbursed at the then current standard mileage reimbursement rate specified by the IRS for business travel.

Sec. 8.3.12.2 Lodging

Lodging expenses actually and reasonably incurred by Employees in connection with attending authorized meetings, conferences, or activities at least 50 miles outside the District's service area will be reimbursed. Lodging expenses in connection with an authorized meeting, conference, or activity shall not exceed the maximum group rate published by the authorized meeting, conference, or activity, provided the lodging at the group rate is available to the Employee at the time of booking. Employees shall use government or group rates offered by providers of lodging services when available.

Lodging for the night prior to or after the authorized meeting, conference, or activity will be reimbursable only when the starting or ending time for the event makes it impractical to travel to or from the Employee's residence on the same date as the activity.

Sec. 8.3.12.3 Meals

Reimbursement will be provided for meals while an Employee is attending authorized meetings, conferences, or activities not to exceed \$125 per day, including tips and beverages. No reimbursement will be allowed for alcoholic beverages.

Sec. 8.3.12.4 Incidental Expenses:

Incidental expenses for items actually and reasonably incurred in connection with attendance at authorized meetings, conferences, or activities, including reasonable tips for luggage handling, telephone and facsimile charges, parking, and similar expenses, will be reimbursed.

- a) Employees will be reimbursed for actual telephone and fax expenses incurred for District business. Telephone bills should identify which calls were made for District business.
- b) Long-term parking should be used for travel exceeding 24 hours.
- c) No reimbursement shall be allowed for transportation, lodging, meals, or incidental expenses of family members or guests of an Employee traveling with the Employee to an authorized meeting, conference, or activity.

SEC. 8.4 EMPLOYEE LEAVE

Sec. 8.4.1 Holidays

An observed holiday consists of nine (9) hours unless the holiday falls on a Friday on which the employee is scheduled to work and then it will be eight (8) hours. Holidays observed by the District are as follows:

- a) New Year's Day
- b) Presidents' Day
- c) Memorial Day
- d) Independence Day
- e) Labor Day
- f) Thanksgiving Day
- g) Day after Thanksgiving
- h) Christmas Day
- i) Holiday before or after Christmas Day
- j) Floating holiday (1)

When a District holiday falls on a Friday the District is closed, a Saturday or a Sunday, the following business day shall be observed as a holiday. Floating holidays may not be accumulated from one year to the next and no pay-out will be received at termination of employment.

Sec. 8.4.2 Vacation

After satisfactory completion of the probationary period (vacation accrual will start retroactive to the original date of hire), vacation will be accrued by the following schedule:

| <u>Years of Employment</u> | <u>Vacation Earned</u> | <u>Maximum</u> |
|--|-------------------------|----------------|
| 0 - completion of 5 years | 80 hours/calendar yr. | 160 hours |
| Beginning of 6 - completion of 11 years | 120 hours/calendar yr. | 240 hours |
| Beginning of 12 - completion of 17 years | 160 hours/calendar yr. | 320 hours |
| Beginning of 18 - completion of 20 years | 176 hours/calendar yr. | 352 hours |
| Beginning of 21 years plus | 200 hours/calendar yr.. | 400 hours |

District employees may take vacation as earned. Employees must seek authorization from their supervisor prior to taking vacation time. In order to make sure necessary staffing arrangements are made, employees shall give their supervisor as much advance notice as possible regarding their intent to take vacation.

Non-exempt employees may use these hours in less than full day increments. If employees have not used their accrued hours at the end of the calendar year, the hours will be carried over into the next calendar year.

Employees are encouraged to use their accrued vacation time each year. Employees may accumulate a maximum of two times their current year's accrual. Employees whose unused vacation accruals exceed this maximum will cease to accrue additional vacation hours until they reduce their balance of accrued, unused vacation hours to below the maximum. Vacation time shall not accrue during leaves of absence without pay.

Annually in December, an employee, at their own request, may receive pay for their accrued vacation hours in excess of eighty (80) hours, provided the employee has taken eighty (80) hours of vacation during the last 365 days in which the vacation reimbursement request is made.

Upon separation from the District, an employee will receive all unused vacation pro-rated to their final day of work in the form of a cash payment. The bi-weekly pay record for each employee will reflect their current vacation leave accumulation.

Sec. 8.4.3 Personal Leave

Twenty-four (24) hours of personal leave a year is available to each regular employee. Personal Leave is not accumulated from one year to the next. There is no payout for unused Personal Leave. The bi-weekly pay record for each employee will reflect their current personal leave accumulation.

Sec. 8.4.4 Administrative Leave

Eighteen (18) hours of personal leave a fiscal year is available to each management and confidential employee. Administrative Leave is not accumulated from one year to the next. There is no payout for unused Administrative Leave. The use of Administrative Leave hours does not apply to the minimum eighty (80) hours of vacation an employee must take to make a vacation reimbursement request. The bi-weekly pay record for each employee will reflect their current personal leave accumulation.

Sec. 8.4.5 Sick Leave

Accrual and Availability of Sick Leave

Commencing on the date of hire, an employee will earn sick leave at the rate of 3.7 hours per pay period (96.2 hours/year). An employee will be able to use their accumulated sick leave after the employee has been employed by the District for ninety calendar (90) days. The bi-weekly pay record for each employee will reflect their current sick leave accumulation. Sick time shall not accrue during leaves of absence without pay.

Use of Sick Leave

Sick leave may be taken for the following prescribed purposes:

- The diagnosis, care, or treatment of an existing health condition of, or preventive care for, an employee or an employee's family member; or
- To attend legal proceedings, or to obtain medical treatment, counseling or other victims' services for domestic violence, sexual assault, or stalking.

A "family member" for these purposes is defined as a child (a biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis), a parent (a biological, adoptive or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child), a spouse or registered domestic partner, a grandparent, grandchild and sibling, or a designated person which is a person identified by the employee at the time the employee requests paid sick days. An employee is limited to one designated person per 12-month period for paid sick days. Additionally, California Paid Sick Leave may be used for an employee who is a victim of domestic violence, sexual assault or stalking.

If an employee has no available sick leave, they may substitute vacation leave with the approval of their supervisor. An employee will not receive any compensation for time missed due to illness or injury if they have no available sick or vacation time to use, unless required by law. Abuse of sick leave benefit is grounds for disciplinary action.

Notice

To the extent possible, employees must provide reasonable advance notice of their need for California Paid Sick Leave under this policy. If the need for leave is not foreseeable, an employee must provide notice as soon as practicable.

Increments

Employees may use California Paid Sick Leave in one-hour increments.

Separation of Employment

Unused sick leave may be accumulated without limitation. Effective starting September 28, 2007, at time of voluntary termination, payment will be made for twenty-five percent (25%) of accumulated unused sick leave pro-rated to their final day of work up to a maximum of six hundred (600) hours; upon termination due to retirement or death, payment will be made for fifty percent (50%) of accumulated unused sick leave pro-rated to their final day of work up to a maximum of six hundred (600) hours. For those employees that had accrued beyond six hundred (600) hours as of September 28, 2007, they will receive payment of either twenty-five percent (25%) (upon voluntary termination) or fifty percent (50%) (upon termination due to retirement or death), whichever applies, of the unused accumulated hours of sick leave pro-rated to their final day of work up to a maximum of their accrual amount as of September 28, 2007 (e.g. an employee who had 800 hours of accumulated sick leave as of September 28, 2007, would be entitled to either 25% or 50% of 800 hours upon separation from employment). In the case of involuntary termination, no payment of accumulated unused sick leave will be made.

In addition, upon retirement, unused accumulated sick leave can be converted to additional CalPERS service credit, since the District contracts with CalPERS for this benefit. Retirees will receive credit for all unused sick leave as certified by the District. It takes 250 days of sick leave to receive one year of service credit.

Sec. 8.4.6 Family Medical Leave

The purpose of this policy is to advise you of your rights under the State and Federal Family Care and Medical Care Leave statutes. Also, it is intended to provide information regarding the District's administration of the Family Care and Medical Leave laws.

Sec. 8.4.6.1 Definitions

The following definitions apply for purposes of this Policy only:

- a) *Disability caused by pregnancy, childbirth or a related medical condition:* If a woman, in the opinion of her own doctor or other health care provider, is unable because of pregnancy, childbirth, or a related medical condition to perform the essential duties of her job or to perform these duties without undue risk to herself or others.
- b) *Employee(s):* Any person regularly and continuously employed by the District on a full-time or part-time basis for at least twelve (12) months of continuous service.
- c) *Family leave:* Leave taken in accordance with this Policy.
- d) *Personnel officer:* The General Manager or the individual designated by them.
- e) *Child:* A biological, adopted or foster child, a stepchild, a legal ward, a child of a domestic partner, or a child of a person standing in loco parent is who is either (i) under 18 years of age; or (ii) 18 years of age or older who is incapable of self-care because of mental or physical disability.
- f) *Equivalent job position:* A job with corresponding duties, responsibilities, authority, skill, effort, terms, conditions, and privileges of the employee's position before the commencement of family leave, including the same or substantially similar geographic location and shift.
- g) *Parent:* A biological, foster or adoptive parent, a stepparent, a legal guardian, or an individual who stood in loco parent is to an employee when the employee was a child.
- h) *Serious health condition:* An illness, injury, impairment, or physical or mental condition which involves either:
 1. Inpatient care (i.e., an overnight stay) in a hospital, hospice, or residential medical care facility, including any period of incapacity, or any subsequent treatment in connection with such inpatient care; or
 2. Any period of incapacity requiring absence from work, school, or other regular daily activities of more than three calendar days that also requires continuing treatment by, or under the supervision of, a health care provider; or
 3. Continuing treatment by a health care provider for incapacity due to pregnancy or prenatal care, or for a chronic or long-term health condition that is incurable or so serious that, if not treated, would likely result in a period of incapacity of more than three days.

Common colds, flu, earaches, upset stomachs, minor ulcers, routine dental, and orthodontia care, are not considered serious health conditions unless complications arise. Serious health conditions do not include voluntary or cosmetic treatments which are not medically necessary and do not require in-patient hospital care.

- i) *Health care provider:* Any of the following (i) any person duly licensed as a physician, surgeon, or osteopathic physician in California or in another state or jurisdiction who directly treats or supervises the treatment of serious health conditions; or (ii) any other person determined by the Secretary of Labor to be capable of providing health care services.
- j) *Foster care:* The 24-hour care for children in substitution for, and away from, their parent(s) or guardian which involves an agreement between a state and foster family. Foster care may be with a child's relatives.
- k) *Spouse:* Those people considered legally married by the State of California.
- l) *Domestic partner:* Individuals registered as domestic partners with the Secretary of State of California pursuant to the California Family Code.
- m) *Sibling:* relative that shares at least one parent with the employee.
- n) *Grandparent:* a parent of the employee's mother or father.
- o) *Grandchild:* a child of the employee's son or daughter.

Sec. 8.4.6.2 Family Leave Eligibility:

Employees who have worked at least 1,250 hours over the 12-month period immediately preceding the family leave may take up to twelve (12) weeks of unpaid family leave during any 12-month period for one or more of the reasons set forth in *Use of Family Leave* pursuant to this Policy.

Sec. 8.4.6.3 Pregnancy Disability:

Employees disabled as a result of pregnancy, childbirth or a related medical condition are eligible to take leave for a reasonable period of time not to exceed sixteen (16) weeks. See *Pregnancy Disability Leave*.

Sec. 8.4.6.4 Use of Family Leave:

Employees meeting the eligibility requirements set forth in *Family Leave Eligibility* are entitled to family leave under the following requirements:

- a) Because of the birth of a child.
- b) Because of the placement of a child with the employee for adoption or foster care.

- b) To care for child under #1 or #2 above.
- d) To care for an immediate family member (spouse, domestic partner, child of any age, parent, sibling, grandparent, or grandchild) with serious health condition.
- e) Due to employee's own serious health condition (excluding pregnancy) which makes the employee unable to perform the functions of his/her position.
- f) A qualifying military exigency related to the covered active duty or call to covered active duty of an employee's spouse, domestic partner, child (of any age), or parent in the United States Armed Forces, as specified in Section 3302.2 of the Unemployment Insurance Code.

Sec. 8.4.6.5 Family Leave Duration:

Employees taking family leave under *Use of Family Leave* (a, b, or c) must initiate and complete said family leave within one year of the birth or adoption of a child. Family leave does not need to be consecutive. Rather, the family leave is cumulative within a 12-month period. The 12-month period begins from the date the family leave first commences.

If the District employs both parents who are entitled to such leave, both employees are entitled to 12 weeks of leave each.

Sec. 8.4.6.6 Intermittent Family Leave:

- a) Family leave taken under *Use of Family Leave* (d or e) may be taken intermittently (a few hours off or a day or a week off at intervals) or on a reduced work schedule (a regular work schedule which reduces the usual number of hours per work week or per workday) when necessary, because of a serious health condition. If an employee requests a reduced work schedule or an intermittent work schedule, the District may require that the employee transfer to an available alternative position for which the employee is qualified and which provides equivalent pay and benefits and that better accommodates the intermittent or reduced work schedule than the employee's regular position.
- b) The minimum duration of a family leave taken under *Use of Family Leave* (a, b, or c) shall be two weeks. However, the District may also grant a request for family leave periods of at least one day but less than two-week duration on any two occasions during a 12-month period.
- c) The District shall make deductions from an employee's salary for all hours of family leave taken under this Section (a or b) which are unpaid. For the purposes of calculating salary, an employee's salary is based on a 40-hour work week.

- d) For part-time employees and those who work variable hours, the family leave entitlement is calculated on a pro rata basis. A weekly average of the hours worked over the twelve (12) weeks prior to the beginning of the leave shall be used for calculating the employee's normal work week.

Sec. 8.4.6.7 Use of Accrued Leave:

- a) An employee shall substitute all accrued paid vacation and sick leave and may use all personal leave, floating holiday hours and/or compensatory time for family leave taken for the employee's own serious health condition or to care for a family member. When the employee has exhausted all accrued paid time off, the employee may request an additional period of unpaid leave to be granted so that the total of paid and unpaid leave equals twelve (12) weeks.
- b) An employee shall substitute all accrued paid vacation and may use all accrued sick leave, personal leave, floating holiday hours and/or compensatory time for family leave taken for any reason other than the employee's own serious health condition or to care for a family member subject to the provisions of the Section regarding the use of *Sick Leave*. When the employee has exhausted all accrued paid time off, the employee may request an additional period of unpaid leave to be granted so that the total of paid and unpaid leave equals twelve (12) weeks.

Sec. 8.4.6.8 Notice

- a) Employees requesting family leave or leave for disability as a result of pregnancy, childbirth, or a related medical condition must provide Human Resources with not less than thirty (30) days advance written notice before the date the family or disability leave is to begin. When an emergency makes it impossible to provide such advance notice, the employee shall request the family or disability leave as much in advance of the date for the proposed commencement of the family or disability leave as is possible.
- b) In any case in which the need for family leave is foreseeable based on planned medical treatment, the employee must provide Human Resources with not less than thirty (30) days advance written notice before the date the family leave is to begin. When it is impossible to provide such advance notice, the employee shall notify Human Resources of the anticipated dates for the family leave as much in advance as reasonably possible. In addition, the employee shall make a reasonable effort to schedule the treatment, subject to the approval of the health care provider, so as not to unduly disrupt the operations of the District.
- c) Employees requesting family or disability leave shall provide said notice to Human Resources in writing.

Sec. 8.4.6.9 Certification

- a) Employees requesting family leave are required to submit certification from the treating health care provider on a form provided by the District.
 - 1. Said certification shall be provided, when possible, in advance or at the start of the family leave. If the need for family leave does not permit this timing, certification shall be provided as soon as reasonably possible after the family leave commences, typically within two days of the emergency requiring the family leave.
 - 2. The District may require a second opinion at its expense, from a health care provider chosen by the District who is not employed by the District on a regular basis, to verify the serious health condition.
 - 3. In the event of a conflict between the employee or family member's treating health care provider and the findings of the District's health care provider as a result of the second opinion, the District may require a third opinion, by a health care provider chosen jointly by the employee and the District, at the District's expense. The opinion of the third health care provider shall be final.
- b) Upon expiration of the time estimated by the employee's health care provider for family leave on the certification, the District may require the employee to obtain re-certification in accordance with the procedure provided in this Section (#1).
- c) As a condition of restoration to his/her former position, an employee taking family leave may be required to provide the District with certification from his/her health care provider stating that he/she is able to resume his/her essential work functions.

Sec. 8.4.6.10 Employment and Benefits Protection

- a) *Restoration to Position.* When an employee returns from family leave, he/she will be restored to the position held when the family leave began, or to an equivalent job position.
- b) *Denial of Restoration Rights.* The District may refuse to reinstate an employee to his/her former position when either of the following conditions exist:
 - 1. The employee is a salaried eligible employee who is among the highest paid 10% of all full-time employees; and
 - a. the District's operations will suffer substantial and grievous economic injury if the District is forced to reinstate the employee; and

- b. the District notifies the employee that it does not intend to reinstate them as soon as it determines that such economic injury would occur; and
 - c. when family leave has begun, the employee elects not to return to work after receiving notice from the District (b, above).
- 2. The employee's position and any equivalent job position have ceased to exist because of legitimate business reasons unrelated to the employee's family leave. In this case, the District shall reasonably accommodate the employee through alternative means which will not cause undue hardship to the District's operation. The District may offer an employee any other position which is available and suitable but is not required to create new employment which would not otherwise be created, discharge or transfer another employee, or promote another employee who is not qualified to perform the job.
 - a. *Accrued Benefits.* Family leave will not constitute a break in service and shall not result in the loss of any employment benefits accrued before the date the family leave commenced. However, the employee shall not accrue any employment benefits while on unpaid family leave.
 - b. *Employment Benefits.* Family leave shall not count as time worked for purposes of establishing seniority for layoff, recall, promotion, job assignment, and seniority related benefits such as vacation. Employment benefits other than health benefits shall be handled in the same manner as benefits for employees on a leave of absence without pay.
 - c) *Maintenance of Employer Contributions to Employee Health Benefits.* Employees will continue to receive the same medical benefits while on family leave for up to twelve (12) weeks in a 12-month period. The District shall be responsible for the continued payment of the District's share of the employee's health benefits while the employee is on family leave. Benefits for absences beyond the 12-week period will be handled in the same manner as benefits for employees on a leave of absence without pay. An employee who notifies the District that he/she does not intend to return from family leave is not entitled to medical benefits provided by the District as if he/she were on family leave. Instead, the employee is entitled to the same benefits provided to other employees who are on a leave of absence without pay.
 - d) *Maintenance of Benefits Requiring Employee Contributions.*
 - 1. During family leave, an employee may elect to discontinue health insurance coverage for a spouse and/or any dependent(s) as well as any benefits other than the employee's health benefits offered or sponsored by the District to which the employee is required to make monthly contributions.

2. An employee shall continue to be responsible for making the payment of required contributions towards the cost of benefits not revoked under “d1” above. If any premium amounts are increased or decreased as to other employees similarly situated, the employee shall be required to pay the new premium rates.
 3. All contributions required to be made by the employee under “d2” above, are due and payable to the District at the same time as they would be made through payroll deductions.
 4. If any monthly contributions required under this Section are not received within thirty (30) days of their due date, the District may either discontinue said benefit(s) or make the contributions on the employee’s behalf and recover the contributions upon the employee’s return to work.
 5. Employees included in a retirement plan may continue to make contributions in accordance with the terms of the plan during the family leave. However, the District shall not be required to make plan payments for employees during the family leave, and the family leave shall not be counted for purposes of time accrued under the plan.
- e) *Failure to Return from Family Leave.* The District shall recover the premium it paid for maintaining health benefits for an employee during family leave if the employee fails to return to work promptly upon the expiration of family leave for reasons other than the continuation, recurrence, or onset of a serious health condition which entitles the employee to family leave or other circumstances beyond the employee’s control.

Sec. 8.4.7 Pregnancy Disability Leave

Female employees will be given a reasonable leave of absence of up to four months, as needed, during any period of time she is actually disabled by pregnancy, childbirth, or related medical conditions. Pregnancy Disability Leave may be taken intermittently, or on a reduced-hours schedule, as medically advisable. An employee may also be entitled to reasonable accommodation for pregnancy, childbirth, or related medical conditions.

Sec. 8.4.7.1 Employee Eligibility Criteria

To be eligible for Pregnancy Disability Leave, the employee must be disabled by pregnancy, childbirth, or related medical conditions.

Sec. 8.4.7.2 Events That May Entitle an Employee to Leave

The four-month Pregnancy Disability Leave allowance includes any time taken (with or without pay) for any of the following reasons:

- a) The employee is unable to work at all or is unable to perform any one or more of the essential functions of her job or is unable to perform any one or more of the essential functions of her job without undue risk to herself, the successful completion of her pregnancy, or to other persons because of pregnancy or childbirth or because of any medically recognized physical or mental condition that is related to pregnancy or childbirth (including severe morning sickness); or
- b) The employee needs to take time off for prenatal care.

Sec. 8.4.7.3 Duration of Pregnancy Disability Leave

- a) Pregnancy Disability Leave may be taken in one or more periods but may not exceed four months total.
- b) “Four months” means the number of days the employee would normally work within four months. For a full-time employee who works five eight-hour days per week, “four months” means 88 working and/or paid eight-hour days of leave entitlement, based on an average of 22 working days per month for four months.

Sec. 8.4.7.4 Pay During Pregnancy Disability Leave

- a) An employee on Pregnancy Disability Leave must use all accrued paid sick leave and may use any or all accrued paid vacation personal leave, floating holiday hours and/or compensatory time at the beginning of any otherwise unpaid leave period.
- b) All other Pregnancy Disability Leaves are unpaid leaves.
- c) The receipt of vacation pay, sick leave pay, personal leave, floating holiday hours, compensatory time or short-term disability insurance benefits will not extend the length of the Pregnancy Disability Leave.
- d) Vacation pay and sick pay accrues during any period of paid Pregnancy Disability Leave only until unpaid leave begins.

Sec. 8.4.7.5 Insurance Benefits

Employees will continue to receive the same medical benefits while on Pregnancy Disability Leave for up to four months. The District shall be responsible for the continued payment of the District’s share of the employee’s health benefits while the employee is on Pregnancy Disability Leave. Benefits for absences beyond the four-month period will be handled in the same manner as benefits for employees on a leave of absence without pay. An employee who notifies the District that he/she does not intend to return from Pregnancy Disability Leave is not entitled to medical benefits provided by the District as if he/she were on Pregnancy Disability Leave. Instead, the employee is entitled to the same benefits provided to other employees who are on a leave of absence without pay.

Sec. 8.4.7.6 Seniority

An employee on Pregnancy Disability Leave remains an employee and the leave will not constitute a break in service. An employee who returns from Pregnancy Disability Leave will return with the same seniority she had when the leave commenced.

Sec. 8.4.7.7 Medical Certifications

- a) An employee requesting Pregnancy Disability Leave must provide medical certification from her health care provider on a form supplied by the District. Failure to provide the required certification in a timely manner (within 15 days of the leave request) may result in denial of leave benefits until such certification is provided.
- b) Re-certifications are required if Pregnancy Disability Leave is sought after expiration of the time estimated by the health care provider. Failure to submit required re-certifications can result in termination of the leave.

Sec. 8.4.7.8 Procedure for Requesting and Scheduling Pregnancy Disability Leave

- a) An employee should request Pregnancy Disability Leave by completing a Request for Leave form and submitting it to Human Resources. An employee asking for a Request for Leave form will be given a copy of the District's then-current Pregnancy Disability Leave policy.
- b) Employees should provide not less than 30 days, or such shorter notice as is practicable, if the need for leave is foreseeable. Failure to provide such notice is grounds for denial of a leave request, except if the need for Pregnancy Disability Leave was an emergency or was otherwise unforeseeable.
- c) Where possible, employees must make a reasonable effort to schedule foreseeable planned medical treatments so as not to unduly disrupt the District's operations.
- d) Pregnancy Disability Leave may be taken intermittently or on a reduced leave schedule when medically advisable, as determined by the employee's health care provider.
- e) If an employee needs intermittent leave or leave on a reduced leave schedule that is foreseeable based on planned medical treatment, the employee may be transferred temporarily to an available alternative position for which she is qualified that has equivalent pay and benefits that better accommodates recurring periods of leave than the employee's regular position.
- f) In most cases, the District will respond to a Pregnancy Disability Leave request within two days of acquiring knowledge that the leave qualifies as Pregnancy Disability Leave and, in any event, within 10 days of receiving the request. If a Pregnancy Disability Leave is granted, the District will notify the employee in writing that the leave will be

counted against the employee's Pregnancy Disability Leave entitlement. This notice will explain the employee's obligations and the consequences of failing to satisfy them.

Sec. 8.4.7.9 Return to Work

- a) Upon timely return at the expiration of the Pregnancy Disability Leave period, an employee is entitled to the same position unless the employee would not otherwise have been employed in the same position at the time reinstatement, is requested for legitimate business reasons unrelated to the employee's Pregnancy Disability Leave or each means of preserving the job for the employee (such as leaving it unfilled or filling it with a temporary employee) would have substantially undermined the District's ability to operate the business safely and efficiently. If the employee is not reinstated to the same position, she must be reinstated to a comparable position unless there is no comparable position available, or a comparable position is available but filling that position with the returning employee would substantially undermine the District's ability to operate the business safely and efficiently. A "comparable" position is a position that involves the same or similar duties and responsibilities and is virtually identical to the employee's original position in terms of pay, benefits, and working conditions.
- b) When a request for Pregnancy Disability Leave is granted to an employee, the District will give the employee a written guarantee of reinstatement at the end of the leave (with the limitations explained above.)
- c) Before an employee will be permitted to return from any Pregnancy Disability Leave, the employee must obtain a certification from her health care provider that she is able to resume work.

Sec. 8.4.7.10 Employment during Leave

An employee on Pregnancy Disability Leave may not accept employment with any other employer without the District's written permission. An employee who accepts such employment will be deemed to have resigned from employment at the District.

Sec. 8.4.7.11 Coordination of Leave

In addition to the four months Pregnancy Disability Leave, an employee may also be eligible for up to twelve additional weeks of unpaid California Family Rights Act (CFRA) to bond with the child. If an employee opts and qualifies for CFRA leave in addition to Pregnancy Disability Leave, the total time she may take off is four months for Pregnancy Disability Leave, if eligible, and 12 weeks for CFRA bonding leave, if eligible. The Family Medical Leave Act leave shall run concurrently with any leave taken under the Pregnancy Disability Act.

Sec. 8.4.8 Special Leave Without Pay

A leave of absence may be requested, in writing, by any employee. A leave of absence may be granted if the District can operate without hardship or inconvenience. If the leave is granted, all benefits and compensations will be suspended. If the leave is requested because of sickness, injury or pregnancy of the employee or family member, then refer to *Family Medical Leave* or *Pregnancy Disability Leave*.

In the case of disability or illness of the employee he/she shall give as much notice as possible of the start and duration of the leave. For a leave of absence for reasons other than sickness or disability, the employee must give notice of the date to start and end the leave, 60 calendar days in advance except in an emergency.

Sec. 8.4.9 Fitness for Duty

Upon returning to work after a leave of absence for illness, injury, or other physical or mental health condition, an employee must be able to safely perform the essential functions of their position. Prior to returning to work, the employee may be required to submit to a fitness for duty examination if the employer has a reasonable belief that the employee's ability to safely perform the essential functions of their job may be impaired.

In addition, when it is evident that an employee currently working cannot safely perform the essential functions of their position, the General Manager or their designee should persuade the employee to request appropriate leave and seek proper medical attention. If the employee refuses to request appropriate leave and seek proper medical attention, the General Manager or their designee shall schedule the employee for a Fitness for Duty examination. The District shall provide the physician conducting the Fitness for Duty examination with documentation describing the employee's regular duties and the facts that caused the District to be concerned about the employee's ability to safely perform them. The General Manager shall receive a report from the physician giving the employee's medical limitations and an estimated date when the employee can be expected to recover. The District will identify possible accommodations, if any, that will help eliminate the limitations. If the accommodation is reasonable and will not impose an undue hardship, the District will make the necessary accommodation.

In determining whether there is reason to believe that an employee may be unable to safely perform the essential functions of their position, the employer may consider the nature and severity of the injury or illness, the nature and extent of any treatment received, the date on which the injury occurred, or the illness commenced, the duration of any related leaves of absence, and the probable future duration of the injury or illness.

In the event a fitness for duty examination is required, the examination shall be narrowly tailored to determine whether the employee is fit to perform the essential functions of their position with or without reasonable accommodation.

Employees refusing or failing to submit to a required fitness for duty examination will not be returned to duty and may be subject to discipline up to and including termination.

Sec. 8.4.10 Bereavement Leave

All District employees are given a leave of absence up to five (5) days per incident within three (3) months of the date of death of an immediate family member, on an annual basis. Immediate family is defined as a spouse, child, stepchild, parent, stepparent, grandparent, brother, sister, in-laws (son, daughter, father, mother, brother, sister), Registered Domestic Partner, or legal guardian of an employee. An employee should notify their supervisor of the need to take bereavement leave.

The days of bereavement leave do not need to be taken consecutively, however, you must complete your bereavement leave within three months of your family member's death, at which time any remaining unused bereavement leave will expire.

The initial three (3) days of bereavement leave shall be paid. Any bereavement leave exceeding three (3) days will be unpaid unless an employee utilizes their accrued vacation, personal leave, accrued and available sick leave, or compensatory time off that is otherwise available to the employee.

Sec. 8.4.11 Jury or Witness Duty

An employee must notify their supervisor when summoned for jury or witness duty. In the event that an employee's absence will seriously affect or disrupt work vital to the District, the supervisor may request that an employee seek permission to be excused by the Court. Otherwise, an employee will receive regular pay, less court payment, excluding travel pay, while serving as a juror or a witness for a maximum of 25 days per year.

Employees will be expected to work that portion of their workday that is not taken up by jury or witness duty and provide proof of jury service.

Sec. 8.4.12 Military Leave of Absence

The District will grant military leave for active or reserve service and spouses of a member of the U.S. Armed Forces, National Guard or Reserves who has been deployed during a period of military conflict in accordance with all applicable laws.

Sec. 8.4.13 Military Spouse Leave

Qualified California employees will be given up to 10 days leave during that time in which the employee's spouse or domestic partner 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. Employees

may use accrued vacation time to cover this absence. If the employee has no accrued vacation, the employee must request time off without pay.

Qualifying employees are employees who work an average of 20 hours per week and have a spouse or domestic partner 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.

Qualifying employees who wish to request this leave must provide the District with a written request for such leave within two business days of receiving official notice that the military spouse or domestic partner will be on leave from deployment. The employee must also provide written documentation to the District certifying that the military member will be on military leave from deployment.

Sec. 8.4.14 Voting Time

Voting time will be provided by the District in accordance with applicable state and federal laws. The District will provide up to two hours paid leave to participate in a local, state, or federal election. Where possible, employees who believe they will need time off to participate in an election should submit a request to their supervisor at least 48 hours in advance.

Sec. 8.4.15 Leave Related to Domestic Violence, Sexual Assault, Stalking or Violent Crimes (*Rev. 02/19/26; Resolution No. 26-02*)

The District will provide time off to an employee who has been the victim of domestic violence, sexual assault, stalking, violent crimes causing injury or involving dangerous weapons, or violent threats to seek any relief, including, but not limited to, a temporary restraining order, restraining order, or other injunctive relief, to help ensure the health, safety, or welfare of the victim or his or her child. This includes time off for the following:

- a) To seek medical attention for injuries caused by domestic violence, sexual assault, stalking, violent crimes causing injury or involving a dangerous weapon.;
- b) To obtain services for you or a family member from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, stalking, crime, or abuse;
- c) To obtain psychological counseling related to an experience of domestic violence, sexual assault, stalking, crime or abuse;

- d) To participate in safety planning and take other actions to increase safety for you and/or family member from future domestic violence, sexual assault, stalking, crime, or abuse, including temporary or permanent relocation; or
- e) To obtain or attempt to obtain relief from the court, including but not limited to a temporary restraining order, a restraining order, or other court-ordered relief to help ensure the health, safety or welfare of the victim or his/her child or family member; or
- f) To provide care for a family member recovering from injuries caused by the qualifying act of violence; or
- g) To relocate or engage in the process of securing a new residence due to the qualifying act of violence, including, but not limited to, securing temporary or permanent housing or enrolling children in a new school or childcare. Leave for this reason is limited to a total of five (5) days; or
- h) If an employee is subpoenaed or ordered by a court to appear as a witness in a judicial proceeding related to a crime against the employee or another person.

If you are a victim of violence or the family member of a deceased victim of violence, you can take up to 12 weeks off work for any of these reasons. If you are the family member of a living victim of violence but are not yourself a victim, you may take up to 10 days off work for these reasons, with the exception of relocation, for which you can take up to five days.

The District requires reasonable advance notice of the leave when feasible. If time off is taken due to an emergency, the employee must, within 15 days of the absence, provide the District with certification of the need for the leave such as a police report, court order, documentation from a healthcare provider, victims advocate, or counselor.

Unless otherwise stated above, such leave is limited to a total of ten (10) days unless the employee's family member is deceased as a result of crime and the employee is also a victim.

This leave may run concurrently with FMLA and/or CFRA leave. Employees eligible for paid sick leave benefits under California law may take any such available paid time off, consistent with such law, for the purposes set forth in this policy. For more information, please see the Sick Leave policy. In the event paid sick leave benefits are not available, employees taking leave under this policy may elect to apply accrued and unused vacation to such time.

The District will also provide a reasonable accommodation for an employee who is a victim of domestic violence, sexual assault, stalking, crime, or abuse, and who has disclosed that status to the District, if the employee requests an accommodation for his or her safety while at work. The District will engage, in good faith, in a timely and interactive process with the employee to determine an effective reasonable accommodation.

The District prohibits discrimination, discharge, or retaliation against an employee for taking time off or requesting an accommodation under this policy or based on the employee's status as a victim of domestic violence, sexual assault, and/or stalking.

Sec. 8.4.16 Crime Victims' Leave

The District will provide time off to an employee to attend judicial proceedings related to a crime, if that employee is a victim of crime, an immediate family member of a victim, a registered domestic partner of a victim, or the child of a registered domestic partner of a victim. The District requires that, where feasible, in advance of taking leave, the employee provide it with a copy of the notice of each scheduled proceeding that is provided to the victim by the agency responsible for providing notice. If advance notice is not possible, the employee is required to provide the District with a copy of the notice within a reasonable time.

No employee who is absent from work pursuant to this provision will be discharged or otherwise discriminated against in compensation or other terms, conditions, or privileges of employment, because of such absence. Such leave is unpaid. Employees taking leave under this policy may elect to apply vacation time to such leave.

Sec. 8.4.17 Leave for Organ and Bone Marrow Donation

The District will grant an employee the following leaves of absence:

- Bone Marrow Donation: A paid leave of absence of up to five business days in any one-year period for the purpose of donating the employee's bone marrow to another person.
- Organ Donation:
 - A paid leave of absence of up to 30 business days in any one-year period for the purpose of the employee donating the employee's organ to another person.
 - An additional unpaid leave of absence, not exceeding 30 business days in a one-year period, for the purpose of the employee donating the employee's organ to another person.

For leaves of absence under this policy that are paid, if an employee has earned and unused sick or vacation time available, the employee is required to first use up to five days of such paid sick or vacation time for a bone marrow donation and up to two weeks of sick or vacation time for organ donation.

In order to receive a leave of absence pursuant to this policy, the employee must provide written verification to the District's Human Resources Department that the employee is an organ or bone marrow donor and that there is a medical necessity for the donation of the organ or bone marrow.

Any leave taken for the donation of an organ or bone marrow will not constitute a break in service for purposes of the employee's right to salary adjustments, sick leave, vacation, annual leave, or seniority. During any leave taken under this policy, the District will maintain and pay for coverage under any group health plan, for the full duration of this leave.

Leave provided under this policy may be taken in one or more periods. Leave taken under this policy will not run concurrently with any leave taken pursuant to the federal Family and Medical Leave Act or the California Family Rights Act.

Upon expiration of a leave of absence authorized by this policy, the District will restore the employee to the position held by the employee when the leave began or to a position with equivalent seniority status, employee benefits, pay, and other terms and conditions of employment.

The District may decline to restore an employee because of reasons unrelated to the employee's exercise of rights under this policy.

Sec. 8.4.18 Reproductive Loss Event Leave

All employees who have been employed for the District for at least 30 days are entitled to an unpaid leave of absence up to five (5) days in total following a reproductive loss event. Such leave must be taken within three (3) months of the reproductive loss event. If an employee experiences more than one reproductive loss event within a 12-month period, the District will grant the employee a cumulative total of up to of 20 (twenty) unpaid days of leave; subject to the limitation that each unpaid leave of absence shall not exceed five (5) days.

A reproductive loss event is defined as: failed adoption, failed surrogacy, miscarriage, stillbirth, or unsuccessful assisted reproduction. If the employee would have been recognized as a parent if the aforementioned events were successful, the employee will be covered under this definition. This includes the employee, the employee's current spouse or domestic partner, or another individual if the person would have been a parent of a child as a result of the event.

The days of reproductive leave do not need to be taken consecutively, however, you must complete your reproductive loss leave within three months of your reproductive loss event, or, if prior to or immediately following your reproductive loss event, you are on or choose to go on leave under California's pregnancy disability law, the California Family Rights Act, or any other leave provided by state or federal law, then you may complete your reproductive loss leave within three months of the end of the other leave, at which time any remaining unused reproductive loss leave will expire.

The leave of absence following a reproductive loss event is unpaid, though an employee may elect to utilize any accrued and available paid sick leave, vacation, personal leave, or compensatory time off that is otherwise available to the employee.

Any information provided related to this leave will be maintained as confidential and will not be disclosed except to internal personnel or counsel, as necessary, or as required by law.

SEC. 8.5 EMPLOYEE BENEFITS

Sec. 8.5.1 Group Health Insurance

Regular employees are eligible for group health insurance coverage on the first day of the month following their date of hire. The District and employees will pay an amount as dictated in the Memorandum of Understanding between the District and the Employees' Association toward the plans offered by CalPERS for Region 2 for employees' coverage and coverage on behalf of their dependents. A brochure setting forth coverage details is available from Human Resources.

Effective January 1, 2015, the employer allowance toward health insurance will be based on the average cost of the following three plans: Blue Shield HMO, Kaiser HMO, and PERS Platinum PPO, offered by CalPERS for Region 2 for employees' coverage and coverage on behalf of their dependents. If the premium for the plan chosen by the employee is greater than the District allowance, the additional amount will be deducted from the employee's salary.

Effective January 1, 2020, employees who select a plan less than the employer allowance shall contribute 2% of the premium for that plan. Employees who select equal to or greater than the District allowance shall contribute 2% of the employer allowance. The 2% will be deducted from the employee's salary in equal installments during the first two payroll dates of each month.

Employees who provide proof of health insurance coverage through a spouse will be provided with opt-out pay of \$500/month, given bi-weekly with each pay day.

Sec. 8.5.2 Retiree Health Insurance

For employees hired before September 28, 2007, the District will provide the same payment toward health coverage for a retired employee, the retiree's spouse and dependents at the time of retirement as for an active employee. To participate in the retirement health plan the employee must be employed by the District at the time of retirement under CalPERS and be employed for at least 5 years with the District.

For employees hired on or after September 28, 2007, and who are employed by the District at the time of retirement and who work at least five years with the District, the District will pay a fixed amount towards the employee's retiree health coverage and coverage on behalf of the retiree's spouse and dependents based on the existing minimum employer contribution for health benefits set forth in California Government Code section 22892 (b). If the premium for the plan chosen by the employee is greater than the District allowance, the retiree will be responsible for the additional amount.

The District has no obligation for retiree health insurance of an employee who terminates without retiring through CalPERS.

Sec. 8.5.3 Group Dental Insurance

Regular employees are eligible for group dental insurance coverage on the first day of the month following their date of hire. The full cost of employee coverage and coverage on behalf of their dependents is paid for by the District. A brochure setting forth coverage details is available from Human Resources. Dental insurance is not provided for retirees.

Sec. 8.5.4 Group Vision Insurance

Effective in the plan year to begin January 1, 2024, regular employees are eligible for group vision insurance coverage on the first day of the month following their date of hire. The full cost of employee coverage and coverage on behalf of their dependents is paid for by employees. A brochure setting forth coverage details is available from Human Resources. Vision insurance is not provided for retirees.

Sec. 8.5.5 Workers' Compensation Insurance and Return to Work

Workers' Compensation insurance is provided and paid for by the District to cover all job incurred injuries. Report all job incurred injuries to your supervisor or to Human Resources immediately. If an employee is entitled to worker's compensation for temporary disability (loss of salary) and has accumulated sick leave, the employee is paid the full salary, less any compensation received from worker's compensation. Further information is provided on the annual California and Federal Employment Notices and in the Facts about Workers' Compensation pamphlets given to all employees.

Further, the District strives to assist employees to return to work at the earliest possible date following an injury or illness. When possible, transitional positions will be made available to injured workers to minimize or eliminate time lost from work. Transitional work is defined as temporary, modified, or alternate work assignments within the worker's physical abilities, knowledge and skills, which typically will not exceed 90 days. The District cannot guarantee the availability of a transitional position and is under no obligation to offer, create or encumber any specific position for purposes of offering placement to such a position.

If a transitional work assignment is possible, a written notice will be prepared by the District and shared with the employee noting the start date, hours, if different, duration and location, if different, of the transitional work assignment. The employee will be asked to sign the notice indicating his or her acceptance or refusal of the transitional work and to return the notice to Human Resources. In the event an employee refuses transitional work and the employee satisfies the restrictions and ability to perform the transitional work, the District will notify the worker's compensation insurance carrier of the employee's refusal of the transitional work, if applicable. The District will determine appropriate work hours, duration and locations of all work assignments. The District reserves the right to determine the availability, appropriateness and continuation of all transitional work assignments.

It is the responsibility of the employee to provide Human Resources with a current telephone number and address, so the employee may be contacted. The employee must notify Human Resources immediately of any and all changes in medical conditions. It is the responsibility of the employee and the employee's supervisor to notify Human Resources immediately of any work-related injuries, if the employee misses time from transitional work or of any changes to transitional work assignments. Any employee returning to transitional work must not exceed the duties of the position or go beyond the restrictions indicated by the health care provider. If any medical restrictions change, the employee must immediately notify his or her supervisor and provide the supervisor with a copy of the new medical release. Supervisors will monitor work performance to ensure the employee does not exceed the requirements set by the health care provider.

Sec. 8.5.6 Short- and Long-Term Disability Insurance

Regular employees are eligible for Short Term and Long-Term Disability Insurance coverage on the first day of the month following their date of hire. The full cost of employee coverage is paid for by the District. A brochure setting forth coverage details is available from Human Resources.

Disability insurance pays for a portion of the loss of salary caused by injuries not incurred on the job. The employee may use accrued sick leave to supplement their disability check, in order to make up any difference between the amount received from disability and their gross wages, or as income when Disability pay terminates.

Sec. 8.5.7 Life Insurance

Regular employees are eligible for a Life and Accidental Death and Dismemberment Insurance benefit for one and a half times their annual salary. The benefit begins on the first day of the month following their date of hire. The full cost of employee coverage is paid for by the District. A brochure setting forth coverage details is available from Human Resources.

Sec. 8.5.8 Employee Assistance Program (EAP)

The District provides an employee assistance consulting service for employees, spouses, and other family members. The service will provide assistance for family, legal, drug, and alcohol related stress problems. Any employee or dependent should contact EAP directly. All consultations are confidential. The District is not advised of who is participating. When an employee is having job performance problems the District may request the employee seek personal consultation.

Sec. 8.5.9 Deferred Compensation (457) Plan

Two deferred compensation plans are available to regular employees to contribute a portion of their salary tax-deferred towards retirement savings. A brochure setting forth coverage details is available from Human Resources.

Effective in the plan year to begin January 1, 2024, PEPRAs and “Middle-Retirement-Tier” employees shall be eligible for a District matching program for the District 457 Deferred Compensation Plan based on the following schedule:

- 3-5 years of employment = up to \$1,500 per year employer contribution matching
- 6-10 years of employment = up to \$3,000 per year employer contribution matching
- 11+ years of employment = up to \$4,000 per year employer contribution matching

The District will contribute the employer contribution to eligible employees’ 457 Deferred Compensation Plan in the last pay period of the calendar year. The employer contribution is based on the employee’s years of service, anniversary date and the employee’s contribution to the 457 Deferred Compensation Plan for that plan year up to the second to last pay period.

For example, if an employee has their sixth-year anniversary on June 1 of a calendar year, the employee would be eligible for a partial year of a \$1,500 employer contribution match (service during fifth year prior to June 1) and a partial year of a \$3,000 employer contribution match (service during their sixth year on and after June 1). The employer contribution match for this example, employee would be calculated as follows:

$$\begin{aligned} & \$1,500 \times (\text{January 1 to May 31} = 150 \text{ days}) / 365 = \$616.44 \\ & \$3,000 \times (\text{June 1 to December 31} = 215 \text{ days}) / 365 = \$1,767.12 \end{aligned}$$

Therefore, this employee would be eligible for a max contribution of \$2,383.56 as long as the employee defers that amount to the plan. The District will provide a reduced matching contribution based on the employee’s deferrals if the employee does not defer up to the matching contribution amount. If an employee leaves employment before the beginning of the last pay period of the calendar year, they will forgo the employer matching contribution.

Sec. 8.5.10 Longevity Pay

If an employee was hired before September 16, 2004, they are eligible for longevity pay based on the following schedule:

| <u>Years of Employment</u> | <u>Longevity Pay Earned</u> |
|------------------------------|---------------------------------|
| After completion of 15 years | 5% salary increase |
| After completion of 20 years | 2.5% additional salary increase |
| After completion of 25 years | 2.5% additional salary increase |

Any longevity pay increase will go into effect on the date of the anniversary of the employee's hire date.

Longevity Pay is separated from base salary for purposes of merit increases and/or general wage increases if applicable.

Sec. 8.5.11 Retirement

The District provides, through the California Public Employees Retirement System (CalPERS), a retirement payment for employees. The employee must be in the CalPERS system a minimum of five years and be age 50 or older. The retirement salary is based on the highest salary earned in one year, times a percentage based on age at the time of retirement, times the number of years employed. The retirement salary is based on the schedule, 2.7% at 55 for employees hired before January 1, 2013. The retirement formula for employees hired after December 31, 2012, who are considered "new members" pursuant to AB 340 will be placed in the new retirement tier mandated by AB 340. Employees hired on or after December 14, 2012, who are not considered "new members" pursuant to AB 340 will be in the 2% at 60 retirement formula tier.

Sec. 8.5.12 Education Assistance Program

The District encourages its employees to attend courses related to District activities offered outside of normal working hours. The District will reimburse approved tuition fees and educational material costs expended by employees for successfully completed courses up to a maximum of \$4,000 per employee per fiscal year. The following conditions shall apply to this program:

a) Repayment

It has been determined that the District's investment is justified if the employee remains employed with the District for a minimum of three (3) years after completion of approved course work under this program. If employee voluntarily leaves District employment within one (1) year of completion of such course work, including professional continuing education, or while enrolled in a degree program at a four-year college or university, the employee must repay the District 100% of the funding received, and if within two (2) years must repay 50%.

Repayment is waived if the employee is involuntarily separated from employment. An agreement signed by the employee to abide by these terms and consent to a deduction of money from their final paycheck and/or vacation balance in the event they separate from employment within the three-year period shall be required.

b) Coursework

The subject matter of the course must be related to the employee's position with the District and contributes toward enhancing the performance of the employee's position with the District or is related to work the employee can reasonably be expected to perform in the future.

Subject to approval by the General Manager, reimbursement may be made for elective coursework required for a certification program or college degree related to the employee's work, or related to District work which the employee can reasonably be expected to perform in the future.

Course(s) must be taken on the employee's own time.

All course work qualified for reimbursement under this program must be completed with a grade of "C" or better (a grade of "Pass" is also acceptable for courses with a Pass/Fail grading system).

c) Request Deadline

Interested employees must submit their requests to participate in the program for the upcoming fiscal year by March 31 of the previous fiscal year. Employees must present the necessary reimbursement forms and proof of tuition amounts to the District in order to be eligible for reimbursement.

d) Part-Time Employees

A part-time employee shall receive a prorated benefit.

e) Eligibility

An eligible employee is those employees who have passed the probationary period.

Sec. 8.5.13 Uniforms

The District will provide uniforms, laundering service, and other necessary safety equipment and attire to the Operations and Maintenance employees who are required to wear uniforms as a substitute for personal attire. A \$200 safety boot voucher, which is not PERSable, will be provided annually to employees that require safety boots for their job. All safety boot replacement requests made sooner than one year from issuance of that employee's last voucher will be evaluated by the employee's supervisor.

The District shall report the value of uniforms and laundering service, which is considered maintenance of required clothing that is not for personal health and safety, and therefore PERSable, for Operations and Maintenance employees. The value reported shall be determined in accordance with the cost allocation worksheet, incorporated as an exhibit to these employment policies. The cost of non-safety uniform items and their maintenance shall be as follows:

- Operations employees shall receive an amount not to exceed \$750 per Fiscal Year, per employee, with no more than \$250 allocated towards shorts and pants.
- Joint Facilities employees shall receive an amount not to exceed \$700 per Fiscal Year, per employee, with no more than \$200 allocated towards pants.
- All other employees shall receive an amount not to exceed \$500 per Fiscal Year, per employee, for all non-safety uniform items.

Uniform Allowance compensation is subject to the provisions and limitations under the Public Employees Retirement Law, including restrictions on reporting uniform allowance as pensionable compensation for employees deemed "new members" under the Public Employees' Pension Reform Act of 2013.

Sec. 8.5.14 Employee Recognition Program

The District provides an employee recognition program that recognizes employees for their contribution to the organization.

Sec. 8.5.15 Computer Purchase Program

The District provides a Computer Purchase Program, where employees may purchase computer hardware and software with financial assistance from the District in the form of an interest-free loan repaid by the employee through automatic payroll deductions. Employees are eligible after completion of the probationary period and a rating of satisfactory or better on their last performance evaluation. The District will lend employees a minimum of \$500 and a maximum of \$3,000 for the purchase of computer hardware and software. Repayment will be made through equal, automatic payroll deductions over a maximum of 60 pay periods, though

repayment in full will be accepted at any time. Regardless of the loan balance, employees may not have more than one loan outstanding at any time. Any remaining loan balance is due upon separation of employment and will be deducted from the employee's final paycheck.

There are no specific hardware configuration requirements; however, the employee's home computer must be capable of running the District's standard office applications and desktop operating systems. Eligible hardware purchases include new computers, upgrades to existing computers, printers, related taxes and shipping charges, and extended warranty agreements offered at the time of purchase.

Employees must purchase or show proof of ownership of the District's standard office applications and desktop operating systems. In short, applications at home must be compatible with applications at work. No other software purchases are eligible under this program; however, all participating employees must comply with all software licensing requirements for their use of any hardware purchased under this program.

Costs related to installation, training, repairs, telephone lines, online services, furnishings, or any other initial or ongoing costs are not eligible for funding under this program and are the sole responsibility of the employee.

Sec. 8.5.16 Benefits Commencement

Employee benefits that commence upon an employee's hire date:

- a) Holidays, including the floating holiday
- b) Pregnancy Disability Leave
- c) Bereavement Leave
- d) Jury or Witness Duty
- e) Military Leave
- f) Voting Time
- g) Workers' Compensation Insurance
- h) Employee Assistance Program (EAP)
- i) Deferred Compensation (457)
- j) Uniforms, including safety boots

Employee benefits that commence on the first of the month after an employee's date of hire:

- a) Group Health Insurance
- b) Group Dental Insurance
- c) Short- and Long-Term Disability Insurance
- d) Life Accidental Death and Dismemberment Insurance

Employee benefits that commence after an employee's ninetieth (90th) day of service:

- a) Sick Leave (retroactive to date of hire)

Employee benefits that commence after an employee's 6 months' probationary period:

- a) Vacation (retroactive to date of hire)
- b) Personal Leave
- c) Computer Loan Program
- d) Education Assistance Program

Employee benefits that commence after an employee's 12 months and 1,250 hours of service:

- a) Family Medical Leave (FMLA)

SEC. 8.6 EMPLOYEE RELATIONS

Sec. 8.6.1 Code of Conduct for Employees

To assist in fostering desired goals of the Santa Fe Irrigation District, employees, together with the local community, have a right to expect the business of the Santa Fe Irrigation District to be conducted with efficiency, fairness, impartiality, and integrity.

Employment at the Santa Fe Irrigation District carries with it an obligation to the public interest. It requires standards of professional behavior from employees that promote and maintain public confidence and trust.

At the same time, employees should not be subject to restrictions simply because they work for the Santa Fe Irrigation District. Santa Fe Irrigation District employees have all the normal rights of employees under state and Federal law.

Although no one set of rules can answer all ethical questions, this Code of Conduct provides the Santa Fe Irrigation District with an ethical framework for the decisions, actions, and behavior of its employees. In this regard, it explains the principles covering appropriate conduct in a variety of contexts and outlines the minimum standard of behavior expected of Santa Fe Irrigation District employees. Santa Fe Irrigation District employees are expected to comply with this policy as well as all other state and federal laws regarding employment by public agencies including, but not limited to, conflict of interest laws, use of public property regulations, and discrimination laws.

Sec. 8.6.1.1 General Principles

The community and the ratepayers are entitled to expect the business of the Santa Fe Irrigation District to be conducted with efficiency, economy, fairness, impartiality, and integrity. To meet that expectation, all Santa Fe Irrigation District employees must abide with the following principles when doing their work:

- a) *Responsibility of the Santa Fe Irrigation District Employee:* Employees are to implement the policies and decisions of the Santa Fe Irrigation District in an impartial manner. Employees must comply with relevant state and federal law.

- b) *Respect for People:* Employees are to treat their colleagues and members of the public fairly and consistently, in a non-discriminatory manner with proper regard for their rights and obligations. In this regard, employees shall perform their duties in a professional and responsible manner.

They shall ensure that their decisions and actions are reasonable, fair, and appropriate to the circumstance, based on consideration of all the relevant facts and supported by adequate documentation.

- c) *Integrity and Public Interest:* Employees are to promote confidence in the integrity of the Santa Fe Irrigation District and always act in the public interest and not in their private interest.
- d) *Responsible Service:* Employees are to provide a relevant and responsible service to the public and other employees, providing necessary and appropriate assistance.

They should provide information promptly and in an appropriate format that is easy for the recipient to understand. The information should be clear, accurate, and complete.

- e) *Economy and Efficiency:* Employees should keep up to date with advances and changes in their area of expertise and look for ways to improve performance and achieve high standards of work. They should use their authority, available resources, and information only for the work-related purpose intended.

Sec. 8.6.1.2 District Values

In addition to the principles above, Santa Fe Irrigation District employees must prioritize the following District Values in their actions and decisions:

- a) *Teamwork:* Our success is built on cooperation, collaboration, and respect for each other, our customers, communities, neighboring agencies, and staff.
- b) *Inclusiveness:* Our organization is positive and respectful, embracing diversity, and listening to every voice.
- c) *Continuous improvement:* We are dedicated to excellence and innovation in everything we do.
- d) *Transparency:* We communicate freely, report honestly, listen attentively, and make decisions transparently.
- e) *Accountability:* We are all responsible—individually and collectively—for providing cost-effective, high-quality service to our customers.

- f) Sustainability: We are good stewards of our resources and our environment, benefiting current and future customers.

Sec. 8.6.1.3 Guide to Ethical Decision Making

To assist in fostering a climate of ethical awareness, conduct, and decision making at the Santa Fe Irrigation District, employees may find it useful to refer to or consider, either by themselves or in conjunction with their peers, supervisor, or General Manager, the following five points:

- a) Is the decision or conduct lawful?
- b) Is the decision or conduct consistent with Santa Fe Irrigation District’s Administrative Code, goals, and Code of Conduct?
- c) What will the outcome be for the employee, other employees, the Santa Fe Irrigation District, and others?
- d) Does the outcome raise a conflict of interest or lead to private gain at the Santa Fe Irrigation District’s expense?
- e) Can the decision or conduct be justified in terms of public interest, and would it withstand public scrutiny?

Sec. 8.6.1.4 Acceptance of Gifts or Benefits

In addition to requirements set forth in the Political Reform Act, as enforced by the Fair Political Practices Commission, employees should not accept gifts or benefits that are intended to, likely to, or be perceived to cause employees to act in a partial manner in the course of their duties.

Sec. 8.6.1.5 Fairness and Equity

Issues or cases being considered by employees should be dealt with consistently, promptly, and fairly. This involves dealing with matters in accordance with approved Santa Fe Irrigation District procedures, in a non-discriminatory manner.

When using any discretionary powers, employees should ensure that they take all relevant facts into consideration, have regard to particular merits of each case, and do not take irrelevant matters or circumstances into consideration.

Sec. 8.6.1.6 Public Comment About the Santa Fe Irrigation District and/or its Activities

It is not the intention of the Code of Conduct to restrict the right of any employee to freely express their opinion in their private capacity as an individual member of society, in accordance with state and federal laws. However, employees should refrain from representing themselves as a spokesperson for the Santa Fe Irrigation District unless authorized to do so.

Sec. 8.6.1.7 Reporting Corrupt Conduct and Serious and Substantial Waste of Santa Fe Irrigation District Resources

Employees are urged to report suspected corrupt conduct as well as serious and substantial waste of Santa Fe Irrigation District resources. Reporting procedures should be in accordance with the Santa Fe Irrigation District Internal Reporting Procedure.

Sec. 8.6.1.8 Internal Reporting Procedure

In a case where an Employee determines that a fellow Employee or Supervisor is violating the Code of Conduct the Employee should report the incident.

In the case of a fellow Employee violating the Code of Conduct, the incident should be reported to the immediate Supervisor who in turn has the responsibility to inform the General Manager.

In the case of a Supervisor violating the Code of Conduct, the Employee should report concerns to the General Manager.

In the case of the General Manager violating the Code of Conduct, the employee should report concerns to the District's General Counsel.

The reporting of these incidents is intended to eliminate the misuse of public resources or funds.

Sec. 8.6.2 Harassment

Sec. 8.6.2.1 Policy Against Harassment

The District is committed to providing a professional workplace in which individuals are treated with respect and in a manner consistent with the District's high expectations of ethical conduct. This means that the District prohibits unlawful harassment, discrimination, and retaliation in accordance with all applicable laws.

This includes harassment based on sex (which includes harassment based on sex, pregnancy, perceived pregnancy, childbirth, breastfeeding, and related medical conditions), as well as harassment, discrimination, and retaliation based on such factors as race (including hair texture, protective hairstyles, and other traits associated with race), color, religion and religious creed (including religious dress and religious grooming practices), national origin, ancestry, citizenship, age (40 years and older), mental disability and physical disability (including HIV and AIDS), legally-protected medical condition or information (including genetic information), protected medical leaves (requesting or approved for leave under the Family and Medical Leave Act or the California Family Rights Act), military and/or veteran status, service, or obligation, reserve status, national

guard status, marital status, domestic partner status, gender, gender identity (including transgender identity), gender expression (including transgender expression), because an individual has transitioned or is (or is perceived to be) transitioning, sex stereotyping, sexual orientation, status as a victim of domestic violence, sexual assault or stalking, enrollment in a public assistance program, engaging in protected communications regarding employee wages or otherwise exercising rights protected under the National Labor Relations Act or California Fair Pay Act, requesting a reasonable accommodation on a protected basis such as disability or sincerely-held religious belief, practice, or observance, or any other characteristic protected by federal, state, or local laws. Employees should treat other employees with respect and dignity in a manner that does not offend the sensibilities of any coworker.

The District strongly disapproves of and will not tolerate harassment, discrimination, or retaliation against applicants, employees, unpaid interns, or volunteers by Director employees, supervisors, co-workers or third parties with whom employees come into contact, consistent with applicable law. Similarly, the District will not tolerate harassment, discrimination, or retaliation by its employees directed toward non-employees with whom the District employees have a business, service, or professional relationship (such as independent contractors, vendors, clients, volunteers, or interns).

Sec. 8.6.2.2 Harassment

Harassment is generally defined as verbal, physical, or visual conduct that creates an intimidating, offensive, or hostile working environment, or that interferes with an employee's work performance, and that is based on a protected status. Such conduct constitutes harassment when (1) submission to the conduct is made either an explicit or implicit condition of employment; (2) submission or rejection of the conduct is used as the basis for an employment decision; or (3) the harassment interferes with an employee's work performance or creates an intimidating, hostile, or offensive work environment.

As the definition above shows, harassing conduct can take many forms and may include, but is not limited to, the following (when based upon an employee's protected status as noted above): slurs, jokes, statements, gestures, assault, impeding or blocking another's movement or otherwise physically interfering with normal work, pictures, drawings, or cartoons, violating someone's "personal space," foul or obscene language, leering, stalking, staring, noises, unwanted or offensive letters or poems, offensive emails, texts, gifs, memes, or voicemail messages.

Sec. 8.6.2.3 Sexual Harassment

Sexual harassment and any conduct that may be construed as sexual harassment, is unlawful and specifically prohibited. Sexually harassing conduct in particular may include any of the above-referenced prohibited actions, as well as other unwelcome conduct including requests for sexual favors, conversations containing sexual comments, and other unwelcome sexual advances. Such conduct exposes not only the District, but also the

individuals involved in that conduct, to significant liability under the law. Accordingly, the District's management is committed to vigorously enforcing its Sexual Harassment Policy at all levels within the District.

Sexual harassment includes all unwelcome sexual advances, requests for sexual favors, offensive comments, jokes, or physical conduct, or any other verbal or physical acts of a sexual or sex-based nature when (1) submission to such conduct is made either explicitly or implicitly a term or condition of employment, (2) the employee's acceptance or rejection of such conduct is used as a basis for employment decisions affecting the employee, or (3) such conduct has the effect of interfering with the employee's work performance or creates an intimidating, hostile, or offensive working environment.

The following conduct is illustrative of some of the conduct that violates the District's Sexual Harassment Policy:

- a) Physical assaults of a sexual nature, such as:
 - 1. Rape, sexual battery, molestation, or attempts to commit these assaults; and
 - 2. Intentional physical conduct that is sexual in nature, such as touching, pinching, patting, grabbing, brushing against another employee's body, or poking another employee's body.
- b) Unwanted sexual advances, propositions, or other sexual comments, such as:
 - 1. Sexually oriented gestures, noises, remarks, jokes, or comments about a person's sexuality or sexual experience directed at or made in the presence of any employee who indicates or has indicated in any way that such conduct is unwelcome in their presence;
 - 2. Preferential treatment or promises of preferential treatment to an employee for submitting to sexual conduct, including soliciting or attempting to solicit any employee to engage in sexual activity for compensation or reward; and
 - 3. Subjecting, or threats of subjecting, an employee to unwelcome sexual attention or conduct or intentionally making performance of the employee's job more difficult because of the employee's sex.
- c) Sexual or discriminatory displays or publications anywhere in the District's workplace, such as:
 - 1. Displaying pictures, posters, calendars, graffiti, objects, promotional materials, reading materials, or other materials that are sexually suggestive, sexually demeaning, or pornographic, or bringing into the District's work environment or possessing any such material to read, display, or view at work.

A picture will be presumed to be sexually suggestive if it depicts a person of either sex who is not fully clothed or in clothes that are not suited to or customarily accepted for the accomplishment of routine work in and around the workplace and who is posed for the obvious purpose of displaying or drawing attention to private portions of their body.

2. Reading publicly or otherwise publicizing in the work environment materials that are in any way sexually revealing, sexually suggestive, sexually demeaning, or pornographic; and
 3. Displaying signs or other materials purporting to segregate an employee by sex in any area of the workplace (other than restrooms and semi-private changing rooms.)
- d) Retaliation for sexual harassment complaints, such as:
1. Disciplining, changing work assignments of, providing inaccurate work information to, or refusing to cooperate or discuss work-related matters with any employee because that employee has complained about or resisted harassment, discrimination, or retaliation; and
 2. Intentionally lying about, falsely denying, exerting pressure, or otherwise attempting to cover up conduct such as that described in any item above.
- e) Other acts

The illustrations stated above are not to be construed as an all-inclusive list of prohibited acts under this policy.

Sec. 8.6.2.4 Duty to Report Harassment

All employees, independent contractors, interns, and volunteers of the District must promptly report any incidents of harassment, discrimination, and retaliation so that the District can take appropriate action. It is the responsibility of all of us to contribute to a work environment that is free of unlawful bias, discrimination, harassment, and retaliation. Failure to bring forth a complaint prevents the District from having the opportunity to correct the situation.

Any employee who believes they have been unlawfully harassed should bring the matter to the District's attention immediately and provide a full and accurate report of the underlying facts. Director employees and supervisors have a special responsibility under this policy. All levels of management and all supervisors are responsible for compliance with this policy and for ensuring that everyone in their department is aware of, understands and adheres to this policy. Supervisors and Director employees who receive complaints or who observe or learn of discriminatory, harassing, or retaliatory conduct must immediately

inform the Human Resources Department or the General Manager so that an investigation may be initiated.

Individuals making such complaints must report the facts as accurately and as completely as possible. All reports of suspected harassment, discrimination and retaliation will be taken seriously. Every reported complaint, including allegations of misconduct, will be investigated thoroughly and promptly by impartial and qualified personnel. Typically, the investigation will include the following steps: an interview of the employee who lodged the complaint to obtain complete details regarding the alleged harassment, discrimination, or retaliation; interviews of anyone who is alleged to have engaged in such conduct to respond to the claims; and interview of any employees who may have witnessed, or who may have knowledge of, the alleged conduct. The Human Resources Administrator or other District official responsible for the investigation will notify the employee who lodged the complaint of progress during the investigation, including documentation where applicable, and timely notification of the results of the investigation. The investigation will be handled in as confidential a manner as possible consistent with a fair, timely, and thorough investigation (e.g., parties will receive appropriate due process, the District will reach reasonable conclusions based on the evidence collected, etc.). Employees (or other complainants) making complaints are expected to cooperate fully with the person or persons designated to investigate the complaint. No employee will be subject to any form of retaliation for reporting any violation of this policy truthfully and in good faith.

In addition to notifying the District about harassment or retaliation complaints, affected employees may also direct their complaints to the Equal Employment Opportunity Commission (“EEOC”) or the California Department of Civil Rights (“CRD”) [formerly known as the Department of Fair Employment and Housing (“DFEH”)], which has the authority to conduct investigations of the facts.

You can file an external complaint by contacting the following:

1. Department of Civil Rights at 800-884-1684 or visiting <https://calcivilrights.ca.gov/contactus/>
2. Equal Employment Opportunity Commission (EEOC) at 800-669-4000 or visiting <https://www.eeoc.gov/contact-eeoc>

Sec. 8.6.2.5 Remedies and No Retaliation for Reporting

The District prohibits conduct severe enough to be unlawful. Yet even more, the District’s workplace conduct standards also prohibit conduct and comments which are not severe enough to violate state or local or federal law—but which are still inappropriate in the workplace. As a result, the District will take prompt, appropriate, and effective corrective action (e.g., remedial measures) any time it is established that discrimination, harassment, or retaliation in violation of this policy has occurred—whether or not such violation also violates the law.

Corrective action may include, for example: training, referral to counseling, or disciplinary action ranging from a verbal or written warning to termination of employment, depending on the circumstances.

The District will not tolerate retaliation against an individual for good faith reports of harassment, discrimination, or retaliation; assisting another in making a report; cooperating in an investigation; filing an administrative complaint with a government agency; or engaging in other protected activity. Such retaliation is a separate violation of the law and of District policy and is subject to disciplinary action up to employment termination. Individuals who believe they have experienced or been threatened with such retaliation, and any Director employee or supervisor who learns of possible retaliation, must immediately report such conduct.

Sec. 8.6.3 Dress Code

Office employees are required to dress in a business casual dress code. An employee who reports in to work wearing worn, torn, dirty, revealing, or inappropriate attire may be required to return home to correct the problem. The time spent away from work is chargeable to the employee's vacation accrual. In the event vacation hours are not available, the employee will not be paid for the time away from work.

Sec. 8.6.4 Customer Relations

District employees are expected to be polite, courteous, prompt and attentive to every customer. When a situation arises where an employee does not feel comfortable or capable of handling the problem, they should contact their supervisor or the Director employee immediately.

Sec. 8.6.5 Confidentiality

Each employee is responsible for safeguarding confidential information obtained during their employment. In the course of an employee's work, they may have access to confidential information regarding the District, its suppliers, its customers, or perhaps even fellow employees. It is an employee's responsibility to refrain from revealing or divulging any such information unless it is necessary for them to do so in the performance of their duties. Access to confidential information should be on a "need-to-know" basis and must be authorized by an employee's supervisor. Any breach of this policy will not be tolerated and could be cause for discipline.

Sec. 8.6.6 Alcohol and Drug Free Workplace

Sec. 8.6.6.1 Policy Statement

It is the policy of the District to prohibit its employees from using alcohol or drugs in connection with their employment, as it constitutes a threat to the safe and efficient performance of employees' duties and can present a risk to the health and welfare of employees and customers of the District. In recognition of this, the District has established the following policy with regard to use, being under the influence, possession, distribution, or manufacture of alcohol or drugs.

Sec. 8.6.6.2 Reasonable Suspicion Drug and Alcohol Screening

The District may require a blood test, urinalysis, or other drug and/or alcohol screening of those persons reasonably suspected of using or being under the influence of a drug or alcohol while at work. An employee's consent to submit to such a test is required as a condition of employment and the employee's refusal to consent may result in disciplinary action, up to and including termination for even a first refusal or any subsequent refusal.

Sec. 8.6.6.3 Use, Being under the Influence, Possession, Distribution, or Manufacture of Drugs or Alcohol

- a) *Alcohol.* Use or being under the influence of alcohol by any employee while performing District business or while on District property (not withstanding District residences leased by employees) is strictly prohibited because it may affect the safety of the employee, co-workers, or members of the public, the employee's job performance, or the safe or efficient operation of the District's business.
- b) *Legal Drugs.* Use of or being under the influence of any legally obtained drug by any employee while performing District business or while on the District's property is prohibited to the extent such use or influence may affect the safety of the employee, coworkers, members of the public, the employee's job performance, or the safe or efficient operation of the District's business. An employee may continue to work, even though under the influence of a legal drug, if the District has determined, after consulting with competent medical authority, that the employee does not pose a threat to their own safety, or the safety of co-workers and that the employee's job performance is not significantly affected by the legal drug. Otherwise, the employee may be required to take a leave of absence or comply with other appropriate action as determined by the District.
- c) *Illegal Drugs.* Use, being under the influence of, manufacture, distribution, purchase, transfer, or possession of any illegal drug by any employee while on District property, or while performing District business is strictly prohibited.

Sec. 8.6.6.4 Employee Reporting Requirements

- a) *Legal Drugs.* An employee's use of a legal drug can pose a significant risk to the safety of the employee or others. Employees who feel or have been informed that the use of a legal drug may present a safety risk are to report their use of such drug to their immediate supervisor. Employees who suspect that a fellow employee poses a significant risk to the health and safety of the employee or others must report their suspicions to the immediate supervisor for further investigation and appropriate action.
- b) *Illegal Drugs.* Employee use of an illegal drug poses a significant risk to the safety of the employee or others. Employees who have been informed or suspect that a fellow employee has used, is in possession of, or is under the influence of an illegal drug must report such suspicion to the immediate supervisor for further investigation and appropriate action.
- c) *Notifying the District of Criminal Drug Conviction.* Pursuant to the Drug-Free Workplace Act of 1988, District employees must immediately notify the District of any criminal controlled substance statute conviction occurring at the workplace. Failure to do so shall subject the employee to disciplinary action, up to and including termination.

Sec. 8.6.6.5 Disciplinary Action

Violation of this Policy will result in disciplinary action, up to and including termination, even for a first offense. Further, the District reserves the right to discipline or terminate employees convicted of an offense that involves the use, distribution, or possession of illegal drugs.

Sec. 8.6.6.6 Definitions

- a) *Under the influence* means, for the purposes of this policy, that the employee is affected by a drug or alcohol or the combination of a drug and alcohol in any detectable manner. The symptoms of influence are not confined to those consistent with misbehavior, or to obvious impairment of physical or mental ability, such as slurred speech or difficulty in maintaining balance. A determination of influence can be established by a professional opinion, a scientifically valid test, and, in some cases, by a layperson's opinion.
- b) *Legal drug* includes prescribed drugs and over-the-counter drugs which have been legally obtained and are being used for the purpose for which they were prescribed or manufactured.
- d) *Illegal drug* means any drug which is not legally obtainable, or which is legally obtainable but has not been legally obtained. The term further includes prescribed drugs not being used for prescribed purposes. It also includes marijuana. For marijuana, an employee will be considered under the influence if it is determined based

on a drug test which detects the presence of Tetrahydrocannabinol (THC) that the employee is impaired while on duty. Employees shall not be tested for the presence of non-psychoactive cannabis metabolites.

Sec. 8.6.7 Grievance Procedures

Sec. 8.6.7.1 Definitions

A "grievance" is defined as an alleged violation, misinterpretation, or misapplication of the provisions of a Memorandum of Understanding or the Administrative Code Article 8 Employment Policies.

A "grievant" is any employee of the bargaining unit adversely affected by an alleged violation of the specific provision of this Memorandum of Understanding, the Administrative Code Article 8 Employment Policies, or the Association. Unless the Association is grieving Article II, the Association shall identify a bargaining unit member or members for each grievance filed.

A "day" is any day in which the District is open for business.

The "immediate supervisor" is the lowest level of supervision who has been designated to adjust grievances and who has authority over the grievant.

Sec. 8.6.7.2 General Provisions

The Association agrees to pursue all claims of violation of an MOU or the Administrative Code Article 8 Employment Policies through grievance procedures. If the employee or Association does resort to remedies outside the grievance process prior to its completion, the grievance process is automatically terminated. When the Association feels that an employee may be subject to immediate and irreparable harm, the Association will contact the General Manager directly prior to initiating some other type of action. The Association will allow the General Manager a reasonable time to address such a grievance prior to instigating action outside the District. Utilization of this procedure shall be deemed to exhaust the grievance procedure.

Every effort will be made by the parties to settle grievances at the lowest possible level.

All documents dealing with the processing of a grievance shall be filed separately from the personnel files of the participants.

No party to a grievance shall take any reprisals against the other party to the grievance because the party participated in an orderly manner in the grievance procedure.

If the District fails to respond in writing to the grievance within the specified time limit, the grievant has the right to process the grievance at the next level. If the grievant does not process the appeal within the given time limits, the grievance shall be considered as settled

and the grievant cannot thereafter grieve the specific incident again. The time limits specified at each level should be considered maximums, and every effort should be made to expedite the process. The time limits for a specific grievance, however, may be extended by a mutually written MOU.

Every effort will be made to schedule meetings for the processing of grievances at a time which will have minimal interference with the regular workday of the participants.

Either the District or the grievant may be represented at any step of the grievance procedure by an individual of the party's choice.

Any unit member may at any time present grievances to the District and have such grievances adjusted without the intervention of the Association. In such cases the grievant may provide a copy of the grievance and the proposed resolution to the Association, in which case the Association shall have the opportunity to file a response. Upon request of the grievant, the grievant may be represented at any stage of the grievance procedure by a representative of the Association.

The District and Association may agree to consolidate grievances at Level III and IV.

Any grievance that does not comply with the timelines set forth below in this section shall be null and void. In no event shall a grievance include a claim for monetary relief for more than the initial (10) day period plus such reasonable discovery period.

Sec. 8.6.7.3 Level I -- Informal Resolution

Any unit member who believes they have a grievance shall present the grievance orally to their immediate supervisor within ten (10) days after the grievant knew, or reasonably should have known, of the circumstances which form the basis for the grievance. Failure to do so will render the grievance null and void. The immediate supervisor shall hold discussions and attempt to resolve the matter within five (5) days after the presentation of the grievance. It is the intent of this informal meeting that at least one (1) personal conference be held between the aggrieved unit member and the immediate supervisor.

Notwithstanding any of the foregoing paragraphs, any unit member who believes he/she has a grievance may contact the Director of Administrative Services in an attempt to resolve the issue. At the option of the Director of Administrative Services, he/she may take appropriate steps as he/she deems necessary to resolve the matter. If the employee is not satisfied with the actions taken by the Director of Administrative Services or should the Director of Administrative Services determine that the matter should be formalized, the formal procedure may be invoked with no prejudice to the employee.

Sec. 8.6.7.4 Level II -- Formal Written Grievance

If the grievance is not settled during the informal conference and the grievant wishes to pursue the matter, the grievant shall present the grievance in writing on the appropriate form to the immediate supervisor within ten (10) days of the informal conference. In addition, a copy shall be presented by the grievant to the Director of Administrative Services. The written information shall include:

- a) A description of the specific grounds of the grievance, including names, dates, places, and facts necessary for a complete understanding of the grievance;
- b) A listing of the provisions of this Memorandum which are alleged to have been violated;
- c) A listing of the reasons why the immediate supervisor's proposed resolution of the problem is unacceptable; and
- d) A listing of specific actions requested by the grievant of the District which will remedy the grievance.

The immediate supervisor shall communicate the decision to the grievant in writing within ten (10) days after receiving the grievance. If the immediate supervisor does not respond within the time limits, the grievant may appeal to the next level.

Within the above time limits, either party may request a personal conference.

Sec. 8.6.7.5 Level III -- Appeal to Department Head

If the grievant is not satisfied with the decision at Level II, the grievant may, within ten (10) days of the receipt of the decision at Level II, appeal the decision on the appropriate form to the department head. This statement shall include a copy of the original grievance and appeal, and a clear, concise statement of the reasons for the appeal.

The department head shall communicate the decision to the grievant within ten (10) days. If the department head does not respond within the time limits provided, the grievant may appeal to the next level.

Within the above time limits either party may request a personal conference.

Sec. 8.6.7.6 Level IV -- Appeal to General Manager

If the grievant is not satisfied with the decision at Level III, the grievant may, within ten (10) days of the receipt of the decision at Level III, appeal the decision to the General Manager or their designee. The appeal shall be in writing on the appropriate form and shall include a copy of the original grievance, all decisions rendered and a clear and concise statement of the reasons for the appeal.

The General Manager or their designee shall respond to the grievance in writing within ten (10) days of receipt of the written appeal. The decision of the General Manager or their designee shall be final and binding.

Sec. 8.6.8 Disciplinary Procedures

Depending upon the facts and circumstances involved in each situation, management may begin disciplinary action at any point. For general purposes, however, discipline should follow a pattern of increasing severity as the causes for discipline become more serious and persistent.

Sec. 8.6.8.1 Disciplinary Action

- a) *Employee Representatives Permitted.* Regular employees are permitted an employee representative at any meeting in which he/she may be subject to disciplinary action by District. Such regular employees may have an employee representative when there is probable cause to believe that disciplinary action may be taken as the result of the meeting; if a significant purpose of the meeting is to investigate facts in relation to a contemplated disciplinary action; or if there is a potential for disciplinary action.
- b) *Disciplinary Actions Subject to Notice and Hearing Procedures.* Upon compliance with procedures set forth in the section entitled, “Disciplinary Procedures for Regular Employees”, the following disciplinary actions may be taken against a regular employee either by the General Manager or such management personnel as he/she may designate:
 - 1. *Dismissal:* Discharge from District service.
 - 2. *Demotion:* Reduction from a position in one class to a position in another class having a lower salary range affected for disciplinary purposes. (Demotions resulting from employee’s inability to perform required duties, organizational changes, or layoffs are not disciplinary.)
 - 3. *Salary Reduction:* A reduction in pay from the employee’s current step with a pay range to any lower step within that same range, as such range is recorded in the District’s current salary schedule.

4. *Suspension from Duty for More Than Five Days*: An ordered interruption of duties for more than five days, without pay.
 5. *Suspension from Duty for Five Days or Less*: For a suspension without pay for five days or less, only the procedures set forth in *Disciplinary Procedures for Regular Employees* apply but may be provided either during the suspension or within a reasonable time thereafter.
- c) *Disciplinary Actions Not Subject to Notice and Hearing Procedures*. The following disciplinary actions may be taken against any employee by the General Manager or such management personnel as he/she may designate, without compliance with the procedures referred to in *Disciplinary Actions Subject to Notice and Hearing Procedures* above:
1. Suspension for one day, or more, with pay
 2. Reassignment not entailing a salary reduction or demotion
 3. Change in working hours
 4. Reprimand, which may be oral, or in writing, or both
 5. Counseling Statements
 6. Written or Oral Warnings
- d) *Causes for Disciplinary Action*. It is intended that discipline be imposed primarily for corrective purposes and to address deficiencies in work performance. The following is a non-exclusive list of the more common reasons for disciplinary action and are illustrative only.
1. Actions contrary to the rules and policies of the District.
 2. Inefficiency, incompetence, inattention to or dereliction of duty, failure to perform assigned duties in a satisfactory manner.
 3. Insubordination or failure to comply with District rules and policies.
 4. Physical or mental inability to perform the job.
 5. Dishonesty.
 6. Theft or unauthorized use of District property or personal property of others.
 7. Fighting while on duty or on District premises.
 8. Frequent or habitual tardiness, unexcused absences, or unsatisfactory attendance.
 9. Harassment and/or discrimination in any form.
 10. Consumption of alcoholic beverages while on duty or on District premises, except at District social functions.
 11. Being under the influence of alcohol while on duty.
 12. Use of, possession of, and/or transfer or sale of, non-prescribed drugs or illegal drugs while on duty or on District premises or any violation of the Alcohol and Drug Policy .
 13. Disorderly, indecent, or immoral conduct while on duty or while in District uniform.

14. Discourteous treatment of the public or other District employees.
 15. Conviction of any felony or of a misdemeanor involving moral turpitude, dishonesty, or immoral conduct.
 16. Unauthorized absence from work.
 17. Neglect of duty.
 18. Failure to follow safe working practices.
 19. Failure to report an injury promptly.
 20. Failure to report significant unsafe working practices to supervisor.
 21. Misrepresentations in obtaining employment with or promotion within the District.
 22. Falsifying or altering District records, including, but not limited to, employment, medical, paycheck, job, cards, request for benefits, and permitting one's time card to be recorded by another employee.
 23. Unauthorized removal of District documents, records, or other property.
 24. Failure to observe work schedules or assignments.
 25. Loitering or sleeping on the job.
 26. Working overtime without advance approval.
- e) *Recordation of Disciplinary Action in Employee's Personnel File.* The disciplinary action taken, along with the reasons for such action, will be recorded in an employee's personnel file.

Sec. 8.6.8.2 Disciplinary Procedures for Regular Employees

- a) *Purpose.* This section sets forth the procedure to ensure that all regular employees are fairly treated when subjected to disciplinary actions described above in *Disciplinary Actions Subject to Notice and Hearing Procedures*. These procedures do not apply to probationary employees who may be discharged, suspended or otherwise disciplined without any reason or cause.
- b) *Notice of Proposed Action.* Before dismissing or otherwise disciplining a regular employee, the District shall deliver to the employee a written notice of its intention to dismiss or otherwise discipline the employee. Such notice shall be personally served to the employee, or if the employee is not available, it shall be sent by registered or certified mail to the employee's place of residence, as shown on the records of the District. The notice shall be served or mailed not less than seven calendar days prior to the proposed disciplinary action and shall contain the following:
1. The proposed disciplinary action and the date said action becomes effective.
 2. The specific charges upon which such action has been proposed and the reasons why such action is being taken. Such charges shall contain any information essential to give the employee a fair opportunity to answer the charges made. Such information shall include, but is not limited to, names, times, dates, places, or numbers that may be pertinent to the charges made.

3. If such charges are based upon documents or materials, the notice shall inform the employee of this fact and shall inform the employee as to the location of such documents and materials. If available and subject to duplication, copies of such documents and materials shall be furnished to the employee with the notice.
 4. A time and date by which the employee may file a written response and for presentment of any oral response, which date shall not be less than seven days after the notice is served on or mailed to the employee, whichever occurs first.
- c) *Response of Employee.* The employee shall have the right to respond, either orally or in writing, or both, no later than the time and date provided in the notice to the employee. The time for response may be extended by the General Manager for a reasonable period if the General Manager determines it is necessary to provide the employee with a fair opportunity to answer the charges made. Written responses shall be delivered to the General Manager.

If the employee desires to make an oral response, the employee shall give written notice to the General Manager of this fact at least two working days before the time and date stated in the notice for presentment of the oral response. Failure of the employee to give such notice shall constitute a waiver by the employee of any right to present an oral response.

- d) *Oral Response.* If the employee gives the notice described, the oral response of the employee shall be presented to the General Manager. At the time of the employee's oral response, the employee shall have the right to be represented by counsel or by a representative of a recognized employee organization, or both.
- e) *Determination by General Manager.* Upon expiration of the period of time set forth in the District's notice to the employee, or if an oral response is presented, upon completion of the response, whichever is later, the General Manager shall review the matter, including any response of the employee and their representatives and any evidence presented, and shall make a determination whether to discharge or otherwise discipline the employee. The General Manager shall notify the employee in writing of the determination. Such notice shall be personally served on the employee or shall be sent by registered or certified mail to the employee's place of residence as shown in the records of the District.
- f) *Disqualification of General Manager.* If prior to the time set for consideration of the response, the General Manager has become so involved in the matter as to create an actual bias against the employee which prevents the General Manager from fairly considering the response of the employee, the General Manager shall so advise the President of the Board of Directors, who shall thereupon appoint another person to act on behalf and in the place of the General Manager. However, mere prior knowledge of the factual background of the matter shall not, in and of itself, disqualify the General Manager.

g) *Appeal of Decision of General Manager.* An employee or former employee dissatisfied with the determination made by the General Manager may appeal the determination to the Executive Committee, provided that a written notice of appeal is filed with the Secretary of the District no later than 15 calendar days after the date of personal service or mailing of the notice of the General Manager's determination, whichever is sooner. The Executive Committee shall consist of two members of the Board of Directors, or such other person or persons as may be designated by the President of the Board of Directors.

If a timely appeal is filed with the Secretary of the District, the Executive Committee shall schedule a hearing within 30 calendar days of the date of filing of the notice of appeal, and the Secretary of the District shall notify the employee or former employee of the time and date fixed for the hearing. At the hearing, the employee shall have the right to be represented by counsel or by a representative of a recognized employee organization, or both. The Executive Committee may extend the time to schedule the hearing upon a determination of good cause.

The employee shall have the right to present evidence and to examine adverse witnesses. The employee should, at least five working days before the scheduled hearing, file a written request with the General Manager requesting the presence of such persons at the hearing. If such persons can be made available without unduly interfering with the operations of the District, the General Manager shall cause such person to be present at the time of the hearing. The Executive Committee may continue the hearing for a reasonable period until such persons can be present. The hearing shall be recorded.

h) *Determination of Appeal.* Upon conclusion of the hearing, the Executive Committee shall review the matter, including any evidence presented at the hearing, and shall make a final determination whether to confirm the determination of the General Manager. The Executive Committee shall have the power to reinstate a discharged employee and/or to impose different discipline on the employee. If the Executive Committee is unable to make a decision, the matter shall be referred to the Board of Directors for final determination, and the Board of Directors may decide the matter on the basis of the record made at the hearing or may conduct a new hearing.

i) *Status of Employee.* During the period prior to the determination of the matter by the General Manager as set forth in Determination of Manager, the employee may be suspended from performing their duties with pay or may be reassigned to other duties. If the final determination of the General Manager is to discharge an employee, the effective date of the discharge shall be the date that the notice of the General Manager's determination is personally served or mailed pursuant to Determination of Manager above, whichever occurs first.

- j) *Judicial Review.* Judicial review of any decision of the District, or of any commission, committee, board, officer, or agent thereof dismissing or otherwise disciplining an employee, which decision is subject to review under Code of Civil Procedure section 1094.5, may be had pursuant to this section only if a petition for writ of mandate is filed in Superior Court within the time limits specified in Code of Civil Procedure section 1094.6.

SEC. 8.7 OPERATIONAL CONSIDERATIONS

Sec. 8.7.1 District Property

All equipment, desks, supplies, and other property provided to District employees remain the property of the District and must be maintained according to District rules and regulations. They must be kept clean and ready to use for work-related purposes only. The District reserves the right to inspect all District property to ensure compliance with its rules and regulations, without notice to an employee. Prior authorization must be obtained before any District property or program may be removed from the premises.

For security reasons, an employee should not leave personal belongings of value in the workplace. An employee whose service is terminated should remove any personal items at the time they leave the District. Personal items left in the workplace by previous employees are subject to disposal if not claimed at the time of an employee's termination.

The unauthorized personal use of District property and facilities is prohibited.

Sec. 8.7.2 District Vehicle Use

Sec. 8.7.2.1 District Vehicle Assignments

Vehicles are assigned by the General Manager under the following circumstances:

- a) ***Standby Duty*** – Employees delegated to standby duty.
- b) ***After-Hours Emergency Response*** – Director employees or supervisors may be responsible for responding to after-hours emergencies and therefore may be assigned a District vehicle which is taken home regularly. Each employee shall be responsible for income taxes relating to the commuting value based on the IRS mileage rate.
- c) ***District Business*** – Subject to the approval of the General Manager, employees may use a District vehicle to attend conferences or trainings within the state.

Sec. 8.7.2.2 General Vehicle Use Rules

- a) Employees must comply with IRS regulations relating to de Minimis use.
- b) Only authorized passengers shall be permitted to be in a District vehicle, including District employees and individuals having involvement with a specific District project or business activity.
- c) Drugs and alcohol are not permitted in the District vehicles. Likewise, an employee who is intoxicated by drugs and/or alcohol shall not operate a District vehicle.
- d) It is the responsibility of those using District vehicles to maintain and be accountable for all District tools and equipment in vehicles.
- e) Drivers of District vehicles will adhere to the cellular phone policy.

Sec. 8.7.3 Cellular Phone Policy

It is the policy of the Santa Fe Irrigation District ("District") to provide certain employees with cellular telephones for purposes of performing essential District business or to improve safety, increase productivity, or increase service to the public. Therefore, the District hereby establishes the following policy for the usage of District cellular telephones.

Sec. 8.7.3.1 Acquisition and Assignment of Cellular Telephones

The purchase and assignment of cellular phones by the District shall be limited to those instances in which there is a need. The assignment of a cellular telephone to a District employee shall be justified by business requirements which necessitate the use of a cellular telephone to perform official District business where such business cannot be accommodated by the use of a landline phone, pager, or other less expensive communication device or, by the nature of their job duties, are required to be accessible by telephone regardless of the time of day, day of week, or geographical location. The purchase of cellular telephones shall be subject to approval by the District.

Sec. 8.7.3.2 Responsibility

The General Manager shall designate a Coordinator who shall be responsible for oversight of all District cellular telephones. The Coordinator shall assign each cellular telephone to one specific employee and shall control and monitor the use and return of the cellular telephones. The Coordinator shall also ensure that all employees assigned a District cellular telephone have read and signed an agreement which acknowledges that they have read and understand the District's Cellular Telephone Policy prior to issuance or for continued use.

Sec. 8.7.3.3 Use of District-Owned Cellular Telephones

- a) **Business Purposes.** The District will provide eligible employees with a cellular phone, subject to the terms and conditions stated in this Policy. Use of cellular telephones shall be authorized only when there is a demonstrated need for the use of the equipment for the purposes identified in this policy. Only the employee shall be permitted to use the cellular telephone assigned to them. The Employee's usage of the cellular telephone will be strictly for business purposes, except for occasional de minimis personal usage.
- b) **No Privacy.** Employees shall be made aware that cellular transmissions are not secure, and employees shall exercise discretion in relaying confidential information. The District reserves the right to monitor the use of all District cellular telephones.
- c) **Theft, Vandalism.** Reasonable precautions should be made to prevent theft and vandalism of any District cellular telephone. In the event that a cellular telephone is lost, stolen, or vandalized due to an employee's failure to use reasonable precautions, the District may require the responsible employee to reimburse the District for the replacement cost of the equipment.
- d) **Safety.** In accordance with California Vehicle Code Section 23123 and all other applicable laws, the Agency prohibits its employees from driving any motor vehicle while using a hand-held wireless telephone during business hours or while performing job duties, unless that telephone is designed and configured to allow hands-free listening and talking operation and is used in that manner while driving. This prohibition includes the use of the telephone's text messaging feature. However, this policy does not prohibit any employee from using a hand-held wireless telephone to contact a law enforcement agency or other public service entity for emergency purposes. Emergency purposes include reporting an accident, fire and naturally occurring life-threatening situations including rockslides and fallen trees, dangerous road conditions, road rage, dangerous driving, criminal driving, including drunk driving, and stranded motorist situations.

All drivers who must place a non-emergency phone call while on duty are encouraged to dial their phones while their vehicles are not in motion, either at a stop light or by safely parking the vehicle prior to placing the call.

The duration of phone calls while driving must be as brief as possible and must not distract the driver from their duties. In the event the driver needs to take notes or otherwise check information, such tasks must take place while the vehicle is not in motion, either at a stop sign or at a safe parking space.

- e) **Responsibility for Payment, Service Plan.** All cellular phones issued by the District and the corresponding number assigned to each cellular phone shall be covered under the District's service plan. The District shall have the right to enter into a contract with one or more service providers for the purposes of providing cellular phone coverage

and to replace any of such contracts at any time. The District shall be responsible for payment of the charges attributable to the phones and for costs related to the purpose or replacement of a phone, if any.

- f) The District shall routinely review the monthly statements for Employee's District-issued cellular phone and obtain Employee's verification that usage was business-related. If any personal usage is verified above the occasional de minimis usage, the Employee shall reimburse the District for that usage by a pro rata amount of the total monthly usage charge.
- g) Indemnification of District. The Employee shall agree to indemnify the District for all taxes and penalties which may be assessed by the Internal Revenue Service in the event of a determination by the IRS that there was insufficient substantiation of business usage.

Sec. 8.7.3.4 Cessation of Employee Usage

- a) Change in Status. The District may terminate an employee's use of a District cellular telephone and demand the return of the cellular telephone at any time for any reason upon written or oral notice to the employee. In addition, an employee will be required to immediately return the District cellular telephone upon the occurrence of any of the following events:
 - i) a change of job status or duties with the District wherein the new position does not necessitate the use of a District cellular telephone;
 - ii) termination of employment or retirement from the District; or
 - iii) the theft or total destruction of the District cellular telephone.
- b) Return of District property. Following notification by the District of the termination of the employee's use of a cellular telephone, the employee must return the cellular telephone to the District in the same condition in which it was delivered to them, excepting only ordinary wear and tear, within fourteen (14) days of the date of the notification.
- c) Failure to Comply with Policy. If an employee fails to comply with the responsibilities and obligations under this Policy, the District will have the right to take possession of the phone and terminate the phone number assigned to the employee without prior notice to the employee.

Sec. 8.7.3.5 Miscellaneous

- a) Amendment, Termination of Policy. The District reserves the right to amend the Policy at any time if deemed necessary or appropriate to conform to federal or state tax requirements. The District may discontinue or terminate the Policy at any time.

Sec. 8.7.4 Acceptable Use of District Technology Resources

The District permits employees to use its Technology Resources (computer equipment, applications, network equipment, internet access, cloud resources, and electronic mail system) subject to the following:

- a) Minimal personal use of the Technology Resources is permitted as long as it does not interfere with timely job performance.
- b) The Technology Resources are not to be used in a way that may be disruptive, offensive to others, or harmful to morale. For example, sexually explicit images, ethnic slurs, racial epithets, or anything else that may be construed as harassment or disparagement of others based on their race, national origin, sex, sexual orientation, age, religious beliefs, or political beliefs may not be displayed or transmitted.
- c) Employees should not attempt to gain access to another employee's Technology Resources without the latter's express permission. Impersonating another person in computer communications or misrepresentation of a computer user's identity is forbidden and grounds for discipline.
- d) District management reserves the right to enter an employee's Technology Resources but will not do so unless there is a legitimate business need. System security features, including passwords and message delete functions, do not neutralize the District's ability to access any Technology Resources at any time. Employees must be aware that the possibility of such access by the District always exists and may be done without advanced notice or consent.
- e) Employees should not install any computer software programs or transfer any personal files onto District computers without the permission of the Information Technology Manager or the General Manager.
- f) Employees should not make unauthorized copies of any District computer software programs or files and should not distribute any District software programs without the permission of the Information Technology Manager.
- g) Employees are expected to comply with all copyright and other intellectual property laws in their use of District Technology Resources.
- h) Employees must comply with the standards and policies of the District's Technology Resource Management which are published on the District's intranet.
- i) Violation of this policy regarding use of the District's Technology Resources is grounds for discipline.

Sec. 8.7.5 Conducting Personal Business

An employee is to conduct only District business while at work. An employee may not conduct personal business or perform personal business for another employer during their scheduled working hours.

Sec. 8.7.6 Health and Safety

District management is concerned about the health and safety of all employees. Employees are expected to share that concern by practicing safe working habits for their own benefit, as well as that of their fellow employees. Employees must immediately notify their supervisor of any safety risks they are aware of in their work area.

District policy and federal law requires that employees be provided with the proper tools and equipment necessary to accomplish their work assignments in a safe manner and a workplace free from recognized safety hazards. To ensure that these goals are met the District will conduct on-the-job safety and first aid training for all of its employees.

Sec. 8.7.7 Accident Reporting

All job-related injuries and illnesses, regardless of severity, must be reported immediately to an employee's supervisor to provide prompt and trained evaluation and medical attention, if necessary.

Sec. 8.7.8 Workplace Violence

The District recognizes that workplace violence is a concern among employers and employees across the country. The District is committed to providing a safe, violence-free workplace. In this regard, the District strictly prohibits employees, consultants, customers, visitors, or anyone else on District premises or engaging in a District-related activity from behaving in a violent or threatening manner. Moreover, the District seeks to prevent workplace violence before it begins and reserves the right to address certain behaviors, even in the absence of violent behavior. In alignment with this commitment, the District has established a separate Workplace Violence Prevention Program. Employees may contact Human Resources or Safety to obtain a copy of the District's Workplace Violence Prevention Program.

Sec. 8.7.9 Smoking Policy

The Santa Fe Irrigation District is dedicated to maintaining a safe and productive working environment for its employees. Therefore, the District is committed to taking appropriate action to eliminate threats to health and safety, like with those posed by the use of tobacco products. In recognition of these threats caused by exposure to and the adverse health effects of the use of tobacco products, the District declares the use of tobacco products is prohibited

in all District workplaces, structures, vehicles, covered parking areas, and common areas such as lobbies, restrooms, break rooms, and stair wells. Further, smoking is prohibited within 20 feet of the District buildings' main entrances, exits, operable windows, or ventilation system intakes.

Sec. 8.7.9.1 Definitions

- a) "Use" means a method of consuming any type of tobacco product, including, but not limited to, smoking, inhaling, vaping, and chewing.
- b) "Tobacco product" means any substance containing tobacco leaf or any other weed, plant, or other recognized substitutes, including, but not limited to, cigarettes, cigars, pipe tobacco, snuff, chewing tobacco, dipping tobacco, electronic nicotine delivery system (i.e., e-cigarettes), vapor products (a.k.a. vaping) or related devices. This definition does not include nicotine gum or patches.
- c) "Workplace" means any District owned confined workspace including pump stations and tanks; the chemical tank farm; any employment common area including the filter gazebo picnic area, lobbies, restrooms, breakrooms, stair wells and elevators; and any area that employees or the general public frequent during the course of employment and/or conducting business with the District, are designated as District field work sites, and/or that could expose individuals to the smoke, scent or residue produced from the use of tobacco products.

Sec. 8.7.9.2 Use of Tobacco Products During the Workday

Employees that wish to use tobacco products during the workday must limit their use to breaks and/or lunch periods. Any employee that would like to smoke must do so only in areas where there is adequate ventilation to prevent smoke from entering non-smoking areas. Under no circumstance is smoking permitted within 20 feet of the District's main entrances, exits, operable windows, and ventilation system intakes. Any materials used for smoking must be extinguished immediately after use and all tobacco products must be disposed of in appropriate containers before an employee resumes their work duties.

Sec. 8.7.9.3 Visitors

Visitors shall be informed of this policy through posted signs at each entrance to District buildings and explanation by their hosts. Visitors of the District are also prohibited from smoking within 20 feet of the District's main entrances, exits, operable windows, and ventilation system intakes. Any District employee that sees a visitor violating this policy must contact Human Resources and report such behavior immediately.

Sec. 8.7.9.4 Failure to Comply with the District's Smoking Policy

Any employee who fails to comply with the District's Smoking Policy may face disciplinary action.

Sec. 8.7.9.5 Human Resources Department

Employees interested in or thinking about quitting smoking are encouraged to contact Human Resources and the District's Employee Assistance Program for resources and cessation program materials available to them.

Sec. 8.7.10 Children at Work Policy

The District prefers that children not be brought to the workplace in lieu of childcare. However, if necessary, the District will deem this acceptable under the following circumstances:

- a) You must get prior approval from your Department Director.
- b) You must complete the Waiver for any instance your child is in the workplace without the accompaniment of another adult and are expected to keep your child away from workplace hazards.
- c) Your child must not be disruptive. If this occurs, you and your child will be asked to leave.
- d) Your child should not be in the workplace if your child has a contagious illness.
- e) Your child must not interfere with your job or that of your co-workers.

SEC 8.8 EXHIBITS

Employment Policies Acknowledgement

Created September 28, 2007

Revised November 20, 2008 – Standby Duty Response Time, Emergency Policy and Holidays

Revised January 1, 2011 with 2010 MOU – Job Classifications, Certification Requirements, Job Descriptions, Quarterly Labor Management Meetings and Longevity Pay

Revised January 1, 2013 with 2013 MOU – Standby Pay, Overtime, Group Health Insurance, and Retirement

Revised January 1, 2016 with 2016 MOU – Education Assistance Program, Boot Allowance and others

Revised May 19, 2022 – Miscellaneous Clean-up

Revised January 18, 2024 with 2023 MOU – Job Classifications, Certification Requirements, Job Descriptions, Quarterly Labor Management Meetings and Longevity Pay

ARTICLE 9. PUBLIC RECORDS POLICY

SEC. 9.1 PURPOSE (*REV. 02/19/26; RESOLUTION NO. 26-02*)

The purpose of this policy is to provide guidelines and procedures for District staff regarding: (1) handling requests from members of the public for inspection and/or copying of public records; (2) retaining District records and the proper destruction of obsolete and unnecessary records; (3) retaining email and other electronic communications that constitute District records; and (4) handling District records subject to a litigation hold. This policy is designed to comply with the California Constitution, the California Public Records Act (Gov. Code §§ 7920.000 *et seq.*), and all State and federal statutes and regulations affecting the retention of District records (Gov. Code §§ 60200 *et seq.*). If any provision of this policy conflicts with State or federal law, the law shall take precedence.

SEC. 9.2 DEFINITIONS

For purposes of this policy, the following terms shall have the following meanings:

“**District**” means the Santa Fe Irrigation District.

“**Electronic Records**” means writings stored in electronic form including, but not limited to, those created and/or stored on main frames, shared servers, local area networks, replicated servers or networks, desktop or laptop hard drives, disks, thumb drives, flash drives, portable drives, memory sticks, CD-ROMs, or DVDs.

“**Litigation**” means all events which suspend normal retention policy and practices, including the reasonable expectation of litigation, actual litigation, claims, complaints, audits, pending records requests, and/or investigations.

“**Non-Record**” means a writing that is either not related to the business of the District or whose value is comparatively short-lived and may be discarded when it has fulfilled the brief, limited purpose for which it was created. Specific examples are transmittal letters, acknowledgments, drafts, rough notes, preliminary calculations, non-substantive follow-up communications or reminders, and similar electronic communications that, based on their content, are not required to be retained by law or this policy, and are not necessary or convenient to the discharge of a District officer or employee’s official duties. Notwithstanding the above, non-records that relate to District business may qualify as “public records” and may be subject to disclosure in response to a Public Records Act request.

“**Person**” and “**requester**” mean any natural person, corporation, partnership, limited liability company, firm, or association. (Gov. Code § 7920.520.)

“**Public records**” means any writing containing information relating to the conduct of the public’s business that is prepared, owned, used or retained by the District, regardless of physical form or characteristics. (Gov. Code § 7920.530.)

“**Writing**” means handwriting, typewriting, printing, photostating, photographing, photocopying, transmitting by electronic mail (email) or facsimile (fax), and every other means of recording upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combination thereof, and any record thereby created, regardless of the manner in which the record has been stored. (Gov. Code § 7920.545.)

SEC. 9.3 INSPECTION AND COPYING OF PUBLIC RECORDS (REV. 02/19/26; RESOLUTION NO. 26-02)

Sec. 9.3.1 Requests to Inspect and/or Obtain Copies of Records

Requests May be Submitted at any time to the District. The District adopts the following process under Gov. Code section 7922.505 to promote timely, efficient, and consistent handling of requests. Under this adopted process, any person may request to inspect or obtain a copy of a disclosable public record of the District at any time. However, the District receives and logs Public Records Act requests during normal business hours when District offices are open. A request delivered when offices are closed will be treated as received at the start of the next business day.

Requests May be Submitted in any Format The District encourages members of the public to submit all records requests in writing to the General Manager. Requesters may use the Public Records Request form attached as Attachment “A” to this policy. Written requests reduce any misunderstandings between the requester and District staff, which assists District staff to respond to records requests in a timely manner and with greater efficiency. However, the District will not deny a request for records solely because it is not submitted in writing.

Verbal Requests May be Submitted to the General Manager. If a member of the public makes a verbal request to inspect or obtain a copy of a disclosable public record of the District, the District will process that request through the General Manager during normal business hours. District personnel or officials who receive verbal requests will direct the requester to contact the General Manager.

Requests Should Clearly Identify Records. The requester should specify the records to be inspected/copied with sufficient detail to enable the District to identify the particular records. If the request seems ambiguous or unfocused, District staff will make a reasonable effort to obtain additional clarifying information from the requester that will help identify the record or records. Pursuant to Government Code section 7922.600, District staff shall do all of the following, to the extent reasonable under the circumstances:

- Assist the member of the public to identify records and information that are responsive to the request or to the purpose of the request, if stated;
- Describe the information technology and physical location in which the records exist; and
- Provide suggestions for overcoming any practical basis for denying access to the records or information sought.

Sec. 9.3.2 Making Determinations on Records Requests/Taking Time Extensions

Upon receiving a request to inspect or copy records, the District shall, within ten (10) days from receipt of the request, determine whether the request, in whole or in part, seeks disclosable public records in the possession of the District. The District shall provide written notice to the requester, stating the District's determination on the request.

In unusual circumstances, the time limit for providing the determination on a records request may be extended by written notice from the General Manager or his designee to the person making the request, setting forth the reasons for the extension and the date on which a determination is expected to be provided. Any extension of time will not last more than fourteen (14) calendar days. A response to a written request for inspection or copies of public records that includes a determination that the request is denied, in whole or in part, shall be in writing. The notification of denial shall also include the names and titles or positions of each person responsible for the denial and shall justify withholding any record by complying with Government Code section 7922.000. As used in this policy and pursuant to Government Code section 7922.535, subdivision (c), "unusual circumstances" means the following, but only to the extent reasonably necessary to the proper processing of the particular request:

- 1) The need to search for and collect the requested records from field facilities or other establishments that are separate from the office processing the request.
- 2) The need to search for, collect, and appropriately examine a voluminous amount of separate and distinct records that are demanded in a single request.
- 3) The need for consultation, which shall be conducted with all practicable speed, with another agency having substantial interest in the determination of the request or among two or more components of the District having substantial subject matter interest therein.
- 4) The need to compile data, to write programming language or a computer program, or to construct a computer report to extract data.
- 5) The inability of the District, because of a cyberattack, to access its electronic servers or systems in order to search for and obtain a record that the District believes is responsive to a request and is maintained on the servers or systems in an electronic format.

- a. This paragraph does not relieve the District of its obligation to comply with subdivision when the requested record is maintained in a location other than on the electronic server or system affected by the cyberattack, or maintained in a nonelectronic format.
 - b. This paragraph applies only until the District regains its ability to access its electronic servers or systems and search for and obtain Electronic Records that may be responsive to a request.
- 6) The need to search for, collect, and appropriately examine records during a state of emergency proclaimed by the Governor in the jurisdiction where the District is located when the state of emergency currently and directly affects, due to the state of emergency, the District’s ability to timely respond to requests due to staffing shortages or closure of facilities where the requested records are located.
- a. This paragraph shall not apply to a request for records created during and related to the state of emergency proclaimed by the Governor
 - b. For purposes of this paragraph, “state of emergency” means a state of emergency proclaimed pursuant to Section 8625 of the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2).(Gov. Code § 8550 *et seq.*).

If the requested record has been determined to be disclosable but additional time is still needed to locate the record, District staff will notify the requester in writing of the estimated date that the record will be available for inspection and/or copying. District staff shall make every effort to locate the record in a reasonable amount of time.

If the requested records, in whole or in part, are exempt from disclosure under any State or federal law or regulation, the District shall state in its written determination to the requester the specific exemptions that apply to the records and the name and title, or position, of the person(s) responsible for withholding the exempt records.

The District is not required under the Public Records Act to create new records in order to respond to a records request. In addition, the Public Records Act does not require District staff to answer questions, or to fill out forms or checklists provided by requesters.

Sec. 9.3.3 Inspecting Public Records and Obtaining Copies

Disclosable public records of the District are open to inspection by any person during the normal business hours of the District’s offices, in accordance with this policy. To the extent possible, the District will make disclosable public records promptly available for inspection. However, if a request for public records requires staff time to gather and review documents for possible redactions prior to providing them for inspection, District staff may require a requester to schedule a time during normal business hours to inspect the requested public records.

Inspection of disclosable public records shall be made only in the District office. No original documents shall be removed from the premises. A staff member or other representative of the District may be present during the inspection of any District records.

Copies of disclosable public records may be obtained by any person, subject to compliance with the procedures set forth in this policy. An exact copy of a disclosable public record shall be provided, unless it is impracticable to do so. District staff will make copies of identifiable and disclosable documents promptly available, upon payment of the District's copying fees or statutory fees.

Any disclosable portion of a record that can be reasonably separated from other parts of the record that are exempt by law shall be made available for inspection and/or copying, after the exempt portions have been redacted.

Documents responding to any request for records may be subject to review by the District's legal counsel prior to inspection or copying. Records exempt from disclosure shall be protected and handled according to applicable law.

If any information responding to a records request is available online through the District website, whenever possible District staff will provide the requester with a hyperlink to the information. For requests for disclosable Electronic Records not available through the District website, the District will make Electronic Records available in their existing format, pursuant to the requirements and conditions of Government Code sections 7922.570-7922.580.

Sec. 9.3.4 Optional Appeal Procedure

In addition to the judicial remedies provided to requesters in Government Code sections 7923.000 and 7923.100-7923.500, a requester may appeal to the Board of Directors if his or her records request is denied, in whole or in part. Such an appeal may be made in writing and filed with the Board Secretary not later than fourteen (14) calendar days after the requester received the District's written determination that his or her records request has been denied. The Board of Directors shall consider and rule upon the appeal within thirty (30) days after receipt by the Board Secretary. The requester shall be notified of the time and place of the meeting of the Board to consider the matter, and the requester may appear in person before the Board when the matter is heard. The Board Secretary shall notify the requester in writing of the Board's decision.

SEC. 9.4 RECORDS RETENTION AND DISPOSAL OF OBSOLETE RECORDS

Sec. 9.4.1 Purpose

The purpose of this policy for records retention and disposal of obsolete records is to provide guidelines to District staff regarding the retention of District records; provide for the identification, maintenance, and safeguarding of District records and the proper destruction of obsolete records in the normal course of business; ensure prompt and accurate retrieval of records; and ensure compliance with all legal and statutory requirements.

Sec. 9.4.2 Authorization

The Board, by the adoption of this Policy, hereby delegates to the General Manager (or his or her designee) the authority to destroy obsolete records which are not otherwise required to be retained pursuant to law, the Records Retention Schedule or this Policy. In addition, the Board further delegates to the General Manager (or his or her designee) the authority to update or amend this Policy and the Records Retention Schedule as needed, in order to stay current with federal and State laws and regulations affecting retention of the District's records.

Sec. 9.4.3 Records Retention Schedule

The Records Retention Schedule is attached to this Policy as Attachment "B" and is incorporated herein by reference. The Records Retention Schedule complies with the Local Government Records Management Guidelines provided by the California Secretary of State, pursuant to Government Code section 60201(b)(2).

Sec. 9.4.4 General Guidelines for Records Retention

The General Manager, or his or her designee, shall be responsible for the administration of this Policy and shall assist all District personnel to comply with the provisions of this Policy and with the Records Retention Schedule.

The following guidelines apply to all District records:

- 1) Except where a record is expressly required to be preserved according to State law, the District may destroy any original obsolete document without retaining a copy of the document as long as the retention and destruction of the document complies with the Records Retention Schedule. (Gov. Code § 60201.)
- 2) In addition to the retention periods required under this policy, the District shall retain original administrative, legal, fiscal and/or historical records with continued value (i.e., records for long-term transactions and/or special projects) until all matters pertaining to

such records are completely resolved or the time for appeals has expired. (Gov. Code § 60201, subd. (d)(10).)

- 3) Pursuant to Government Code section 60201, the District shall not destroy or dispose of any of the following records:
 - a. Records relating to the formation, change of organization, or reorganization of the District.
 - b. An ordinance adopted by the District. However, an ordinance that has been repealed or is otherwise invalid or unenforceable may be destroyed or disposed of pursuant five (5) years after it was repealed or became invalid or unenforceable.
 - c. Minutes of any meeting of the District Board of Directors.
 - d. Records relating to any pending claim or litigation or any settlement or other disposition of litigation within the past two (2) years.
 - e. Records that are the subject of any pending Public Records Act request whether or not the record is exempt from disclosure, until the request has been granted or two (2) years after the District provided written notice to the requester that the request has been denied.
 - f. Records relating to any pending construction that the District has not accepted or for which a stop notice claim legally may be presented.
 - g. Records relating to any non-discharged debt of the District.
 - h. Records relating to the title to real property in which the District has an interest.
 - i. Records relating to any non-discharged contract to which the District is a party.
 - j. Records that have not fulfilled the administrative, fiscal, or legal purpose for which they were created or received.
 - k. Unaccepted bids or proposals, which are less than two (2) years old, for the construction or installation of any building, structure, or other public work.
 - l. Records less than seven (7) years old that specify the amount of compensation paid to District employees or officers or to independent contractors providing personal or professional services to the District, or that relate to expense reimbursements paid to District officers or employees, or to the use of District paid with credit cards or any travel compensation mechanism.
- 4) At any time, the District may discard Non-Records that have fulfilled their limited purpose; provided, however, that any Non-Records subject to the exceptions in Section 9.4.6 may not be discarded and shall be temporarily retained for the necessary period.

Sec. 9.4.5 Procedure

- 1) The department director completes and signs a “Request for Destruction of Obsolete Records” form, listing the date and description of each document to be destroyed. A sample form is attached to this policy as Attachment “C” and is incorporated into this

policy by reference. The department head submits the form to the General Manager, or his or her designee.

- 2) The General Manager, or his or her designee, checks the documents listed on the submitted form to confirm that each document is: (1) not required to be permanently retained, or (2) has been retained for the legally required period of time. The General Manager, or designee, also confirms that any applicable reproduction requirements (e.g., imaging, etc.) for each document are complete.
- 3) The General Manager, or designee, oversees the destruction of obsolete documents, indicates the method of destruction on the form and signs it.
- 4) The General Manager will retain a permanent record, such as a log or copies of certificates of destruction, in whatever format he/she determines to be convenient for the purpose of documenting the destruction of obsolete records of the District.

Sec. 9.4.6 Exceptions

Destruction of any record shall be postponed if that record is responsive to a subpoena, a litigation holds or other request for preservation, a California Public Records Act request, an audit, or a claim filed against the District. In addition, records that relate to any active litigation or potential litigation involving the District shall be preserved until the litigation is resolved. District personnel who become aware of a subpoena, claim, California Public Records Act request, etc., that affects records under their control shall use their best efforts, by any reasonable means available to them, to preserve those records. In such situations, District personnel shall contact the General Manager regarding the affected records.

SEC. 9.5 ELECTRONIC COMMUNICATION (EMAIL) POLICY

DISTRICT EMAIL AND OTHER ELECTRONIC COMMUNICATIONS ARE OFFICIAL DISTRICT RECORDS

Email and other forms of electronic communications, such as text messaging and voicemail, that pertain to District business may be considered official District records and may be required to be retained in accordance with the District's records retention policy and applicable State and federal laws and regulations. In addition, email and other electronic communications that constitute public records may be subject to disclosure under the Public Records Act.

DISTRICT EMAIL SYSTEM NOT FOR STORAGE

The District's communication systems, including email, text messaging and voicemail, are each intended for use only as a medium of communication. The District's email system and any District-owned equipment such as cell phones, smart phones, tablets and pagers, should not be

used for the electronic storage or maintenance of documentation, including, but not limited to, official District records.

PRESERVING DISTRICT EMAILS AND OTHER ELECTRONIC COMMUNICATIONS

If an email message, including any attachments, is subject to retention by the District, the email should be preserved by one of the following methods:

- a. Print the email and place the printed copy in the appropriate file. Generally, the sender of the email should be the person responsible for printing and filing it accordingly, but persons responsible for a particular program or project file shall be responsible for retaining all email they send or receive related to that program or project.
- b. Move the email to an electronic folder in the District's computer network. The District's Information Technology staff can assist employees in creating electronic folders for storing email messages outside the email system. Email should NOT be stored on portable media (CDs, DVDs, thumb drives, flash drives, external hard drives, etc.).

If a text message or voicemail message is subject to retention by the District, employees should work with the Information Technology staff to determine the best method for preserving the message. Certain types of text messages may be forwarded to the District's email system. Certain voice mail messages may be preserved as an audio file and attached to an email message. Employees should make all reasonable efforts to preserve texts and voicemails that are subject to retention.

MANAGING DISTRICT EMAIL

Individual employees are responsible for the management of their mailboxes and associated folders. To ensure maximum efficiency in the operation of the email system, staff is encouraged to delete email messages from their in-boxes after (1) the messages have been preserved outside the email system (either printed and filed or moved to an electronic folder within the District's computer network); or (2) the messages have been determined not to be related to District business and are no longer needed. Examples of such messages include: (1) personal email messages; (2) advertisements; (3) newsletters; or (4) interoffice emails not related to District business (e.g., invitations to lunch; announcements regarding birthdays or baby showers, etc.).

It is the responsibility of individual employees to determine if email must be retained in accordance with the District's Record Retention Schedule. The General Manager or his or her designee can assist employees in making such a determination.

RETENTION OF EMAILS FOR CEQA PURPOSES

Pursuant to the California Environmental Quality Act ("CEQA") and this policy, the District shall retain all writings relating to compliance with CEQA or a "project" under CEQA, including, but

not limited to, emails sent or received by the District related to CEQA compliance or the project. (Pub. Res. Code § 21167.6(e); *Golden Door Properties v. Superior Court* (2020) 53 Cal.App.5th 733.) District personnel shall print, save, or otherwise keep such emails in a safe location where they will be retained for the required period.

PUBLIC RECORDS ACT REQUESTS AND SUBPOENAS

Periodically, the District receives requests for inspection or production of documents pursuant to the California Public Records Act, as well as subpoenas or court orders for documents, including emails. In the event that the District receives a records request or subpoena asking for email, the employees having control over such email, once they become aware of the request or demand, shall use their best efforts, by any reasonable means available, to temporarily preserve any existing email until it is determined whether such email is subject to preservation, public inspection or disclosure. The District General Manager shall be contacted regarding any such emails within the employee's control.

Messages sent or received on the District's email system between the District and its attorneys may constitute confidential, privileged communications. Attorney-client communications shall not be disclosed before consulting with the District General Manager and/or the District's Legal Counsel.

PERSONAL EMAIL ACCOUNTS AND OFFICIAL DISTRICT RECORDS

The use of personal email accounts to transmit messages regarding District business should be avoided by all District personnel. In the event that messages regarding District business are received by District personnel through their personal email accounts, District personnel are requested to forward such emails to their District email addresses. District personnel are requested to use only their District email accounts for sending and receiving emails regarding District business.

SEC. 9.6 LITIGATION HOLDS (*REV. 02/19/26; RESOLUTION NO. 26-02*)

Sec. 9.6.1 Purpose

The purpose of this Policy is to define the authority and process for initiating, implementing, monitoring and lifting litigation holds. Federal and state law require parties to a lawsuit pending in federal or state court to preserve electronic data and documents pertaining to the lawsuit, in conformance with the *Federal Rules of Civil Procedure* and the California Electronic Discovery Act. The District has a legal duty to preserve evidence (e.g., all public records in any format, including Electronic Records and other media) when the District has received notice that the evidence may be relevant to pending litigation.

This policy applies to all potential documents/records in any form owned or under the control of the District when a litigation hold has been issued in response to litigation that has been filed, or is anticipated to be filed, against the District or against an employee acting within the scope of his/her employment with the District. Litigation holds apply to all: (1) litigation filed against the District, (2) claims filed against the District under the Government Claims Act, (3) complaints by members of the public, (4) audits, (5) pending records requests under the California Public Records Act, and/or (6) investigations involving the District, whether conducted internally or by a government or law enforcement agency. Litigation holds suspend normal retention periods.

Sec. 9.6.2 Procedure and Responsibilities

The Litigation Hold Procedure shall apply to all public records in any format, including Electronic Records and other media, and include any evidence in any form whatsoever, and data maintained by any department, that may be relevant to litigation, claims, complaints, audits, pending records requests, and/or investigations.

A litigation hold does not require the District to suspend disposal of an entire Records Series / Records Description. The District may properly dispose of records that are not subject to litigation hold that have met or exceeded their retention periods in accordance with the District's records retention policy.

GENERAL PROCEDURE

When any District employee becomes aware of pending litigation or any other formal legal actions against the District, or if any District employee reasonably anticipates that a legal action will commence against the District, (collectively, 'actual or threatened litigation'), the employee should immediately notify the General Manager and/or the District's legal counsel. Upon receipt of such notification, the General Manager and the District's legal counsel shall determine whether to initiate a litigation hold in connection with the actual or threatened litigation, and, if so, shall determine the scope of the litigation hold.

Upon determining that a litigation hold should be issued, the General Manager and the District's legal counsel shall initially determine the recipients of the Litigation Hold Notice. The recipients of the Litigation Hold Notice shall include those individuals that are reasonably likely to have custody or control of relevant Records that are within the scope of the Litigation Hold ('Affected Employees')

The District's legal counsel shall notify the General Manager of any Litigation Hold Notice received from outside or opposing counsel. The District's legal counsel is also responsible for notifying the General Manager when such litigation has been settled.

ALL DEPARTMENTS

Upon receipt of a Litigation Hold Notice, departments must immediately suspend any scheduled document destruction, purging, overwriting, re-using, deleting, or any other disposal of original records regardless of the form or media of the record (electronic, paper, Laserfiche, audio recording, video recording, etc.).

GENERAL MANAGER RESPONSIBILITIES

- The General Manager is responsible for issuing Litigation Hold Notices and removing the holds and will act as the “clearing house” for Litigation Holds for the District.
- The General Manager shall send a Litigation Hold Notice via email to all department directors whose departments may have records pertaining to the litigation. The department directors shall forward the notice to all employees that may have records pertaining to the litigation.
- The General Manager will notify all departments and employees when the litigation hold is removed.
- The General Manager will contact the District’s legal counsel and the District’s insurance carrier at least once a year regarding the status of any existing litigation holds, to determine if such holds should remain in place or can be removed.

EMPLOYEES’ RESPONSIBILITIES

Upon receipt of a Litigation Hold Notice, each Affected Employee shall do the following:

- Acknowledge receipt, understanding, and compliance with the Litigation Hold Notice.
- Immediately suspend the discarding, deletion, overwriting, or any other destruction of all public records in any format, including Electronic Records and other media, that fall within the scope of the litigation hold and are within the Affected Employees’ care, custody, and control.
- Preserve all public records in any format, including Electronic Records and other media currently within the Affected Employees’ care, custody, and control that are within the scope of the litigation hold. Likewise, the Affected Employee must also preserve any new public records generated after the receipt of the Litigation Hold Notice that may fall within the scope of the Litigation Hold. Affected Employees shall contact the General Manager with any questions on suggested methods for preserving Electronic Records. Electronic Records must be preserved in their original electronic form. It is not sufficient to make a hard copy of the record.
- Immediately identify all public records in any format, including Electronic Records and other media within the scope of the Litigation Hold that may be currently maintained on a District-wide system or server.
- Immediately identify any hard copy public records (paper records; photographs; blueprints; etc.) that fall within the scope of the litigation hold that may be currently held in storage or by a third-party records storage provider [e.g., Iron Mountain].

- Identify and inform the General Manager of all public records in any format, including Electronic Records and other media, within the Affected Employees' care, custody and control that fall within the scope of the litigation hold.
- Cooperate with the General Manager and the District's legal counsel in the collection of all public records in any format, including Electronic Records and other media in his/her care, custody and control that are within the scope of the Litigation Hold.

SEC. 9.7 ATTACHMENTS (ENCLOSURE)

Public Records Request Form
Records Retention Schedule
Request for Destruction of Obsolete Records

ARTICLE 10. DISTRICT FUNDS

SEC. 10.1 GENERAL FUNDS

The General Fund of the District shall consist of a general checking account, a payroll account, a petty cash fund, a legal account with the State of California Local Agency Investment Fund (“LAIF”), and investments as may be authorized by the Board.

Sec. 10.1.1 General Checking Account

A general checking account shall be maintained at a local bank. All warrants require two signatures. The General Manager, Director of Administrative Services, Director of Engineering Services, Director of Distribution System or Director of Water Treatment Plant, and any Board Member are authorized to sign these checks. Warrants, authorized by the General Manager, shall be paid after receipt of goods or services or as authorized by agreements or contracts. The Board members present at the next board meeting shall review the paid warrants and indicate their approval by motion or have entered in the minutes their dissatisfaction of any such dispersal and directions for such future expenditures.

Sec. 10.1.2 Payroll Account

A payroll checking account shall be maintained at a local bank. This fund shall be used for the purpose of paying wages and salaries to District employees. The balance thereof shall not exceed Ten Thousand Dollars (\$10,000). The checks drawn on this account require one signature. Those Persons authorized to sign such checks are the General Manager, Director of Administrative Services, Director of Engineering Services, Director of Distribution System or Director of Water Treatment Plant, and any Board Member.

Sec. 10.1.3 Petty Cash

A petty cash and change fund shall be maintained at the District office. The petty cash fund shall be reimbursed as required but shall not contain more than five hundred dollars (\$500).

SEC. 10.2 RESERVE FUNDS

The Board of Directors of the District has established a Reserve Funds Policy to provide for accountability of public monies in accordance with applicable state and federal laws and regulations.

**SEC. 10.3 INVESTMENT POLICY: (GOVERNMENT CODE
SEC. 53646) (REV. 02/19/26; RESOLUTION NO. 26-
02)**

The District shall adopt an investment policy, which will be reviewed by the Board and changed or confirmed annually.

SEC. 10.4 EXHIBITS

[Reserve Funds Policy](#)

[Pension Funding Policy](#)

ARTICLE 11. WATER SERVICE

SEC. 11.1 APPLICATION

Each applicant for water service connection or meter shall sign an application form supplied by the District and shall furnish the legal description and address of the property on which the water is to be used. Applicant shall pay all fees and deposits due the District at that time.

SEC. 11.2 ACCOUNT NAME

Customer accounts shall be opened and maintained in the name of the property owner or person occupying the property to which water service is provided. The owner of the property is responsible for water service bills to the property. If a tenant fails to pay all charges for water service, the District shall notify the owner of the unpaid charges. If the charges are not paid by the owner, the charges will be added to the tax assessment roll and be collected with the property taxes. (Water Code Sec. 25806).

SEC. 11.3 OWNERSHIP OF FACILITIES

Water meters and laterals to meters from the District's distribution lines are the property of the District. All lines and facilities beyond the meter are the property and the responsibility of the property owner.

SEC. 11.4 WATER PRESSURE

The District shall endeavor to maintain water pressure in District lines at no less than the minimum required by the California laws except in an emergency. It is recommended that all customers install a pressure regulator. A pressure regulator is required on all new construction and when the water pressure is over 50psi. The customer shall furnish and maintain the regulator at their expense.

SEC. 11.5 RESALE OF WATER

Resale of water by a District customer for use on other than contiguous properties owned by that customer is prohibited.

Sec. 11.5.1 Sub-Metering and Sub-Billing of Water

Water may be supplied through a master meter to multiple residential, commercial or agricultural units existing on a single county assessor's parcel. Sub-metering and sub-billing will be permitted. The District will not establish the rates at which water is resold. The accuracy of the submeter, submeter reading, sub-billing or collection are not the responsibility of the District. The sub-metering and sub-billing of water does not relieve or shift the responsibility of the property owner from paying the bills to the District.

Sec. 11.5.2 Multi-Unit Residential and Mixed-Use Structures.

As a condition of new water service, each newly constructed multiunit residential structure or newly constructed mixed-use residential and commercial structure for which an application for one or more water service connections is submitted after January 1, 2018, shall measure the quantity of water supplied to each individual residential dwelling unit, unless exempt under applicable law. The measurement may be by individual water meters or submeters. The owner of the structure shall install individual meters or submeters that comply with all laws and regulations governing the approval of meter types or the installation, maintenance, reading, billing, and testing of meters, including, but not limited to, the California Plumbing Code and California Water Code. Except as otherwise provided by law or District policy, the owner shall read submeters.

SEC. 11.6 WASTE OF WATER

Waste of water is prohibited. The District shall terminate service and may remove the meter of any customer knowingly wasting water.

SEC. 11.7 REGULATION OF WATER SERVICE

No person, except a duly authorized employee of the District, shall be permitted to turn on or turn off the water at any connection or open or close any gate valve or other device for regulating the flow or measurement of water in the District's pipelines. Only duly authorized employees of the District shall connect or disconnect any customer's service.

SEC. 11.8 DAMAGE TO DISTRICT PROPERTY

Any damage occurring to meters or other appliances, pipes, or property of the District caused by an intentional act or by carelessness or neglect of the customer, shall be paid for by the customer upon presentation of a bill. Any other person or company damaging District property shall be billed for the cost of repair.

SEC. 11.9 DISTRICT RIGHT OF INSPECTION AND ACCESS

Employees and agents of the District shall have unrestricted access at reasonable hours to all premises supplied by the District to inspect the supply system, meter, or other measuring apparatus and to see that the rules and regulations of the District regarding the taking, use or waste of water are being observed.

SEC 11.10 THEFT OF WATER (*REV. 02/19/26; RESOLUTION NO. 26-02*)

1. Prohibition of Unauthorized Water Use; Administrative Penalties.

- a. For the purposes of this Section 15.8, “unauthorized water use” means any action to divert, tamper, or reconnect water utility services and includes all of the following:
 - i. the use, diversion, receipt or taking of District water by any means from any public fire hydrant, fire hydrant meter, fire detector check, blow-off valve, water main, water service lateral or other District facility or connection to a District facility, to which a District authorized metering device has not been installed or has been removed by the District; and
 - ii. the use, diversion, receipt, or taking of District water by any means without paying the full and lawful District charges for such water, or by tampering with District property or facilities, including but not limited to a fire hydrant, fire hydrant meter, or fire detector check, such as by removing a lock or plug that has been placed on a customer’s service or meter or unauthorized use, or by tampering with a service connection or bypassing a meter, or by making an unauthorized connection, or causing an unauthorized connection to be made, to any District facilities or any public fire hydrant, fire hydrant meter, or fire detector check; and
 - iii. the use of water from a stationary service connection where lawful water service has been discontinued or from a public fire hydrant to supply water outside of the District service area, regardless of whether payment is provided to the District for the water drawn from the public fire hydrant, or any use of a hydrant meter in violation of the terms and conditions of a hydrant meter permit.
- b. Unauthorized water use is prohibited. Each act of unauthorized water use constitutes a misdemeanor.

- c. The District may report any unauthorized water use to the appropriate prosecuting agency and press for prosecution of said activity pursuant to the Penal Code. In addition to pursuing criminal penalties, the District may also, upon discovering unauthorized water use or tampering with District property, pursue the following remedies or any other remedies available at law or in equity:
 - i. turn off water service to correct the violation;
 - ii. confiscate any equipment or tools used to aid in the water theft that are attached to District property. Said equipment shall be held by the District until fines and other charges are paid;
 - iii. charge the customer or perpetrator an administrative penalty:
 1. if the unauthorized water use is committed via meter tampering:
 - a. \$130 for a first violation
 - b. \$700 for a second violation within one year of the first violation
 - c. \$1,300 for a third violation and each additional violation;
 2. All other forms of water theft:
 - a. \$1,000 for a first violation
 - b. \$2,000 for a second violation within one year of the first violation
 - c. \$3,000 for a third violation and each additional violation;
 3. If the unauthorized use is committed via unauthorized connection to a fire hydrant, including the unauthorized use of a fire hydrant, fire hydrant meter, or fire detector check, the District may charge the customer or perpetrator the following administrative penalty. If the District charges the penalty under this subsection, it shall not charge the penalties under sections 1 and 2 for the same violation:
 4.
 - a. \$2,500 for a first violation
 - b. \$5,000 for a second violation
 - c. \$10,000 for a third violation and each additional violation.

2. Other Remedies. In addition to any other remedies provided in Section 15.8 or available under applicable law, the District may also seek damages and/or injunctive relief in the Superior Court or take enforcement action. All remedies provided herein shall be cumulative and not exclusive. If a customer or any other person turns on water service without District authorization, tampers with any locked water meter, tampers with a service connection or District facilities, bypasses a meter, makes or causes to be made an unauthorized connection to District facilities without District permission, or otherwise commits unauthorized water use, the District may:
 - a. turn off the water service and install a lock;
 - b. charge the customer or perpetrator an estimated amount based upon the historical water use, meter use, or other comparable means of estimation (non-customers shall be charged based upon the highest District water rate at the time of the occurrence);
 - c. charge the customer for the damage to the District lock, meter or other property;
 - d. remove the meter and plug the service;
 - e. terminate and remove the service from its connection to the water main;
 - f. charge a deposit of two times the amount of the average use to reestablish service; and
 - g. require the return of any temporary water meter.
3. Payment and Appeal Procedures.
 - a. The District shall calculate the amount of damages and penalty(ies) to be imposed, and shall send a bill to the customer, water user or recipient, or if the offender is not a customer of record, an invoice, for payment of the damages and/or penalty(ies).
 - b. All costs relating to the District's processing and handling of the unauthorized water use, and investigation and enforcement thereof, shall be borne by the party having responsibility for the water account at the time of the unauthorized water use. Charges related to the handling of the unauthorized water use and/or reestablishment of the service shall be borne by the party requesting service in amounts adopted by the District or based on actual costs incurred by the District on a time and materials basis. These charges include, but are not limited to, service call charges, water charges, turnoff of service, plug and/or termination fees. Before the meter will be replaced and service reestablished, the party requesting service shall deposit twice the average monthly water bill, the cost of a new water meter and installation (if required), any increase in capacity fees between the date of removal of the meter and the date service was resumed, in addition to all service call charges, all charges that were delinquent at the time of removal, and an amount representing any damage to District property. The District may enforce payment of any unpaid amounts

through any available legal means, which may include, but not be limited to, placement with an authorized collection agency, transfer of delinquent balances to other active accounts, requiring full payment before establishing future accounts with the District, termination of water service to the account, and/or filing a lien for unpaid amounts.

- c. Where a water account is not assigned, all charges relating to the District's processing and handling of the unauthorized water use, and investigation and enforcement thereof, shall be borne by the party taking the water, including, but not limited to, the cost of any water used outside the District's service area, charges for any damage to District facilities and equipment, and costs of investigation and enforcement. Such charges shall be in amounts established by the District or based on actual costs incurred by the District on a time and materials basis. The District may enforce payment of any unpaid amounts through any available legal means, which may include, but not be limited to, placement with an authorized collection agency, transfer of delinquent balances to active accounts, requiring full payment before establishing any account with the District, and/or filing a lien for unpaid amounts
- d. Any person (an "appellant") who wishes to appeal the imposition of an administrative penalty imposed by the District pursuant to this Ordinance shall comply with the following procedures:
 - i. The appellant shall submit a written appeal request to the District's Director of Administrative Services no later than twenty (20) calendar days from the date of the bill or invoice sent to the customer or offender.
 - ii. A response to the appeal request shall be provided by the District within thirty (30) calendar days from receipt of written appeal.
 - iii. If the appeal to the Director of Administrative Services is denied, the appellant may resubmit the written appeal for review by the District's General Manager. The written appeal shall be resubmitted no later than fifteen (15) calendar days from the date of the denial of the appeal by the District's Director of Administrative Services. The appellant may request to provide evidence in writing or in person in support of his or her appeal to the District's General Manager.
 - iv. If the appeal to the General Manager is denied, the appellant may resubmit the written appeal for review by the District's Board. The written appeal shall be resubmitted no later than fifteen (15) calendar days from the date of the denial of the appeal by the General Manager. The appellant may request to provide evidence in writing or in person in support of his or her appeal to the District's General Manager.
 - v. The decision by the District's Board shall be final.

- vi. Within ten (10) days after the denial of the appeal is deemed final, the appellant shall pay any disputed penalty(ies) imposed by the District.
- vii. The provisions of Section 1094.6 of the Code of Civil Procedure of the State of California shall be applicable to judicial review of the District’s decision.

**SEC. 11.11 PRIORITY FOR DEVELOPMENTS INCLUDING UNITS FOR LOWER INCOME HOUSEHOLDS
(ADDED ON 06/17/21; RESOLUTION NO. 21-09)**

Sec. 11.11.1 Priority

In accordance with Government Code Section 65589.7(a), the District shall grant a water service priority to any “proposed developments that include housing units affordable to lower income households.”

Sec. 11.11.2 Definitions

For purposes of this policy, “proposed developments that include housing units affordable to lower income households” means developments that include dwelling units to be sold or rented to lower income households, as defined in Section 50079.5 of the Health and Safety Code, at an affordable housing cost, as defined in Section 50052.5 of the Health and Safety Code, or an affordable rent, as defined in Section 50053 of the Health and Safety Code.

Sec. 11.11.3 Policies and Procedures

In accordance with Government Code Section 65589.7(b), the District has adopted and shall comply with the following policies and procedures to grant priority to proposed developments that include housing units affordable to lower income households:

1. In reviewing applications for developments, the District shall grant water and service priority, to any "proposed developments that include housing units affordable to lower income households", specified in Government Code section 65589.7, and Water Code section 10631.1.
2. During Water Shortage Response level 2 through 6, any “proposed developments that include housing units affordable to lower income households” shall be given priority in the requirement for providing a “water demands offset” under District’s adopted Water Shortage Contingency Plan and Administration Code.
3. A “water shortage emergency” shall have the meaning of such term in Water Code section 350 and following the District’s Water Shortage Management Plan, as the same may be amended from time to time. See District’s Water Shortage Management Conditions in the District’s adopted Water Shortage Contingency Plan and Administration Code.

4. The District shall include projected water use for lower income households in its urban water management plan consistent with Section 11.11.5 of this Code and Water Code section 10631.1.
5. In the event of water shortage emergencies, the District shall take into account lower income housing service priority when connecting water services consistent with Government Code section 65589.7(b).
6. When the District makes water determinations regarding a proposed subdivision, lower income housing shall be given priority for connecting to water services consistent with Government Code section 65589.7.

Sec. 11.11.4 Denials and Conditional Approvals of Applications

In accordance with Government Code Section 65589.7(c), it is further established that the District shall not deny or condition the approval of an application for water services to, or reduce the amount of such services applied for by, a proposed development that includes housing units affordable to lower income households unless the District makes specific written findings that the denial, condition, or reduction is necessary due to the existence of one or more of the following:

1. The District does not have a “sufficient water supply” as defined in Government Code 66473.7(a)(2), or the District is operating under a water shortage emergency as defined in Section 350 of the Water Code, or the District does not have sufficient water treatment or distribution capacity to serve the needs of the proposed development, as demonstrated by a written engineering analysis and report;
2. The District is subject to a compliance order issued by the State Department of Health Service that prohibits new water connections;
3. The applicant has failed to agree to reasonable terms and conditions relating to the provision of service generally applicable to development projects seeking service from the District, including, but not limited to, the requirements of local, state, or federal laws and regulations or payment of a fee or charge imposed pursuant to Section 66013 of the Government Code.

Sec. 11.11.5 Including Projected Water Use in Urban Water Management Plan

In preparing its Urban Water Management Plan and any updates thereto pursuant to Part 2.6 (commencing with Section 10610) of Division 6 of the Water Code, the District’s water use projections required by Water Code section 10631 shall include projected water use for single-family and multifamily residential housing needed for lower income households, as defined in Section 50079.5 of the Health and Safety Code, as identified in the housing element of any city, county, or city and county in the service area of the District.

Sec. 11.11.6 No Entitlement to Service Created

As further evidenced by Water Code sections 10635(d)-(e) and 10914, and Government Code section 66473.7(m)-(n), nothing in this Section 11.11 is intended or shall be construed as creating a right or entitlement to water service or any specified level of water service, nor shall this Section 11.11 be construed to either impose, expand or limit any duty concerning the District's obligation to provide service to its existing customers or to any future potential customers.

SEC. 11.12 STATE LAWS (REV. 02/19/26; RESOLUTION NO. 26-02)

For the protection of the District's and public water supplies, many offenses are by state law made misdemeanors for which the offender may be criminally prosecuted. These include:

Section 498, Penal Code: Taking water without authority or by making unauthorized connections.

Section 592, Penal Code: Taking water from flume or reservoir.

Section 607, Penal Code: Injuring tanks, flumes, reservoirs, etc.

Section 624, Penal Code: Breaking, digging up, obstructing, or injuring pipes, etc.

Section 625, Penal Code: Taking water after works have been closed or sealed.

Section 117000, Health and Safety Code: Bathing (swimming) in lakes or reservoir

ARTICLE 12. WATER RATES AND BASE METER FEES

SEC. 12.1 BASE METER FEE

All meters will be charged a bi-monthly fee depending upon meter size.

SEC. 12.2 WATER RATES

Water rates will be established from time to time by the Board of Directors.

Sec. 12.2.1 Agricultural Water Rate (*Rev. 02/19/26; Resolution No. 26-02*)

This rate applies to water use for agricultural purposes and is considered to be agricultural under the rules and regulations of the Santa Fe Irrigation District.

The following definitions are applicable to the District's Commercial Agricultural Water Program (Program), established in this Article 12:

1. Agricultural commodity means any and all plant and animal products produced in the State for commercial purposes, including, but not limited to, plant products used for producing biofuels. (Government Code § 51201)
2. Agricultural use is defined as the use of land, including but not limited to greenhouses, for the purpose of producing an agricultural commodity for commercial purposes. (Government Code § 51201)

Eligibility requirements for customer participation in the Program include the following:

1. Enrollment in one of the following San Diego Regional Water Quality Control Board (Regional Board) or County of San Diego program lists:
 - a. Regional Board General Agricultural Orders Enrollment List
 - b. Growers List
 - c. Active Certified Producers
 - d. Organic Producers

2. Approved backflow prevention device is required for properties where commercial agricultural operations are conducted.

The following definitions are applicable to the Permanent Special Agricultural Water Rate (PSAWR) Program, established in this Article 12:

1. Agricultural commodity means any and all plant and animal products produced in the State for commercial purposes, including, but not limited to, plant products used for producing biofuels. (Government Code § 51201)
2. Agricultural use is defined as the use of land, including but not limited to greenhouses, for the purpose of producing an agricultural commodity for commercial purposes. (Government Code § 51201)
3. Eligibility requirements for customer participation in the Program include the following:

Enrollment in one of the following San Diego Regional Water Quality Control Board (Regional Board) or County of San Diego program lists:

- a. Regional Board General Agricultural Orders Enrollment List
 - b. Growers List
 - c. Active Certified Producers
 - d. Organic Producers
4. Parcels receiving a special agricultural water rate should be in compliance with the San Diego Regional Water Quality Control Board's General Agricultural Order.
 5. Approved backflow prevention device is required for properties where commercial agricultural operations are conducted.

Sec. 12.2.1.1 Application and Agreement

Each customer wanting to participate in the PSAWR Program shall apply for eligibility review by completing both the San Diego County Water Authority PSAWR Enrollment Form & Santa Fe Irrigation District PSAWR Program Application. Both must be submitted to the District fully completed and signed, along with any required documentation and payment of the application fee listed in the District's rate schedule. Application does not guarantee approval – approval is contingent on continually maintaining all program requirements, subject to annual certification and audit.

Sec. 12.2.1.2 Metering of Commercial Agricultural Water & Backflow Requirement

All water use for commercial agriculture shall be metered through a dedicated water meter;
OR

For properties that have a combined agricultural/domestic account, the rates to be charged and collected for water supplied to accounts where a portion of water is used for agricultural purposes and a portion of water is used for domestic purposes shall be as follows:

1. Same rates as Domestic for first 44 units of water consumed on a bi-monthly basis.
2. Same rates as agricultural/irrigation for consumption greater than 44 units on a bi-monthly basis.

All commercial agriculture customers shall have an approved backflow prevention device where commercial agricultural operations are conducted.

Sec. 12.2.1.3 Certification and Audits

Participants in the PSAWR Program shall certify program participation eligibility each calendar year by verifying proof of enrollment on one of the lists detailed in section 12.2.1. The District will be able to, at any time, conduct a field audit of the property to verify the agriculture use described by the participant and verification of a backflow device. A participant's failure to comply with the certification and audit provisions under this section may result in their removal from the PSAWR Program.

Sec. 12.2.1.4 PSAWR Fee

An annual PSAWR fee, as noted in District Fees and Charges will be assessed to PSAWR customers to participate in the program. This fee is non-refundable.

Sec. 12.2.1.5 Service Limitation and Compliance Revisions

1. Service Limitation Requirement

During any declared water shortage or supply reduction period as determined by the San Diego County Water Authority (SDCWA) or the Metropolitan water District (MWD), the District shall implement corresponding service limitations for customers participating in the PSAWR Program. PSAWR customers shall receive a reduced level of water supply reliability and may be required to reduce water use in accordance with directives issued by the SDCWA and/or MWD. The District shall ensure these limitations are passed through directly to PSAWR customers consistent with applicable regional water-shortage allocation plans.

2. Pass Through of Rate differentials and Benefits

The District shall ensure that all PSAWR related wholesale rate differentials, storage charge cost benefits and supply reliability cost reduction received from the SDCWA are passed through to participating customers.

3. Compliance with SDCWA Requirements

Participation in the PSAWR program shall be subject to the implementation policies and ordinances adopted by SDCWA, including SDCWA Ordinance No. 2020-04, as may be amended. The General Manager or designee is authorized to take any administrative actions necessary to ensure continued compliance with the PSAWR Program, including communication with the SDCWA

4. Annual Certification and Reporting

The District shall annually certify to the SDCWA that:

- a. All PSAWR rate differential benefits are fully passed through to participating customers; and
- b. Service limitation provisions are properly implemented during water storage periods. PSAWR customers must annually recertify eligibility through active enrollment on one of the recognized agricultural lists specified in section 12.2.1 and comply with all verification and audit requirements. Failure to comply may result in removal from the PSAWR program

5. Authority for Implementation

The General Manager is authorized to adopt administrative procedures and guidelines as necessary to carry out this section and to maintain District eligibility in the SDCWA PSAWR program.

Sec. 12.2.2 Water Delivered to Other Water Agencies

The San Diego County Water Authority (the Authority) will charge the other agency for the quantity of potable water delivered to the other agency. Santa Fe Irrigation District will bill the other agency for treatment and transportation at a cost equal to the Authority charge for treated water plus the cost of transportation.

Sec. 12.2.3 Pass Through

The General Manager will review annually all adjustments made to fees and charges for wholesale water and water-related services. The General Manager shall make a recommendation to the Board of Directors. The Board will determine the appropriate portion to be passed through to the consumer.

SEC. 12.3 EXHIBITS

Water Rates

ARTICLE 13. BILLING PROCEDURES

SEC. 13.1 BILLS AND PAYMENTS

Meters for potable water will be read by Santa Fe Irrigation District (the District) bi-monthly. This will be done on approximately the same day each month. Bills are due and payable when mailed and are delinquent if not paid within 7 days from the date of mailing.

Bills can be paid in person at the District office or by mail. District field and service personnel are not authorized to receive payments for water bills.

Sec. 13.1.1 Payment Options

The District accepts payments by cash, check or through District's customer online portal. Credit card payments may be made through the District's customer online portal may incur a fee based on the amount of the transaction.

SEC. 13.2 BILLING DISPUTE (*REV. 02/19/26; RESOLUTION NO. 26-02*)

Any customer desiring to initiate a complaint or request an investigation concerning services or charges shown on this bill must do so within 5 days of receipt of the bill. For purposes of this section, a bill is deemed received 5 days after mailing. Any such complaint or request must be in writing and filed with the Director of Administrative Services. The review will include consideration of whether the customer may receive an extension, amortization, or other payment arrangement. If the customer is dissatisfied with the decision of the Director of Administrative Services, the customer shall have the right to appeal the decision to the District's Board of Directors by filing a written appeal with the Board Secretary within 7 days of the decision of the Director of Administrative Services. The District Secretary will set the matter to be heard at an upcoming Board meeting and provide notice of the time and place of the meeting at least 10 days before the meeting either through mail and / or email. The decision of the Board is final. The District will not discontinue residential water service for nonpayment while a bill is subject to a timely dispute, complaint, or appeal.

SEC. 13.3 FINANCIAL ASSISTANCE

The District offers customers the option of installment payments or a 30-day deferral on one bill every 12-month period. Information may be obtained by telephone at the District office at (858)

756-2424, weekdays between the hours of 7:30 a.m. to 4:00 p.m. except on alternating Fridays the office is closed. The District will not discontinue residential water service for nonpayment while the customer is complying with an installment payment plan or deferral. However, if a customer does not comply with the terms of the installment payment plan or deferral or pay current residential service charges, the District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least seven (7) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the District.

The District shall waive one delinquency penalty every 12-month period for any residential customer upon request.

SEC. 13.4 ESTIMATED BILLINGS

Should any meter in service fail to register, or should the District be unable to read the meter for reasons beyond the control of the District, the amount of water used shall be estimated by the District by comparing it to the same billing period in previous years.

SEC. 13.5 BILLING ADJUSTMENT

The District reserves the right to adjust a bill to correct any error that may be found. If the error is in favor of the customer, a refund or credit shall be given to the customer. If the error is in favor of the District, the customer shall be billed for the deficiency. No adjustment shall be made for an error that occurred for more than 18 months before the adjustment unless expressly approved by the Board.

SEC. 13.6 CHECKS RETURNED - NOT SUFFICIENT FUNDS

A service charge shall be imposed and added to the amount due the District for any check that is not honored for any reason by the customer's bank.

SEC. 13.7 COLLECTION PROCEDURES (REV. 02/19/26; RESOLUTION NO. 26-02)

Sec. 13.7.1 Single Family Residence/No Change of Tenant or Ownership

Bills for water service are delinquent if not paid within seven (7) days from the date of mailing and water service will be terminated no less than 60 days after bills become delinquent. A penalty equivalent to 10% of the original bill will be assessed if not paid within 35 days of the date of mailing. The District shall contact the customer via written notice and / or by

telephone when this 10% penalty has been assessed. At least 17 working days prior to the termination of service, the District shall make a reasonable, good faith effort to contact an adult person residing at the property by telephone or written notice. A discontinuance notice, charged to the customer at the District's current door hanger fee rate, will also be placed on the property at least seven (7) days prior to the termination of service. A shut-off fee will be added after the expiration of these seven (7) days, in addition to the 10% penalty and door hanger fee, whether or not service is discontinued. If the total bill is \$25.00 or less, there will be no steps taken for collection at this time.

In addition, if the owner, manager, or operator of the property is the customer of record or if the customer of record's mailing address is not the same as the service address, the District will also send a notice to the tenants living at the service address at least seven (7) days before discontinuation of water service.

Sec. 13.7.2 Multi Unit Services

Bills for water service are delinquent if not paid within seven (7) days from the date of mailing and water service will be terminated no less than 60 days after bills become delinquent. A penalty equivalent to 10% of the original bill will be assessed if not paid within 35 days of the date of mailing. The District shall contact the customer via written notice and / or by telephone when this 10% penalty has been assessed. At least 17 working days prior to the termination of service, the District shall make a reasonable, good faith effort to contact the customer of record or an adult person at the customer's address by telephone or written notice. At least ten (10) days prior to the termination of service a "Notice of Intent to Disconnect Water Service" will be placed on bulletin board areas where most residents would see it, i.e., recreation rooms, mail rooms, in apartment buildings or mobile home parks. In the case of duplexes serviced by one meter, both sides will receive notice.

The procedures in this section apply to master-metered properties and individually metered service in a multi-unit residential structure, mobile home park, or farm labor camp where the owner, manager or operator is the customer of record.

Sec. 13.7.3 Procedures for Tenants to Become Customers on Delinquent Accounts

If a tenant of any residential property is not a customer of the District and billing for the property becomes delinquent, the tenant may become a customer of the District and not be responsible for the delinquent amount with verification that the delinquent account customer is or was the landlord, manager, or agent of the property. Verification may include a lease or rental agreement, rent receipts, a government document indicating that the resident is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code. The District will make service available to the tenants if each tenant agrees to the terms and conditions of

service. Alternatively, if one or more of the tenants are willing and able to assume responsibility for all subsequent charges to the account to the satisfaction of the District, or if there is a physical means legally available to the District of selectively discontinuing service to those tenants who have not met the District's terms and conditions of service, the District will make service available to the tenants who have met those terms and conditions.

Sec. 13.7.4 Discontinuation of Service for Vulnerable Peoples

The District shall not discontinue residential service for nonpayment for any customer that meets all of the following conditions:

- a) The customer, or tenant of the customer, shall submit certification from a primary care provider (*internist, general practitioner, obstetrician-gynecologist, pediatrician, family practice physician, nonphysician medical practitioner, or any primary care clinic, rural health clinic, community clinic or hospital outpatient clinic currently enrolled in the Medi-Cal program, which agrees to provide case management to Medi-Cal beneficiaries*) that discontinuation of service will be life threatening or pose a serious threat to the health and safety of a resident of the premises;
- b) The customer declares that the household annual income is less than 200 percent of the federal poverty level or provides current documentation that any member of the household is a recipient of: CalWORKs; CalFresh; general assistance; Medi-Cal; Supplemental Security Income / State Supplementary Payment Program; or California Special Supplemental Nutrition Program for Woman, Infants, and Children; and
- c) The customer is willing to agree to installment payments with respect to the past-due charges.

For any customers who meet all of the above conditions, the District will offer an installment payment plan for the past due charges. The customer is responsible for demonstrating that the conditions above have been met.

Any customer that does not comply with the terms of the installment payment plan or pay current residential service charges for 60 days or more will be subject to discontinuation of water service. The District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the District.

Service shall not be discontinued while the District works to confirm that the conditions of this section have been met.

Sec. 13.7.5 Transfer of Outstanding Balances Between Customer Accounts

This section applies when:

1. A customer terminates water service at a property and a final bill is issued; and
2. The final bill reflects an outstanding balance remaining unpaid in whole or in part; and
3. The same customer thereafter establishes new water service with the District at the same or a different service address.

(a) **Transfer of Balance.** Upon establishment of a new water service account by the customer, the District may transfer the outstanding balance from the closed account to the new account without further notice, and such balance shall be deemed part of the charges due and owing on the new account.

(b) **Customer Identity.** For purposes of this section, “same customer” includes, but is not limited to, an individual, joint account holders, legal entity, or responsible party identified by the District as having incurred and being responsible for the charges on a prior account and/or at a prior service address.

(c) **Payment Obligations.** Any balance transferred pursuant to this section shall be subject to all applicable payment terms, late fees, penalties, collection procedures, and service disconnection provisions as set forth in the District’s rules, regulations, and rate schedules.

(d) **No Limitation on Other Remedies.** The transfer of an outstanding balance under this section shall not limit or waive the District’s right to pursue any other lawful remedies for collection of unpaid amounts.

(e) **Finality.** The District’s determination regarding the existence and transfer of an outstanding balance shall be final and conclusive, subject only to any administrative review procedures expressly provided by District ordinance or policy.

SEC. 13.8 CHARGES TO REINSTATE TERMINATED SERVICES

The following conditions apply to the preceding Single-Family Residence and Multi Unit Services. Service that has been terminated for non-payment will be reinstated upon the payment of all sums owed the District. When one parcel or contiguous parcels are served by more than one meter which are billed to the same customer, and both are delinquent at the same time, only one service fee will be charged if full payment of all charges are made at one time. If the charges are not paid for all meters at one time, a service fee will be charged for each meter.

SEC. 13.9 TIME TO RESTORE SERVICE

Water service will be turned on only between the hours of 7:30 a.m. and 3:30 p.m. on business days of the District. Service may be turned on after hours if the customer agrees to pay all charges by noon of the next working day and if during the preceding 12-month period the customer has not been notified of the intention of the District to terminate service.

SEC. 13.10 DAMAGE TO DISTRICT FACILITIES

If a customer breaks or damages any locking devices or equipment to turn on his/her water service after it has been turned off for non-payment, the District will remove the water meter. The meter will not be replaced until all water charges, penalties, fees and cost of damage to the equipment are paid plus \$100.00 to cover the expense of removing the meter to terminate service.

SEC. 13.11 FINAL BILL – CHANGE OF TENANT/NO CHANGE OF OWNERSHIP

A final bill will be sent to the tenant. At that time a copy of the final bill will be sent to the legal owner with a letter notifying the owner of the bills. Final bills are due 14 days from the mailing date and if unpaid the owner will then be notified that payment is past due. If the final bill is unpaid 40 days after mailing it to the owner a 10% penalty will be added. The bill, plus a processing fee, will be added to the next tax assessment roll and shall become a lien on the property of the owner.

SEC. 13.12 FINAL BILL - CHANGE OF PROPERTY OWNERSHIP (REVISED JULY 18, 2024; RESOLUTION NO. 24-10)

The final bill will be sent to the former owner. The final bill is due and payable 14 days from the date of mailing. If the final bill is unpaid 14 days after mailing, a 10% penalty will be added. If the final bill remains unpaid after 90 days from the date of mailing, the District may pursue all remedies available in law or equity for nonpayment of the final bill, including, but not limited to filing a claim or legal action or referring the unpaid amount to collections. In the event a legal action is decided in favor of the District, the District shall be entitled to the payment of all costs and expenses, including attorney's fees, the 10% penalty, and accumulated interest.

SEC. 13.13 BANKRUPTCY OF CUSTOMER

Pursuant to the Bankruptcy Act (P.L. 95-598), the District shall not alter, refuse or discontinue service to, or discriminate against, a customer or a trustee of a customer, solely on the basis that a debt owed by the customer to the District for service rendered before the order for relief was not paid when due. It shall be the responsibility of the customer to supply the District with a copy of any applicable order for relief. The District shall discontinue service if neither the customer, nor the trustee, within 20 days after the date of the order for relief, furnishes adequate assurance of payment in the form of a deposit for service after such date. As used herein “adequate assurance of payment” shall mean a cash deposit in an amount equal to the highest of the last six billings rendered to the customer’s property, or for the customer’s property, if the customer has not occupied the property for that period of time, prior to the order for relief. As used herein, “order for relief” shall have the same meaning as given to it in the Bankruptcy Act. The commencement of a voluntary case under the Bankruptcy Act shall constitute an order for relief. Service may be discontinued in accordance with the rules of the District upon nonpayment for service rendered after the order of relief.

SEC. 13.14 IDENTITY THEFT PREVENTION POLICY

Sec. 3.14.1 Purpose

The Fair and Accurate Credit Transaction Act of 2003 (“FACTA”), section 114, as implemented by the Red Flag Rules, 16 C.F.R. § 681.1, issued by the Federal Trade Commission, along with other federal agencies, requires creditors of customer accounts to implement an Identity Theft Prevention Policy. Pursuant to the regulations, the Santa Fe Irrigation District (“District”) is a creditor because it provides services to customers prior to receipt of payment through customer accounts, including utility service accounts, which are maintained primarily for personal, family, or household purposes and involve multiple payments or transactions, and for which there is a reasonably foreseeable risk of identity theft. Therefore, the District is required to implement an Identity Theft Prevention Policy.

The purpose of this Identify Theft Prevention Policy (“Policy”) is to detect, prevent, and mitigate identity theft in connection with all customer accounts, taking into consideration the level of risk for identity theft given the District’s scope of services provided and the types of accounts. This Policy is created to identify patterns, practices, and specific activities that indicate the possible existence of identity theft, hereinafter referred to as “Red Flags.” The Policy sets forth the procedures for detecting Red Flags and responding to Red Flags when discovered.

Sec. 13.14.2 Definitions

“*Customer account*” shall mean a utility service account or other account provided by the District that constitutes a “covered account” under the Red Flag Rules.

“*Identity theft*” shall mean a fraud committed or attempted using the personal identifying information of another person without his/her authority.

“*Personal identifying information*” shall mean information that may be used to identify a specific person, including, but not limited to, a social security number, date of birth, government issued driver’s license or identification number, government passport number, unique biometric data such as fingerprints or physical appearance, any unique electronic identification number, telephone number or address.

“*Red Flag*” shall mean a pattern, practice or specific activity that indicates the possible existence of identity theft as defined in the Red Flag Rules, and as specifically enumerated in Section V.

Sec. 13.14.3 Designation of Authority

The Board of Directors of the District designates to the General Manager or his designee the authority to develop, oversee, implement, and administer the Policy.

As part of the General Manager or his designee’s oversight responsibilities for the Policy, the General Manager or his designee is required to review and approve all material changes to the Policy as necessary to address changing identity theft risks. The General Manager or his designee is also responsible for reviewing reports prepared by the District’s staff regarding the District’s compliance with FACTA and the Red Flag Rules requiring the implementation of an Identity Theft Prevention Policy.

Sec. 13.14.3.1 Compliance Reports to be Prepared By District Staff (Rev. 02/19/26; Resolution No. 26-02)

The General Manager or his designee will designate the District staff involved with the implementation of the Policy to prepare reports regarding the District’s compliance with FACTA and the Red Flag Rules requiring the implementation of an Identity Theft Prevention Policy. The reports should address material matters related to the Policy, such as the following:

- a) The effectiveness of the District’s policies and procedures to address the risk of identity theft in connection with opening customer accounts, as well as with existing accounts. This includes identifying any issues related to identifying, detecting to the General Manager or his designee and responding to Red Flags;

- b) Third-party service provider arrangements;
- c) Significant incidents of identity theft or Red Flag detection, and the District's responses to those incidents;
- d) Recommendations for material changes to the Policy to ensure that customer accounts are adequately protected from the risk of identity theft.

The reports should be prepared at least annually for review by the General Manager or his designee and/or the Board of Directors of the District.

Sec. 13.14.3.2 Red Flags Identified by the District

In identifying the Red Flags applicable to the District's customer accounts, the District considered the following risk factors:

- a) The types of accounts the District maintains;
- b) The methods the District provides to open customer accounts;
- c) The methods the District provides to access to customers' accounts;
- d) The District's previous experiences with identity theft in connection with the customer accounts.

The Red Flags identified in this Policy have been incorporated from sources, which include supervisory guidance, past incidents of identity theft, and changes in methods of identity theft risk.

The District's Identified Red Flags are as Follows:

- a) ***Suspicious Documents:***
 - Documents used for identification purposes appear to have been altered or forged.
 - The photograph or physical description on the identification documents do not match the appearance of the person presenting the identification.
 - Other information in identification documents does not match the information provided by the individual presenting the identification documents.
 - Other information in the identification documents does not match the information on file with the District.
 - The application to open the account appears to have been forged, altered, or gives the appearance of having been destroyed and reassembled.
- b) ***Suspicious Personal Identifying Information:***
 - Personal identifying information is inconsistent with other personal identifying information provided by the customer, such as a date of birth that does not correlate.
 - Personal identifying information provided is associated with known fraudulent activity, as indicated by internal or third-party sources, such as the address or phone

number on an application was previously provided on another fraudulent application.

- Personal identifying information is of a type commonly associated with fraudulent activity, as indicated by internal or third-party sources, such as a fictitious address, or an invalid phone number.
 - The address or telephone number provided is the same as other individuals attempting to open an account or existing customers.
 - The individual opening the account cannot provide all of the required personal identifying information for an application.
 - Personal identifying information is inconsistent with the information provided by the customer on file with the District.
 - Where challenge questions are used by the District to verify the identity of an individual, the individual claiming to be the customer cannot answer challenge questions correctly.
- c) ***Unusual Use of or Other Suspicious Activity Related to a Customer Account:***
- Shortly after receiving a notice of change of address for the account, the District receives a request to add another name to the account.
 - A new account is used in a manner commonly associated with known patterns of fraud, such as a first payment is made, and then no subsequent payments are made.
 - An inactive account becomes active.
 - Mail sent to the customer is returned repeatedly.
 - The District is notified that a customer is not receiving his/her paper account statements.
 - The District is notified of unauthorized transactions on a customer's account.
- d) ***Notice of Possible Identity Theft:***
- The District is notified by a customer of possible identity theft in connection with his/her account.
 - The District is notified by a victim of identity theft of possible identity theft in connection with a customer account.
 - The District is notified by law enforcement of possible identity theft in connection with a customer account.
 - The District is notified by others of possible identity theft in connection with a customer account.

Sec. 13.14.3.3 Procedures for Detecting Red Flags

The following procedures are being implemented by the District to detect the Red Flags identified with opening of accounts and existing accounts identified above:

- a) Obtain personal identifying information of an individual to verify his/her identity prior to opening an account.

- b) Authenticate the identity of customers when they are requesting information about their accounts.
- c) Authenticate the identity of customers when they are requesting to make any changes to their accounts.

Members of the District's staff will be assigned and trained to detect Red Flags.

In addition, the District may employ the services of a third-party service provider and/or utilize computer software programs to assist in detecting Red Flags.

Sec. 13.14.3.4 Procedures for Responding To Red Flags

In order to prevent and mitigate identity theft, and after taking into consideration the risks of identity theft applicable to the customer accounts, the District implements the following procedures to respond to all Red Flags that are discovered. One or more of these procedures will be used each time a Red Flag is detected:

- a) Monitor accounts for evidence of identity theft.
- b) Change or add a password, security code, or other device that provides access to the account.
- c) Reopen an account with a new account number
- d) Close an existing account.
- e) Not open a new account.
- f) Not attempt to collect on an account.
- g) Notify law enforcement.
- h) Determine that no response is warranted given the particular circumstances.
- i) Ask the customer to appear in person with government issued identification.
- j) Do not provide account information to anyone other than the account holder, or other individual authorized by the account holder.
- k) Update all account information.
- l) Deactivate payment method, such as a credit card registered for online payment.
- m) Connect or disconnect service.
- n) Initiate an investigation.

In addition to any of the actions above, the General Manager or his designee will be notified of any Red Flags discovered.

Sec. 13.14.3.5 Training of Staff

The District staff that will be directly involved with opening customers' accounts or servicing customer accounts in a manner that would place them in a position to detect Red Flags or allow them access to customers' private information shall be trained to detect Red

Flags and appropriately respond when Red Flags are discovered. The District's staff participation is crucial to the effective implementation of this Policy.

The General Manager or his designee will oversee all staff training to ensure that training is adequate to ensure effective implementation of the Policy.

Sec. 13.14.3.6 Oversight of Third-Party Service Provider Involved with Customer Accounts

If the District employs a third-party service provider to perform any activity in connection with a customer account, the General Manager or his designee is responsible for ensuring that the activity is conducted in compliance with reasonable policies and procedures to detect, prevent and mitigate the risk of identity theft. This may be achieved by requiring that a third-party service provider has policies and procedures to detect the Red Flags identified by the District, and also requiring the third-party service provider to review the District's Policy and agree to report any Red Flags to the General Manager or his designee.

Sec. 13.14.3.7 Use of a Third-Party Service Provider to Assist in the Implementation of the Policy (Rev. 02/19/26; Resolution No. 26-02)

The District may hire a third-party service provider in order to implement this Policy. The third-party service provider may provide services such as the implementation and administration of computer software programs that detect Red Flags. If a third-party service provider is used to assist in the detection of Red Flags, the third-party service provider is required to immediately notify the General Manager or his designee if any Red Flags are discovered.

The General Manager or his designee is responsible for overseeing any third-party service provider in an appropriate and effective manner. The General Manager's or his designee's oversight shall include periodic meetings and/or receipt and review of periodic reports from the third-party service provider regarding what services are being provided, any Red Flags that have been detected, and any possible modifications to the services provided to increase the effectiveness.

Sec. 13.14.3.8 Periodic Identification of Customer Accounts

The General Manager or his designee will periodically review the types of accounts the District maintains for customers to determine which are "covered accounts" under the Red Flag Rules and therefore are subject to this Policy.

Sec. 13.14.3.9 Periodic Update of the Policy (Rev. 02/19/26; Resolution No. 26-02)

This Policy shall be updated periodically to ensure that the identified Red Flags, the procedures to detect Red Flags, and the responses to the Red Flags when discovered adequately protect customers from identity theft. The updating of the Policy should take into consideration any changes in the customers' level of risk of identity theft by looking at the following factors:

- a) The District's recent experiences with identity theft in connection with the customer accounts.
- b) Changes in methods of identity theft.
- c) Changes in methods of detecting, preventing and mitigating identity theft.
- d) Changes in the types of customer accounts offered.
- e) Changes in arrangements with any third-party service providers involved in the implementation of the Policy.

The General Manager or his designee may recommend modifications to the Policy. However, any modification to the Policy may not be implemented unless first approved by the Board of Directors of the District.

SEC. 13.15 EXHIBITS

Miscellaneous Fees and Charges

ARTICLE 14. METERS

SEC. 14.1 LOCATION

All property served by a single meter must be under one ownership. Condominiums and mobile home parks are considered to be under one owner. Santa Fe Irrigation District (the District) reserves the right to regulate the size, character and location of each meter and service. Water meters shall be located on county property, in the county rights-of-way or in District easements. If applicable, prior to installation of new or relocated meters, the property owner will be required to execute an easement that provides access and private utility rights to the District, and to provide documentation, such as a recorded easement and/or title report, demonstrating the property owner has the right to install private utility facilities on their side of the meter.

SEC. 14.2 METER SIZE

The maximum size of meters allowed will comply with the following criteria.

Sec. 14.2.1 Single residential and agricultural

A single-family house may not be served from a two-inch (2") or larger meter. A separate small meter must serve the residence. This applies to all installations after October 1975.

Where the static pressure at the elevation of the house site is 74 psi or less, normally one meter size larger may be approved by the Manager based on adequate design calculations showing need. In a pressure area of 74 psi or less, a 1-1/2" meter would be allowed if needed on a 2.0 to 5.99 acre parcel without a house. An additional 3/4" meter would be allowed for a house.

As property is divided, the District, at its expense, will replace an over-sized meter at the same location with a smaller meter to comply with this meter sizing.

Existing 2" meters serving single-family residences will be replaced with smaller meters when the 2" meter is to be repaired and if the quantity of flow through the smaller meter is adequate.

| <u>Acreage Size</u> | <u>Maximum Meter Size</u> |
|-----------------------------------|---------------------------|
| Up to .99 | 3/4" |
| 1.0 to 1.99 | 1" |
| 2.0 to 5.99 with or without house | 1-1/2" |
| 6.0 to 8.99 without house | 1-1/2" |
| 6.0 to 8.99 with house | 1-1/2" and 3/4" |
| 9.0 to 15.0 without house | 2" |
| 9.0 to 15.0 with house | 2" and 3/4" |

Greater than 15 acres: Maximum of 50 gpm for first two acres plus 12 gpm for each additional acre. The design flows will be based on AWWA maximum rated meter capacities.

Sec. 14.2.2 Residential Meter Sizing for Less Than One Acre (Rev. 02/19/26; Resolution No. 26-02)

Where a plumber states that a 3/4" meter size is inadequate, the plumber must submit a list with numbers and types of fixture units within the house.

If the total fixture units of a house exceed 35, a one-inch (1") meter will be allowed.

Total fixture unit count includes combined hot and cold-water demand from the latest California Plumbing Code.

| <u>Fixture Units</u> ____ | <u>Number of Fixtures</u> <u>Private Use</u> |
|--|---|
| Bar sink | 1 |
| Bathtub (with or without shower over) | 4 |
| Hose bib or sill cock (standard type) | 2.5 |
| Kitchen sink | 1.5 |
| Laundry tub or clothes washer (each pair of faucets) | 4 |
| Lavatory | 1 |
| Lavatory (Dental) | 1 |
| Lawn sprinklers (standard type, each head) | 1 |
| Shower (each head) | 2 |
| Sink bar | 1 |
| Sink or dishwasher | 1.5 |
| Water closet (flush tank) | 2.5 |

Multiple residential dwellings will be sized according to the latest California Plumbing Code. No additional allowances will be made for irrigation. Irrigation must be scheduled at time to not interfere with domestic use.

SEC. 14.3 METER CAPACITY FEE (REV. 02/19/26; RESOLUTION NO. 26-02)

A capacity fee, based upon the meter size, will be charged to each applicant for service in addition to the cost of installing the meter. The fee will be established from time to time by the Board of Directors. Unless otherwise required by applicable law, the fee shall be paid when applying for a meter.

If water service is in existence and will be changed at the time the property is being divided, credit for a capacity fee will be given based upon the size of the meter being removed. The credit will be given to reduce any additional capacity fees for meters being added to the same property at the time of subdivision of land or upon a request to increase the size of an existing meter. No cash rebate will be made for removal of a meter or reduction in meter size, and credits may not be transferred from one property to another. No credit will be given to owners subsequent to the owners who removed the meter or to the same owner at a later date.

The capacity fee for meters larger than two inches (2”) will be computed as follows:

For service applications requiring meter sizes greater than two inches, the “capacity fee” shall be the same dollars per gpm as the dollars per gpm of the capacity fee of the 3/4 inch meter. Charges for installation of the service line and meter will be imposed in addition to the capacity fee.

Sec. 14.3.1 Public Agencies

Capacity Charges for Public Agencies. Any district, public authority, local agency, or other political subdivision or public corporation of this State, other than those described in Section 14.3.2 below (Gov. Code, § 54999.1(e)), shall pay the District’s capacity charges as they exist and may be imposed or adjusted from time to time. (Gov. Code, § 54999.2.)

Sec. 14.3.2 Schools and State Agencies

Capacity Charges for School and State Agencies. The imposition of the District’s capacity charges on any school district, county office of education, community college district, the California State University, the University of California, or any state agency (as defined in Government Code section 54999.1(i)) shall be subject to the provisions of section 54999.3(b) of the Government Code. Payment by any such agency of the District’s applicable capacity charge shall be deemed agreement with the District regarding the charge. If any such agency refuses to pay the applicable capacity charge, the agency and District shall enter into negotiations regarding the charge. No water meter shall be supplied until agreement has been reached regarding the capacity charge and the agreed upon capacity charge has been paid.

Sec. 14.3.3 Meter Capacity Fee Collected for the San Diego County Water Authority (Rev. 02/19/26; Resolution No. 26-02)

The District shall collect a meter capacity fee imposed by the San Diego County Water Authority (the Authority) by Ordinance 90-2 to take effect on meters purchased on or after October 1, 1990. The size of the meter shall be determined by the District. The District's rules for the collection of the fee, increasing meter size, decreasing meter size, moving meters, fire service meters and temporary meters remain in effect.

The fee will be established by the Authority as amended from time to time.

Any person or organization objecting to the capacity fee charge imposed by the Authority must file a complaint in writing at 4677 Overland Ave., San Diego, CA 92123 before payment of the charge or within 10 days after payment. The District shall not provide water service until the Authority capacity fee has been paid. The District shall transmit to the Authority the fees collected by the 19th day of January, April, July and October of each year. Interest earned on Authority funds will be retained by the District.

SEC. 14.4 METER INSTALLATION CHARGES

Meter installation charges shall be established by the Board. The charges shall be paid when applying for a meter.

Fees and charges for the following services performed by the District, which include the cost of permits or services by other cities and agencies, shall be passed through to the customer and increased automatically when the cost of permits and services from other agencies and cities are imposed and/or increased:

- a) Water service installation;
- b) Residential Fire line service installation;
- c) Dedicated Private Fire Service Lateral installation;
- d) Commercial fire line installation.

SEC. 14.5 CHANGE IN METER LOCATION (REV. 02/19/26; RESOLUTION NO. 26-02)

A meter may be moved at the request of a customer from one location to another on the property served by it upon payment of the costs thereof by the customer. The property owner shall pay the cost of a new service assembly and the cost of abandonment of the existing service assembly. The District may relocate a meter, at its discretion, when services are available in an alternative location. If the meter relocation is initiated by the District the costs associated with relocating the meter and performing necessary work to reestablish water service shall be paid by the District.

SEC. 14.6 CHANGE OF METER SIZE

Sec. 14.6.1 Larger Meter

Should a customer need a larger meter, the customer shall pay for the new service assembly and meter, pay the additional capacity fee and pay for abandoning the smaller service.

Sec. 14.6.2 Smaller Meter – Same Location (*Rev. 02/19/26; Resolution No. 26-02*)

Should a customer desire to replace an existing meter with a smaller meter to be installed at the same location, the customer shall pay for the smaller meter, less a credit for the larger meter being returned. Owner/Customer shall relinquish the difference in capacity at time of payment of the smaller meter.

Sec. 14.6.3 Smaller Meter – New Location

Should a customer desire a smaller meter at another location on the same parcel, the customer pay the cost of installing a new service line and meter, and the cost of removing the old service line - less a credit for the larger meter being returned. Owner/Customer shall relinquish the difference in capacity at time of payment of the smaller meter.

Sec. 14.6.4 Exchange to Comply with Size Limitations

When a smaller meter is being substituted for a larger meter to enforce compliance with the District meter size limitations, the meter exchange will be at no cost to the customer. Owner/Customer shall relinquish the difference in capacity at time of payment of the smaller meter. Whenever property is being subdivided, meters will be changed to comply with the meter size limitations.

SEC. 14.7 TESTING METERS (*REV. 02/19/26; RESOLUTION NO. 26-02*)

Any customer may request their meter be tested for accuracy. If upon testing it shall be found that the meter registers within a range from 87% to 102% of accuracy at the intermediate test flow specified by the AWWA, the cost for testing shall be paid by the customer. If the meter so tested shall be found to register outside of said range, another meter shall be installed by the District at no cost to the customer and if the error is in favor of the customer, the previous nine billings shall be adjusted and a refund given on the next billing credited. If the error is in favor of the District, the previous two billings to the customer shall be adjusted and the customer shall be billed for the difference.

SEC. 14.8 READING OF METERS

Sec. 14.8.1 Method Used

The method used to read each meter shall be determined by the District in its sole discretion. Such methods may include, but not be limited to, manual reading, use of automated meter reading, or use of other technologies. The General Manager may, in his or her sole discretion, allow a customer to opt out of specific meter reading technology. To recover all costs to the District associated with accommodating the request, the requesting customer's account will be assessed on each bi-monthly bill statement an opt-out fee equal to the same dollar amount assigned to the District's established shut off charge.

Sec. 14.8.2 Estimated Readings

Should any meter in service fail to register during any billing period, or should the District be unable to read the meter for reasons beyond the control of the District, the amount of water used shall be estimated by the District and the customer shall be billed for the estimated amount.

Sec. 14.8.3 Automated Metering Infrastructure and Customer Tools (*Rev. 02/19/26; Resolution No. 26-02*)

Data collected from the automated metering infrastructure (AMI) system may be used by the District in any lawful manner and is intended for the sole benefit of the District. Nonetheless, the use of AMI at customers' properties may allow the District to offer incidental tools to help customers monitor water use and detect potential leaks. As further described below, the District may offer an online water use portal or similar tools to its customers whose properties have AMI ("Customer Tools").

The District's online water use portal is intended to allow customers to conveniently monitor their water use online. Subject to availability, customers are encouraged to regularly review water use using the online water use portal, as District staff does not routinely or regularly monitor AMI data for abnormalities or variations in water usage. Using the online water use portal, customers may also be able to set up notifications when the AMI system detects continuous water use exceeding a specified period of time.

Participation in the use of Customer Tools is voluntary, and subject to the terms and conditions described below, in addition to any terms and conditions on the District's website or related to a particular Customer Tool.

As a condition of using Customer Tools, customers understand and agree to the following:

1. The District makes no representations or warranties, express or implied, as to the accuracy, operation, or availability of the Customer Tools. Customer Tools may be unavailable or inaccurate due to technical issues, including, but not limited to, Internet connectivity outages, phone/text message/e-mail delivery issues, AMI system reporting errors, and AMI system signal interruptions.
2. Customer Tools are intended to provide helpful monitoring and notification tools. The customer shall remain responsible for monitoring water use, maintaining water lines beyond the meter, determining the cause of any continuous flow, and repairing any leak. The District assumes no responsibility or liability for contacting or notifying customers or any third party of any abnormalities or variations in a customer's water usage which may indicate a water leak at his or her property. Customers remain responsible for all water use at their property and for the payment of fees for all water used, including water used before and after receiving any notification of continuous flow. The customer shall rely solely upon his or her own judgment with regard to any information supplied by the District in connection with the Customer Tools.
3. The District neither undertakes nor assumes any responsibility for or duty to the customer or any third party for the operation, maintenance, review, or inspection of water lines or facilities beyond the District's meter, or to inform the customer or any third party of any leaks or damage resulting from the operation and maintenance of such lines or facilities, or for any service, equipment or material furnished for such lines or facilities. Customers and all third parties shall rely upon their own judgment regarding such matters, and any review, inspection, supervision, exercise of judgment or information supplied to customers or to any third party by the District in connection with the data collected from the District's AMI is for the benefit of the District.
4. Customers are solely responsible for water leakage costs or other damages related thereto regardless of whether the District has collected data from an AMI system showing that there has been an increase in the amount of water used for a property or there is continuous flow present on the property.

SEC. 14.9 LOCATION CLEARANCE AND ACCESS

A new meter or service pipeline will not be installed until the District's clearance and access requirements are satisfied as identified below.

Property owners must maintain a clear area around and above water meter boxes and service lines as well as a clear and accessible path to District meters as outlined below:

- 1) A minimum three-foot (36-inch) clearance around the edge of the meter box.
- 2) There shall be no obstruction above the meter box.
- 3) Permanent structures are prohibited to be installed within a three-foot (36-inch) radius of water meters and service lines. "Permanent structures" include retaining walls, footings, fences, posts, large decorative rock, buildings, and concrete slabs.
- 4) Trees and large shrubs may not be planted near a new or existing meter and service lines, that will have a drip/root line zone of five foot (60-inch) or more radius.

If these areas are not maintained as required, the District may clear the area to bring it into compliance with this section upon 15 days' prior notice to the customer. In the event of an emergency or the need to immediately access the District water meter and service, encroachments will be removed by the District at its discretion.

Clearing of these encroachments will be billed to the customer on a time and material basis. Professional services may be required to remove these items. The cost for the District to hire such professional services will be billed to the customer.

SEC. 14.10 RESIDENTIAL FIRE SPRINKLER METERS

Sec. 14.10.1

A separate meter will be installed of the proper size approved by the fire agency to supply water for residential automatic fire sprinklers. The fire sprinkler meter must be installed 18" to the right of the potable meter, when facing the property.

Sec. 14.10.2

No District or County Water Authority capacity fee will be charged for installing a new fire meter.

Sec. 14.10.3 (Rev. 02/19/26; Resolution No. 26-02)

This meter must be used exclusively for automatic fire sprinklers. If usage appears at the time of billing, the District will contact the customer and/or fire agency to determine if a fire occurred or testing was performed. If neither, the District will notify the customer in writing via mail, return receipt requested, that all domestic and irrigation use through the fire meter must be discontinued, or service will be discontinued to fire meter. The District will send a copy of the letter to the fire agency. The District will discontinue service if use continues at the time of the first billing 60 days after written notice was first given to the customer. The District will notify the customer in writing via mail, return receipt requested, when the meter is turned off. The District will send a copy of the letter to the fire agency.

SEC. 14.11 DEDICATED FIRE PROTECTION SYSTEMS

A dedicated fire line is a separate lateral, sized (typically 6-in diameter minimum) for fire flows that shall be directly connected to the District's distribution system. Ownership, installation, and maintenance responsibilities for the dedicated fire line shall be in accordance with Article 25.

SEC. 14.12 WATER CONSERVATION METER CONDITIONS

Regulations pertaining to meter installation, size, consumption limitations, and the delivery of water can be found in various Articles of the Code.

SEC. 14.13 BASE METER FEE

A Base Meter Fee will be assessed to cover a portion of the District's fixed operating costs. The Fee is charged bi-monthly to the customer regardless of the amount of water used. The amount of the fee will be set periodically by the Board of Directors. Any customer who has two water meters serving the same lot has the option of temporarily disconnecting service to one of the meters. The meter that has been temporarily disconnected will not be charged the Base Meter Fee. The terms for temporarily disconnecting one water meter are as follows:

- Two water meters must be serving the same lot.
- One meter will remain in service.
- No Base Meter Fee will be charged on the disconnected meter.
- The first time water service is disconnected there is no charge. There is also no charge for the first re-connection.
- Each time thereafter, a charge will be assessed for every time the service is disconnected and another charge for each time water service is subsequently reconnected.

SEC. 14.14 EXHIBITS

Capacity Charges
Miscellaneous Fees and Charges
Water Rates

ARTICLE 15. CONSTRUCTION WATER (REV. 02/19/26; RESOLUTION NO. 26-02)

Temporary water service may be required for the purpose of building, general construction, grading, preliminary development, and interim landscape establishment. These water services may be limited or discontinued at the District's discretion. The District will not allow water to be used for construction without a metering device.

SEC. 15.1 CONSTRUCTION SERVICE CONDITIONS AND RESTRICTIONS

District fire hydrants, main line blow-off assembly or other suitable facility, at the discretion of the District, may be used to supply construction water or other temporary water in the manner provided in this article. The District shall meter this water use. All construction meters shall be available for District inspection at any time. Only District personnel are authorized to establish connection for construction use.

Construction meters shall not be used outside the District's boundaries, nor shall other water district construction meters be used within Santa Fe Irrigation District boundaries. Water taken from construction meters shall not be transported outside of District Boundaries. No unmetered connections are allowed.

SEC. 15.2 APPLICATION

Any person desiring to utilize temporary construction water or other temporary water use shall file an application for installation of a construction meter on forms provided by Santa Fe Irrigation District (the District). Applicants will be required to complete a Cross-Connection Control Questionnaire and may be required to provide a certified backflow prevention device.

At the discretion of the District, the construction meter may be rented for a maximum period of six months. The District will automatically pull the meter unless the application is renewed. Further time extensions may be granted at six-month intervals at the discretion of the District. The District reserves the right to deny any application for a temporary meter or remove a meter if deemed in the best interest of the District.

SEC. 15.3 DEPOSIT

A deposit shall be paid to the District at the time of the application, which shall be used for the following purposes:

- a) A deposit against loss or damage to the construction meter or hydrant, which shall be refunded if there is no loss or damage
- b) A service charge fee for installation, which shall not be refundable

The deposit will be refunded upon return of the meter in good condition less the installation service charge. No interest shall be paid on the amount refunded.

SEC. 15.4 WATER RATES

Fixed charges and water rates for temporary construction use shall be based upon the District's established water service charges and billed on a monthly basis. Monthly billing and charges will continue to accumulate until the meter is requested to be removed.

SEC. 15.5 LOCATION OF METER

The meter will be chain-locked to a fire hydrant designated by the District. If movement of the meter is required, then applicant shall notify the District; the District will then have the meter moved at an extra cost to applicant. This cost is determined on a case-by-case. The applicant shall not move the meter from one hydrant to another.

SEC. 15.6 RESPONSIBILITY OF APPLICANT

The applicant is responsible for all damage to the fire hydrant and the construction meter. The applicant shall only operate the valve on the meter discharge, and not the fire hydrant valve. Any damaged parts shall be replaced or repaired and billed to the customer. Due to the high volume flowing through temporary meters, care should be taken to turn the water on and off in a smooth, gradual way. Sudden operation of the temporary meter may result in a system problem or customer complaint and the removal of the meter.

SEC. 15.7 REMOVAL OF METER

When the meter is no longer required, the applicant shall notify the District and the District shall disconnect and remove the meter. Removal of the meter by other than District personnel will result in a penalty of \$500.00.

ARTICLE 16. RECYCLED AND NON-POTABLE WATER

SEC. 16.1 RECYCLED AND NON-POTABLE WATER

It is the expressed intent of Santa Fe Irrigation District (the District) that all reclaimed and non-potable water be distributed and used in a manner that complies with all federal, state and local requirements and in a manner which will achieve the following:

Sec. 16.1.1

Prevent direct human consumption of the reclaimed or non-potable water;

Sec. 16.1.2

Control and limit runoff of reclaimed or non-potable water by controlling the installation and operation of systems using reclaimed or non-potable water;

Sec. 16.1.3

Prevent contamination of potable water supplies.

SEC. 16.2 DELIVERY AND USE

The delivery and use of recycled and non-potable water will, in all cases, be contingent upon complete satisfaction of the requirements of all applicable regulatory agencies, including all requirements of the District.

SEC. 16.3 FINDINGS

The Board of Directors finds and determines that a comprehensive set of Rules and Regulations for Reclaimed and Non-Potable Water Service within the Santa Fe Irrigation District should be established based upon the following facts:

Sec. 16.3.1

Pursuant to Water Code section 13500 et seq., the California Legislature has determined that recycled water be made available to meet the growing water needs of the state. Further, in order to achieve the goals established by Water Code section 13577, recycled water

producers, retail water suppliers and recycled water wholesalers are authorized to identify potential uses for recycled water.

Sec. 16.3.2

The available water supplies projected for Southern California indicate the probability of a shortage if new sources or non-potable water cannot be developed and made available.

Sec. 16.3.3

The District is partially dependent upon imported water distributed from the California Aqueduct System and the Colorado River Aqueduct by the Metropolitan Water District of Southern California via the San Diego County Water Authority (the Authority). Local Authority water from Lake Hodges is also used to meet overall District water demands. The Authority has notified the District that existing water demands may require a significant reduction in the volume of water presently being provided to the District from the Authority.

Sec. 16.3.4

There are known potential sources of recycled, secondary wastewater effluent, storm drain runoff, in-creek surface flows, groundwater and other non-potable water that can be utilized to reduce the demand for potable, imported water.

Sec. 16.3.5

Implementation of cost-effective recycled and non-potable water systems within the service jurisdiction of the District is necessary to meet the growing demand for water service within the District.

SEC. 16.4 APPLICATION

The provisions of these rules and regulations shall apply to all persons, owners, customers, project proponents, developers and property within the service jurisdiction of the District.

SEC. 16.5 AUTHORIZATION

The District's General Manager or his designated representative, is hereby authorized and directed to distribute the Rules and Regulations for Recycled and Non-Potable Water Service – (See Section 16.7) hereby adopted to the California Regional Water Quality Control Board, State of California Department of Health and the County of San Diego, Department of Health.

SEC. 16.6 RULES AND REGULATIONS

The use of recycled water is regulated by the California Regional Water Quality Control Board (RWQCB). Permission for the use of recycled water is based in part on meeting the requirements of Title 22, Division 4, Chapter 3 of the California Administrative Code. The Title 22 regulations were promulgated by the State Department of Health Services for the purpose of ensuring protection of public health and to specify the degree of water treatment required for particular uses of recycled water. The RWQCB, in association with the State Health Department, establishes discharge requirements. In accordance with discharge requirements for recycled water, the RWQCB requires that rules and regulations for the use of recycled water be established. These Rules and Regulations shall also apply to the use of all non-potable water, including, but not limited to, raw-unfiltered imported water, storm drain runoff, creek-inflows and groundwater sources.

Sec. 16.6.1 Establishing Rules and Regulations

The General Manager or his designated representative is authorized and directed to draft and amend, from time to time, the Rules and Regulations for the use of Recycled and Non-Potable Water within the Santa Fe Irrigation District. The Rules and Regulations shall be distributed to the California Regional Water Quality Control Board, the State of California Department of Health Services, and the San Diego County Health Department for their approval, and as amended from time to time, to ensure the preservation of these beneficial uses and to protect public health.

Sec.16.6.2 Conversion Determination

The District shall make preliminary determinations as to which existing potable water customers shall be converted to the use of recycled water. Each water customer shall be notified of the basis for a determination that conversion to recycled water service will be required, as will the proposed conditions and schedules for conversion.

Sec.16.6.3 Notice

The notice of the preliminary determination, including the proposed conditions and time schedule for compliance, and a recycled water permit application shall be sent to the water customer by certified mail.

Sec.16.6.4 Objections; Appeals

The water customer may file a notice of objection with a District within thirty (30) days after any notice of determination to comply is delivered or mailed to the customer and may request reconsideration of the determination or modification of the proposed conditions or

schedule for conversion. The objection must be in writing and specify the reasons for the objection. The preliminary determination shall be final if the customer does not file a timely objection. The General Manager shall review the objection and shall confirm, modify or abandon the preliminary determination. Upon issuance of a final determination by staff, the customer may appeal the determination to the General Manager and, ultimately, to the Board of Directors.

SEC. 16.7 VALIDITY OF RULES AND REGULATIONS

If any section, sub-section, sentence, clause, phrase or portion of these Rules and Regulations for Recycled and Non-Potable Water Service being adopted are, for any reason, held to be invalid or unconstitutional by a valid judgment or any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of these Rules and Regulations for Recycled and Non-Potable Water Service. It is hereby declared that these Rules and Regulations for Recycled and Non-Potable Water Service and each section, sub-section, sentence, clause, phrase, part or portion thereof, would have been adopted or passed irrespective of the fact that any one or more sections, sub-sections, sentences, clauses, phrases, parts or portions be declared invalid or unconstitutional.

SEC. 16.8 PRIOR ACTIONS

All prior actions of the Santa Fe Irrigation District adopting earlier Rules and Regulations for Recycled and Non-Potable Water Service are hereby rescinded.

ARTICLE 17. WATER SHORTAGE RESPONSE POLICIES AND PROCEDURES

SEC. 17.1 DECLARATION OF POLICIES

Article 10, section 2 of the California Constitution declares that the water resources of the State are to be put to beneficial use, that waste, unreasonable use, or unreasonable method of use of water be prevented, and that water be conserved for the public welfare. Conservation of current water supplies and minimization of the effects of water supply shortages that are the result of a water shortage are essential to the public health, safety, and welfare.

Regulation of the time of certain water use, manner of certain water use, design of rates, method of application of water for certain uses, and installation and use of water-saving devices, provide an effective and immediately available means of conserving water. California Water Code sections 375 et seq. authorize water suppliers to adopt and enforce a comprehensive water conservation program.

Adoption and enforcement of Water Shortage Response Policies and Procedures (Policies and Procedures) allow the Santa Fe Irrigation District (District) to delay or avoid implementing measures such as water rationing, or more restrictive water use regulations pursuant to a declared water shortage emergency as authorized by California Water Code section 350 et seq.

San Diego County is a semi-arid region and local water resources are scarce. The region is primarily dependent upon imported water supplies provided by the San Diego County Water Authority (Water Authority), which obtains a substantial portion of its supplies from the Metropolitan Water District of Southern California. Because the region is highly dependent upon imported water supplies, weather and other conditions in other portions of this State and of the Southwestern United States affect the availability of water for use in San Diego County.

The Water Authority has adopted an Urban Water Management Plan (UWMP) that includes water conservation as a necessary and effective component of the Water Authority's programs to provide a reliable supply of water to meet the needs of the Water Authority's 24-member public agencies, including the Santa Fe Irrigation District. The Water Authority's UWMP also includes a contingency analysis of actions to be taken in response to water supply shortages. These Water Shortage Response Policies and Procedures are consistent with the Water Authority's UWMP.

The Water Authority, in cooperation and consultation with its member public agencies, adopted a new Water Shortage Contingency Plan (Water Authority's WSCP) in 2021. These Policies and Procedures are intended to be consistent with and to implement the Water Authority's WSCP.

The Water Authority's WSCP has six stages containing regional actions to be taken to lessen or avoid supply shortages. These Policies and Procedures contain water shortage response levels that correspond with the Water Authority's WSCP stages.

The District, due to the geographic and climatic conditions within its territory and its dependence upon water imported and provided by the Water Authority, may experience shortages due to drought conditions, regulatory restrictions governing the use of water, local water usage, and other factors. The District has adopted a UWMP and Water Shortage Contingency Plan (WSCP) that include water use reduction and conservation as a necessary and effective component of its programs to provide a reliable supply of water to meet the needs of the public within its service territory. The District UWMP and WSCP also include a contingency analysis of actions to be taken in response to water supply shortages. These Water Shortage Response Policies and Procedures are consistent with the UWMP and WSCP adopted in June 2021 by the District.

The water use reduction and conservation measures and progressive restrictions on water use and the method of use identified by these Policies and Procedures provide certainty to water users and enable the District to control water use, provide water supplies, and plan and implement water management measures in a fair and orderly manner for the benefit of the public.

SEC. 17.2 DECLARATION OF NECESSITY AND INTENT

The District in this Declaration of Necessity and Intent finds and determines the following:

Sec. 17.2.1

These Policies and Procedures establish water management requirements necessary to conserve and use water efficiently, enable effective water supply planning, assure reasonable and beneficial use of water, prevent waste of water, prevent unreasonable use of water, and prevent unreasonable method of use of water within the District to assure adequate supplies of water to meet the needs of the public, and further the public health, safety, and welfare, recognizing that water is a scarce natural resource that requires careful management not only in times of water shortage, but at all times.

Sec. 17.2.2

These Policies and Procedures establish regulations to be implemented during times of declared water shortages or declared water shortage emergencies. They establish six (6) levels of water shortage response actions to be implemented in times of shortage, with increasing restrictions on water use in response to worsening water shortage conditions and decreasing available supplies.

Sec. 17.2.3

Level 1 condition water shortage response measures are voluntary and will be reinforced through local and regional public education and awareness measures that may be funded in part by the District. During water shortage response condition Levels 2 through 6, all conservation measures and water-use restrictions are mandatory and become increasingly restrictive to attain escalating water use-reduction and conservation goals.

Sec. 17.2.4

During a Water Shortage Response Level 2 condition or higher, the water conservation measures, and water use restrictions established by these Policies and Procedures are mandatory and violations are subject to criminal, civil, and administrative fines, penalties and remedies specified in these Policies and Procedures.

SEC. 17.3 DEFINITIONS

The following words and phrases whenever used in these Policies and Procedures shall have the meaning defined in this section:

Sec. 17.3.1

“Grower” refers to those engaged in the growing or raising, in conformity with recognized practices of husbandry, for the purpose of commerce, trade, or industry, or for use by public educational or correctional institutions, of agricultural, horticultural, or floricultural products, and produce: (1) for human consumption or for the market; or (2) for the feeding of fowl or livestock produced for human consumption or for the market; or (3) for the feeding of fowl or livestock for the purpose of obtaining their products for human consumption or for the market. “Grower” does not refer to customers who purchase water subject to the Water Authority Special Agricultural Rate programs.

Sec. 17.3.2

“Water Authority” means the San Diego County Water Authority.

Sec. 17.3.3

“WSCP” means the District’s Water Shortage Contingency Plan in existence on the effective date of these Policies and Procedures and as readopted or amended from time to time. It corresponds to an equivalent plan of the Water Authority (Water Authority’s WSCP) to manage or allocate supplies during shortages.

Sec. 17.3.4

“General Manager” means the Santa Fe Irrigation District’s General Manager or the general manager’s designee.

Sec. 17.3.5

“District” means the Santa Fe Irrigation District.

Sec. 17.3.6

“Person” means any natural person, corporation, public or private entity, public or private association, public or private agency, government agency or institution, school district, college, university, or any other user of water provided by the District.

Sec. 17.3.7

“Water shortage emergency” means a condition existing within the District in which the ordinary water demands and requirements of persons within the District cannot be satisfied without depleting the water supply of the District to the extent that there would be insufficient water for human consumption, sanitation, and fire protection. A water shortage emergency includes both an immediate emergency, in which the District is unable to meet current water needs of persons within the District, as well as a threatened water shortage, in which the District determines that its supply cannot meet an increased future demand.

Sec. 17.3.8

“Recycled Water” means wastewater that has been treated to a level that allows for its reuse for a beneficial purpose.

Sec. 17.3.9 (Rev. 02/19/26; Resolution No. 26-02)

“Automated Metering Infrastructure (AMI) Customer Portal” refers to the District’s automated metering infrastructure program that uses radio transmitters in the meter box to send regular reads to a receiver collector in the area, which then sends the information which may be used by customers for tracking their water use. By signing up for the AMI Customer Portal, customers can track historical water use, review detailed consumption data, and set leak and usage alerts. For the District, AMI increases safety for staff, and optimizes operations and customer service resources. Customers can sign up at www.sfidwater.org/mywateruse for access to the District online Customer Portal or contact Customer Service for assistance to monitor their water use and conserve water.

SEC. 17.4 APPLICATION

Sec. 17.4.1

The provisions of these Policies and Procedures apply to any person in the use of any water provided by the District.

Sec. 17.4.2

These Policies and Procedures are intended solely to further the conservation and efficiency of water use. They are not intended to implement any provision of federal, state, or local statutes, resolutions, or regulations relating to protection of water quality or control of drainage or runoff. Refer to the local jurisdiction or Regional Water Quality Control Board for information on any stormwater resolutions and stormwater management plans.

Sec. 17.4.3

These Policies and Procedures are established to provide legal authority and enforcement measures for the District to implement its Water Shortage Contingency Plan in compliance with the State Water Conservation Program under Water Code section 375 et seq. Aside from these Policies and Procedures, the District has the authority to declare water supply emergency if it is necessary to respond to an emergency, including, but not limited to an operational emergency that affects the ability of the District to supply water.

Sec. 17.4.4

The provisions of these Policies and Procedures do not apply to the use of water from private wells, recycled water or the use of water that is subject to a special supply program, such as the Water Authority Permanent Special Agricultural Rate (PSWAR) program. The use of water subject to a special supply program shall be subject to the use requirements and restrictions of any such special supply program, and violations of the conditions of any such special supply programs are subject to the penalties established under the applicable program. A person using both water subject to a special supply program and other water provided by the District shall be subject to these Policies and Procedures in the use of the other water.

SEC. 17.5 WATER SHORTAGE RESPONSE LEVEL 1

Sec. 17.5.1

A Water Shortage Response Level 1 condition may apply when, due to a water shortage or other water supply reductions, there is a reasonable probability there will be water supply

shortages and that a consumer demand reduction of up to 10 percent is required in order to ensure that sufficient water supplies will be available to meet anticipated demands, or as otherwise determined by the District in its reasonable discretion. The General Manager shall declare the existence of a Water Shortage Response Level 1 and take action to implement the Level 1 water use reduction and conservation measures identified in these Policies and Procedures.

During a Level 1 condition, District will increase its public education and outreach efforts to emphasize increased public awareness of the need to implement the following water use reduction and conservation measures:

- a. Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- b. Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- c. Irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.
- d. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used to water landscaped areas, including trees and shrubs located on residential and commercial properties that are not irrigated by a landscape irrigation system.
- e. Irrigate nursery and commercial grower's products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- f. Wash vehicles using a bucket and a hand-held hose with positive shut-off nozzle, mobile high pressure/low volume wash system, or at a commercial site that re-circulates (reclaims) water on-site. Avoid washing during hot conditions when additional water is required due to evaporation.
- g. Serve and refill water in restaurants and other food service establishments only upon request.
- h. Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- i. Repair all water leaks within five (5) days of detection, or within five (5) days of notification by the District, unless other arrangements are made with the General Manager.
- j. Use recycled or non-potable water for construction purposes when available.
- k. Comply with any mandatory regulations established by any State agency governing the use of water.
- l. Use recirculated water in ornamental fountains.

- m. The District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.
- n. Customers are strongly encouraged to sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications

Sec. 17.5.2

During a Water Shortage Response Level 2 condition or higher, all persons shall be required to implement the water use reduction and conservation measures established in a Water Shortage Response Level 1 condition.

Sec. 17.6 WATER SHORTAGE RESPONSE LEVEL 2

Sec. 17.6.1

A Water Shortage Response Level 2 condition may apply when, due to cutbacks caused by water shortage or other reduction in water supplies, a consumer demand reduction of up to 20 percent is required in order to have sufficient water supplies available to meet anticipated demands, or as otherwise determined by the District in its reasonable discretion. The District Board of Directors may declare the existence of a Water Shortage Response Level 2 condition and implement the mandatory Level 2 water use reduction and conservation measures identified in these Policies and Procedures. Additionally, the District Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

Sec. 17.6.2

All persons using District water during a Water Shortage Response Level 2 condition shall comply with the following water use reduction and conservation measures:

- a. Repair all leaks within 5 days of detection, or within 5 days of notification by the District, unless other arrangements are made with the General Manager.
- b. Customers are strongly encouraged to sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications
- c. Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- d. Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.

- e. Irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.
- f. Watering is permitted anytime with a bucket, or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.
- g. Irrigate nursery and commercial grower's products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- h. Wash vehicles using a bucket and a hand-held hose with positive shut-off nozzle, mobile high pressure/low volume wash system, or at a commercial site that re-circulates (reclaims) water on-site.
- i. Serve and refill water in restaurants and other food service establishments only upon request.
- j. Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- k. Use recycled or non-potable water for construction purposes when available.
- l. Comply with any mandatory regulations established by any State agency governing the use of water.
- m. Stop operating ornamental fountains unless recycled water is used.
- n. The District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

Sec. 17.6.3

The following shall apply if the District Board of Directors declares a Water Shortage Emergency in the manner and on the grounds provided in California Water Code section 350 et seq., during a Water Shortage Response Level 2 condition:

- a) If the District Board of Directors declares a Water Shortage Emergency during a Water Shortage Response Level 2 condition, no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:
 - 1. A valid, unexpired building permit has been issued for the project; or
 - 2. The project is necessary to protect the public's health, safety, and welfare; or
 - 3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of the District.

This Section 17.6.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

SEC. 17.7 WATER SHORTAGE RESPONSE LEVEL 3

Sec. 17.7.1

A Water Shortage Response Level 3 condition may apply when, due to increasing cutbacks caused by a water shortage or other reduction of water supplies a consumer demand reduction of up to 30 percent is required, to have sufficient supplies available to meet anticipated water demands, or as otherwise deemed by the District in its reasonable discretion. During a Level 3, the District may implement the applicable Level 3 water use reduction and conservation measures identified in these Policies and Procedures. Additionally, the District Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

Sec. 17.7.2

All persons using District water during a Water Shortage Response Level 3 condition shall comply with the following mandatory water use reduction and conservation measures:

- a) Limit residential and commercial landscape irrigation to three (3) assigned days per week from June through October, and one (1) assigned day per week November through May, on a schedule established by the General Manager and posted by the District.
- b) Limit lawn watering and landscape irrigation using sprinklers to ten (10) minutes per watering station per assigned day as established by the General Manager and posted by the District. This provision does not apply to landscape irrigation systems using water efficient devices, including, but not limited to: weather-based controllers, drip/micro-irrigation systems and stream rotor sprinklers.
- c) Repair all leaks within seventy-two (72) hours of detection, or within seventy-two (72) hours of notification by the District, unless other arrangements are made with the General Manager.
- d) Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- e) Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- f) Irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.

- g) Watering is permitted anytime with a bucket, or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.
- h) Irrigate nursery and commercial grower's products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- i) Wash vehicles using a bucket and a hand-held hose with positive shut-off nozzle, mobile high pressure/low volume wash system, or at a commercial site that re-circulates (reclaims) water on-site.
- j) Serve and refill water in restaurants and other food service establishments only upon request.
- k) Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- l) Use recycled or non-potable water for construction purposes when available.
- m) Comply with any mandatory regulations established by any State agency governing the use of water.
- n) Operation of fountains and water features that do not use recycled water are prohibited.
- o) Customers are strongly encouraged to sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications.
- p) District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

Sec. 17.7.3

The following shall apply if the District Board of Directors declares a Water Shortage Emergency in the manner and on the grounds provided in California Water Code section 350 et seq., during a Water Shortage Response Level 3 condition:

- a) Upon the declaration of a Water Shortage Emergency pursuant to California Water Code section 350 et seq., no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:
 - 1. A valid, unexpired building permit has been issued for the project; or
 - 2. The project is necessary to protect the public's health, safety, and welfare; or
 - 3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of the District.

Section 17.7.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

SEC. 17.8 WATER SHORTAGE RESPONSE LEVEL 4

Sec. 17.8.1

A Water Shortage Response Level 4 condition may apply when, due to increasing cutbacks caused by a water shortage or other reduction of water supplies a consumer demand reduction of up to 40 percent is required, to have sufficient supplies available to meet anticipated water demands, or as otherwise deemed by the District in its reasonable discretion. During a Level 4, the District may implement the applicable Level 4 water use reduction measures identified in these Policies and Procedures. Additionally, the District Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

Sec. 17.8.2

All persons using District water during a Water Shortage Response Level 4 condition shall comply with the following mandatory use reduction measures:

- a) Limit residential and commercial landscape irrigation to two (2) assigned days per week from June through October, and one (1) assigned day per week November through May, on a schedule established by the General Manager and posted by the District.
- b) Limit lawn watering and landscape irrigation using sprinklers to ten (10) minutes per watering station per assigned day as established by the General Manager and posted by the District. This provision does not apply to landscape irrigation systems using water efficient devices, including, but not limited to weather-based controllers, drip/micro-irrigation systems and stream rotor sprinklers.
- c) Repair all leaks within forty-eight (48) hours of detection, or within forty-eight (48) hours of notification by the District, unless other arrangements are made with the General Manager.
- d) Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- e) Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within forty-eight (48) hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- f) Irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.

- g) Watering is only permitted before 10 a.m. and after 6 p.m., and only with a bucket or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.
- h) Irrigate nursery and commercial grower's products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- i) Stop washing vehicles except at commercial car washes that re-circulate water, or by commercial high pressure/low volume wash systems.
- j) Serve and refill water in restaurants and other food service establishments only upon request.
- k) Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- l) Use recycled or non-potable water for construction purposes when available.
- m) Comply with any mandatory regulations established by any State agency governing the use of water.
- n) Operation of fountains and water features that do not use recycled water are prohibited.
- o) Customers must sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications.
- p) Stop filling or re-filling ornamental lakes or ponds, except to the extent needed to sustain aquatic life.
- q) District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

Sec. 17.8.3

The following shall apply if the District Board of Directors declares a Water Shortage Emergency in the manner and on the grounds provided in California Water Code section 350 et seq., during a Water Shortage Response Level 4 condition:

- a) Upon the declaration of a Water Shortage Emergency pursuant to California Water Code section 350 et seq., no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:
 1. A valid, unexpired building permit has been issued for the project; or
 2. The project is necessary to protect the public's health, safety, and welfare; or

3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of District.

Section 17.8.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

Sec. 17.8.4

The District may establish a water allocation for any property served by the District. If the District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for water service fees or charges or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for on-going water service. Following the effective date of the water allocation as established by the District, any person that uses water in excess of the allocation shall be subject to a volumetric penalty for each billing unit of water in excess of the allocation. The volumetric penalty for excess water usage shall be cumulative to any other remedy or penalty that may be imposed for violation of these Policies and Procedures. The District Board of Directors, by resolution, shall establish the amount of the volumetric penalty in accordance with applicable law.

SEC. 17.9 WATER SHORTAGE RESPONSE LEVEL 5

Sec. 17.9.1

A Water Shortage Response Level 5 condition may apply when the Water Authority Board of Directors declares a Water Shortage Emergency pursuant to California Water Code section 350 et seq. and notifies its member agencies that Level 5 requires a demand reduction of up to 50 percent in order for the District to have maximum water supplies available to meet anticipated water demands, or as otherwise determined by the District in its reasonable discretion. During a Level 5, the District may implement the applicable Level 5 water use reduction measures identified in these Policies and Procedures. Additionally, the District Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

Sec. 17.9.2

All persons using District water during a Water Shortage Response Level 5 shall comply with the following mandatory water use reduction and restriction measures:

- a) Stop all landscape irrigation, except crops and landscape products of commercial growers and nurseries. This restriction shall not apply to the following categories of use:
 - 1. Maintenance of trees and shrubs that are watered on a schedule established by the General Manager and posted by the District, using a bucket, hand-held hose with a positive shut-off nozzle.
 - 2. Maintenance of existing landscaping necessary for fire protection as specified by the Fire Marshal of the local fire protection agency having jurisdiction over the property to be irrigated.
 - 3. Maintenance of existing landscaping for erosion control.
 - 4. Maintenance of plant materials identified to be rare or essential to the well-being of rare animals.
 - 5. Maintenance of landscaping within active public parks and playing fields, day care centers, school grounds, cemeteries, and golf course greens, provided that such irrigation does not exceed Two (2) days per week.
 - 6. Watering of livestock.
 - 7. Public works projects and actively irrigated environmental mitigation projects.
 - 8. Operation of fountains and water features that do not use recycled water are prohibited.
- b) Repair all water leaks within twenty-four (24) hours of detection, or within twenty-four (24) hours of notification by the District, unless other arrangements are made with the General Manager.
- c) Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- d) Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- e) When applicable per measure “a)” of this section, limit residential and commercial landscape irrigation to two (2) assigned days per week from June through October, and one (1) assigned day per week November through May, on a schedule established by the General Manager and posted by the District.
- f) When applicable per measure “a)” of this section, irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.
- g) When applicable per measure “a)” of this section, watering is only permitted before 10 a.m. and after 6 p.m., and only with a bucket or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.

- h) When applicable per measure “a)” of this section, irrigate nursery and commercial grower’s products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- i) Stop washing vehicles except at commercial car washes that re-circulate water, or by commercial high pressure/low volume wash systems.
- j) Serve and refill water in restaurants and other food service establishments only upon request.
- k) Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- l) Use recycled or non-potable water for construction purposes when available.
- m) Comply with any mandatory regulations established by any State agency governing the use of water.
- n) Operation of fountains and water features that do not use recycled water are prohibited.
- o) Customers must sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications.
- p) Stop filling or re-filling ornamental lakes or ponds, except to the extent needed to sustain aquatic life
- q) District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

Sec. 17.9.3

The following shall apply if the District Board of Directors declares a Water Shortage Emergency in the manner and on the grounds provided in California Water Code section 350 et seq., during a Water Shortage Response Level 5 condition:

- a) Upon the declaration of a Water Shortage Level 5., no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:
 - 1. A valid, unexpired building permit has been issued for the project; or
 - 2. The project is necessary to protect the public’s health, safety, and welfare; or
 - 3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of the District.

Section 17.9.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

Sec. 17.9.4

Upon the declaration of a Water Shortage Response Level 5 condition, District may suspend consideration of annexations to its service area.

Sec. 17.9.5

The District shall establish a water allocation for any property served by the District. If the District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for water service fees or charges or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for on-going water service. Following the effective date of the water allocation as established by the District, any person that uses water in excess of the allocation shall be subject to a volumetric penalty for each billing unit of water in excess of the allocation. The volumetric penalty for excess water usage shall be cumulative to any other remedy or penalty that may be imposed for violation of these Policies and Procedures. The District Board of Directors, by resolution, shall establish the amount of the volumetric penalty in accordance with applicable law.

SEC. 17.10 WATER SHORTAGE RESPONSE LEVEL 6

Sec. 17.10.1

A Water Shortage Response Level 6 condition may apply when the Water Authority Board of Directors declares a Water Shortage Emergency pursuant to California Water Code section 350 et seq. and notifies its member agencies that Level 6 requires a demand reduction of greater than 50 percent in order for the District to have maximum water supplies available to meet anticipated water demands, or as otherwise determined by the District in its reasonable discretion. During a Level 6, the District may implement the applicable Level 6 water use reduction measures identified in these Policies and Procedures. Additionally, the District Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

Sec. 17.10.2

All persons using District water during a Water Shortage Response Level 6 shall comply with the following mandatory water use reduction and restriction measures:

- a. Stop all landscape irrigation, except crops and landscape products of commercial growers and nurseries. This restriction shall not apply to the following categories of use:
 1. Maintenance of existing landscaping necessary for fire protection as specified by the Fire Marshal of the local fire protection agency having jurisdiction over the property to be irrigated.
 2. Maintenance of existing landscaping for erosion control.
 3. Maintenance of plant materials identified to be rare or essential to the well-being of rare animals.
 4. Watering of livestock.
 5. Public works projects and actively irrigated environmental mitigation projects.
- b. Repair all water leaks within twenty-four (24) hours of detection, or within twenty-four (24) hours of notification by the District, unless other arrangements are made with the General Manager.
- c. Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- d. Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- e. When applicable per measure “a)” of this section, limit residential and commercial landscape irrigation to two (2) assigned days per week from June through October, and one (1) assigned day per week November through May, on a schedule established by the General Manager and posted by the District.
- f. When applicable per measure “a)” of this section, irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.
- g. When applicable per measure “a)” of this section, watering is only permitted before 10 a.m. and after 6 p.m., and only with a bucket or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.
- h. When applicable per measure “a)” of this section, irrigate nursery and commercial grower’s products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- i. Stop washing vehicles except at commercial car washes that re-circulate water, or by commercial high pressure/low volume wash systems.

- j. Serve and refill water in restaurants and other food service establishments only upon request.
- k. Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- l. Use recycled or non-potable water for construction purposes when available.
- m. Comply with any mandatory regulations established by any State agency governing the use of water.
- n. Operation of fountains and water features that do not use recycled water are prohibited.
- o. Customers must sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications.
- p. Stop filling or re-filling ornamental lakes or ponds, except to the extent needed to sustain aquatic life
- q. The District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

Sec. 17.10.3

The following shall apply if the District Board of Directors declares a Water Shortage Response Level 6:

- a. Upon the declaration of a Water Shortage Response Level 6 pursuant to California Water Code section 350 et seq., no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:
 - 1. A valid, unexpired building permit has been issued for the project; or
 - 2. The project is necessary to protect the public’s health, safety, and welfare; or
 - 3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of District.

Section 17.10.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

Sec. 17.10.4

Upon the declaration of a Water Shortage Response Level 6 condition, the District may suspend consideration of annexations to its service area.

Sec. 17.10.5

The District shall establish a water allocation for any property served by the District. If the District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for water service fees or charges or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for on-going water service. Following the effective date of the water allocation as established by the District, any person that uses water in excess of the allocation shall be subject to a volumetric penalty for each billing unit of water in excess of the allocation. The volumetric penalty for excess water usage shall be cumulative to any other remedy or penalty that may be imposed for violation of these Policies and Procedures. The District Board of Directors, by resolution or ordinance, shall establish the amount of the volumetric penalty in accordance with applicable law.

SEC. 17.11 CORRELATION BETWEEN WATER SHORTAGE MANAGEMENT PLAN AND WATER SHORTAGE RESPONSE LEVELS

Sec. 17.11.1

The correlation between the Water Authority's WSCP stages and the District's water shortage response levels identified in these Policies and Procedures is described herein. Under WSCP Stage 1, the District may implement Water Shortage Response Level 1 actions. Under WSCP Stage 2, the District may implement Water Shortage Response Level 2 actions. Under WSCP Stage 3, the District may implement Water Shortage Response Level 3 actions. Under WSCP Stage 4, the District may implement Water Shortage Response Level 4 actions. Under WSCP Stage 5, the District may implement Water Shortage Response Level 5 actions. Under WSCP Stage 6, the District may implement Water Shortage Response Level 6 actions.

Sec. 17.11.2

The water shortage response levels identified in these Policies and Procedures correspond with the Water Authority’s WSCP as identified in the following table:

| Water Shortage Response Levels | Conservation Measures | Conservation Target | Water Allocations | WSCP Stage |
|---------------------------------------|------------------------------|----------------------------|--------------------------|-------------------|
| 1 | Voluntary | Up to 10% | No | Stage 1 |
| 2 | Mandatory | Up to 20% | No | Stage 2 |
| 3 | Mandatory | Up to 30% | No | Stage 3 |
| 4 | Mandatory | Up to 40% | Possible | Stage 4 |
| 5 | Mandatory | Up to 50% | Possible | Stage 5 |
| 6 | Mandatory | Above 50% | Possible | Stage 6 |

SEC. 17.12 PROCEDURES FOR DETERMINATION AND NOTIFICATION OF WATER SHORTAGE RESPONSE LEVEL

Sec. 17.12.1

The existence of a Water Shortage Response Level 1 condition may be declared by the General Manager upon a written determination of the existence of the facts and circumstances supporting the determination. A copy of the written determination shall be filed with the Clerk or Secretary of the District and provided to the District Board of Directors. The General Manager may publish a notice of the determination of existence of Water Shortage Response Level 1 condition in one or more newspapers, including a newspaper of general circulation within the District. The District may also post notice of the condition on its website.

Sec. 17.12.2

The existence of a Water Shortage Response Level 2, Level 3, Level 4, Level 5 or Level 6 condition may be declared by resolution of the District Board of Directors, adopted at a regular or special public meeting held in accordance with State law. The mandatory conservation and reduction measures applicable to a Water Shortage Response Level 2, Level 3, Level 4, Level 5 or Level 6 condition shall take effect on the tenth day after the date the response level is declared. Within five (5) days following the declaration of the response level, the District shall publish a copy or summary of the resolution in a newspaper used for publication of official notices. If the District establishes a water allocation which may be only applicable to

Level 4, 5 and 6, it shall provide notice of the allocation by including it in the regular billing statement for water service fees or charges or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for on-going water service. The water allocation shall be effective on the fifth day following the date of mailing or at such later date as specified in the notice.

Additionally, the Board may declare a Water Shortage Emergency in accordance with the procedures specified in California Water Code section 350 et seq. during a Water Shortage Response Level 2, Level 3, Level 4, Level 5 or Level 6 condition. Following at least a seven (7) day notice of the meeting at which the declaration will be made, the District Board of Directors may declare the existence of a Water Shortage Emergency during a Water Shortage Response Level 2, Level 3, Level 4, Level 5 or Level 6 condition by the adoption of a resolution at any regular or special meeting held in accordance with State law. The restrictions applicable during a Water Shortage Emergency shall take effect on the tenth day after the declaration. Within (5) days following the declaration of the Water Shortage Emergency, the District shall publish a copy or summary of the resolution at least one time in a newspaper used for publication of official notices.

Sec. 17.12.3

Notwithstanding anything herein to the contrary, the District, or the General Manager as authorized herein, may declare any Water Shortage Response Level as set forth in Article 17 when it determines under the then existing facts and circumstances that it is necessary to implement the specific water conservation and reduction measures of such Water Shortage Response Level to protect the water supplies of the District.

Sec. 17.12.4

The District Board of Directors may declare an end to a Water Shortage Response Level and/or Water Shortage Emergency by the adoption of a resolution at any regular or special meeting held in accordance with State law.

SEC. 17.13 HARDSHIP VARIANCE

Sec. 17.13.1

If, due to unique circumstances, a specific requirement of these Policies and Procedures or any water allocation established by the District would result in undue hardship to a person using District water or to property upon which District water is used, that is disproportionate to the impacts to District water users generally or to similar property or classes of water uses, then the person may apply for a variance to the requirements as provided in this section.

Sec. 17.13.2

The variance may be granted or conditionally granted, only upon a written finding of the existence of facts demonstrating an undue hardship to a person using District water or to property upon which District water is used, that is disproportionate to the impacts to District water users generally or to similar property or classes of water use due to specific and unique circumstances of the user or the user's property.

Sec. 17.13.3

Application. Application for a variance shall be made on a form prescribed by the District and shall be accompanied by a non-refundable processing fee in an amount set by resolution of the District Board of Directors.

Sec. 17.13.4

Supporting Documentation. The application shall be accompanied by photographs, maps, drawings, and other information, including a written statement of the applicant.

Sec. 17.13.5

Required Findings for Variance. An application for a variance shall be denied unless the approving authority finds, based on the information provided in the application, supporting documents, or such additional information as may be requested, and on water use information for the property as shown by the records of the District, all of the following:

- a. That the variance does not constitute a grant of special privilege inconsistent with the limitations upon other District customers.
- b. That because of special circumstances applicable to the property or its use, the strict application of these Policies and Procedures would have a disproportionate impact on the property or use that exceeds the impacts to customers generally.
- c. That the authorization of such variance will not be of substantial detriment to adjacent properties and will not materially affect the ability of the District to effectuate the purpose of these Policies and Procedures and will not be detrimental to the public interest. Substantial detriment does not include diminution of property value.
- d. That the condition or situation of the subject property or the intended use of the property for which the variance is sought is not common, recurrent or general in nature.

Additionally, a variance may be granted, if the approving authority finds, based on the information provided in the application, supporting documents, or such additional information as may be requested, and on water use information for the property as shown by the records of the District, that the subject property had been destroyed by a natural disaster, either entirely, or partially.

Sec. 17.13.6

Approval Authority. The Director of Administrative Services shall exercise approval authority and act upon any completed application no later than ten (10) business days after submittal and may approve, conditionally approve, or deny the variance. The applicant requesting the variance shall be promptly notified in writing of any action taken. Unless specified otherwise at the time a variance is approved, the variance applies to the subject property during the term of the mandatory water shortage response level then in effect.

Sec. 17.13.7

Filing an Appeal on Variance Decisions or Conditions (“Variance Appeals”). Any person (a “Variance Appellant”) who wishes to appeal a decision or condition of the District’s Director of Administrative Services on a variance application shall submit a Variance Appeal Request form to the District’s General Manager no later than fifteen (15) days from the date of the decision on the variance application. During the Variance Appeal process, all decisions or conditions under appeal shall remain in full effect until the conclusion of the Variance Appeal process. The Variance Appellant may request to provide evidence in writing or in person in support of his or her Variance Appeal to the General Manager. The decision of the District’s General Manager on a Variance Appeal shall be final and shall be mailed to the Variance Appellant within ten (10) calendar days of such determination and shall indicate whether the Variance Appeal has been granted in whole or in part and set forth the terms and conditions of the decision, if any. If the Variance Appeal is denied, the Variance Appellant shall comply with all terms and conditions of the order or notice.

SEC. 17.14 VIOLATIONS AND PENALTIES

Sec. 17.14.1

Any person who uses, causes to be used, or permits the use of water in violation of these Policies and Procedures is guilty of an offense punishable as provided herein.

Sec. 17.14.2

Each day that a violation of these Policies and Procedures occurs is a separate offense.

Sec. 17.14.3

The first violation of the water conservation and reduction measures set forth in these Policies and Procedures, and reported to the District, will result in a letter or a door hanger generated by the Customer Services department, notifying the customer of the violation with a weblink to, or a hard copy of the District Water Shortage Response Policies and Procedures. The violation and notification will be recorded on that customer account.

Sec. 17.14.4

Civil penalties may be imposed by issuance of a Citation and Complaint for each violation of a provision of these Policies and Procedures and as follows:

- a. Two hundred and fifty dollars (\$250.00) for a second violation.
- b. Five hundred dollars (\$500.00) for a third violation of any provision of these Policies and Procedures within one year.
- c. One thousand dollars (\$1,000.00) for a fourth violation of any provision of these Policies and Procedures within one year.

The above civil penalties are independent of, and are in addition to, any volumetric penalties imposed in accordance with any allocation program adopted by the District, and which volumetric penalties shall be subject to any and all procedures, including appeal procedures, set forth in any such program.

The Citation and Complaint must state the basis for the proposed civil penalty. Unless an appeal and/or hearing is requested pursuant to the provisions of Section 17.15 of these Policies and Procedures, on the 31st day following issuance of the Citation and Complaint, the District's General Manager or his or her authorized designee, shall issue a final order setting the civil penalty. Within ten (10) days after issuance of a final order, any civil penalty(ies) imposed by the District shall be due and payable.

Sec. 17.14.5

Violation of a provision of these Policies and Procedures is subject to enforcement through installation of a flow-restricting device in the meter.

Sec. 17.14.6

Each violation of these Policies and Procedures may be prosecuted as a misdemeanor, punishable by imprisonment in the county jail for not more than thirty (30) days or by a fine not exceeding \$1,000, or by both as provided in California Water Code section 377.

Sec. 17.14.7

Willful violations of the mandatory conservation and reduction measures and water use restrictions as set forth in the Water Shortage Response Policies and Procedures may be enforced by discontinuing service to the property at which the violation occurs as provided by California Water Code section 356.

Sec. 17.14.8

All remedies provided for herein shall be cumulative and not exclusive.

SEC. 17.15 NOTICES OF VIOLATION/ CITATION AND COMPLAINT

Sec. 17.15.1

Any notice of violation, which shall be issued as a Citation and Complaint in accordance with Water Code section 377 and Section 17.14 herein, shall be served pursuant to the requirements of these Policies and Procedures and shall:

- a. identify the provision(s) of these Policies and Procedures and any State law, if applicable, alleged to have been violated; and
- b. state that continued noncompliance may result in civil, criminal, or administrative enforcement actions against the person who committed the violation, or the property owner and/or occupant of the property where the violation occurred; and
- c. state a compliance date that must be met by the person who committed the violation, or the property owner and/or occupant of the property where the violation occurred; and
- d. order remediation work, where applicable, that must be taken by the property owner and/or occupant of the property; and
- e. state that the recipient has a right to appeal the matter as set forth in these Policies and Procedures; and
- f. include the address of the affected property and be addressed to the property owner as shown on the most recently issued equalized assessment roll or as may otherwise appear in the current records of the District. If the order applies to a responsible party who is not the property owner, or if the event is not related to a specific property, the notice may be sent to the last known address of the responsible party; and
- g. be deemed served ten (10) business days after posting on the property, if the property owner or occupant of the affected property cannot be located after the reasonable efforts of the General Manager.

Sec. 17.15.2

Any Citation and Complaint may be sent by regular mail. Service by regular mail is effective on the date of mailing.

The Citation and Complaint may include, where deemed applicable by the General Manager, the following terms and conditions:

- a. specific steps or actions and time schedules for compliance as reasonably necessary to prevent future violations of these Policies and Procedures; and
- b. any other terms, conditions, or requirements reasonably calculated to prevent continued or threatened future violations of these Policies and Procedures, including, but not limited to, discontinuing or limiting water service with the installation of a flow restricting device.

Sec. 17.15.3

In addition to or in conjunction with a Citation and Complaint for a first violation of any provision of these Policies and Procedures, within two (2) weeks of the violation:

- a) the District may provide notice to the property owner or occupant of the property where the violation occurred to advise such person of:
 1. the water shortage response level then in effect and the provisions of these Policies and Procedures relating thereto;
 2. water reduction and water shortage response measures that are required and may be implemented pursuant to these Policies and Procedures;
 3. possible consequences and actions which may be taken by the District for future violations of these Policies and Procedures, including discontinuance of water service;
 4. penalties that may be imposed for the specific violation and any future violations of these Policies and Procedures; and
- b) if the General Manager deems it to be appropriate, the District may order the installation of a flow-restricting device on the service line for any person who violates any term or provision of these Policies and Procedures.

Sec. 17.15.4

In addition to or in conjunction with the Citation and Complaint for a second or any subsequent violation of these Policies and Procedures, within two (2) weeks of the violation:

- a. the District may provide notice to the property where the violation occurred to notify the property owner or occupant of the property where the violation occurred to advise such person of:
 1. the water shortage response level then in effect and the provisions of these Policies and Procedures relating thereto;
 2. the water conservation and water shortage response measures that are required and may be implemented by such person;
 3. possible consequences which may occur in the event of any future violations of these Policies and Procedures; and
- b. if the General Manager deems it to be appropriate, the District may order the installation of a flow-restricting device on the service line for any person who violates any term or provision of these Policies and Procedures; and
- c. if the General Manager deems it to be appropriate, the District may discontinue the water service at the location where the violation occurred.

Sec. 17.15.5

The District may, after one (1) Citation and Complaint, order that a special meter reading or readings be made in order to ascertain whether wasteful or unreasonable use of water is occurring. The District may impose a meter reading fee for each meter reading it conducts pursuant to these Policies and Procedures.

SEC. 17.16 RECOVERY OF COSTS (SEE SEC. 17.14.1)

The General Manager shall serve an invoice for costs upon the property owner and/or occupant of any property, or any other responsible person who is subject to a Citation and Complaint. An invoice for costs shall be immediately due and payable to the District. If any property owner or person fails to either pay the invoice for costs or appeal successfully the invoice for costs in accordance with these Policies and Procedures, then the District may institute collection proceedings. The invoice for costs may include reasonable attorneys' fees.

- a) The District may impose any other penalties or regulatory fees, as fixed from time to time by the Board of Directors, for a violation or enforcement of these Policies and Procedures.
 1. In order to recover the costs of the water conservation and reduction regulatory program set forth in these Policies and Procedures, the Board of Directors may, from time to time, fix and impose fees and charges. The District fees and charges may include, but are not limited to fees and charges for:
 - a. any visits of a enforcement officer or other District staff for time incurred for meter reading, follow-up visits, or the installation or removal of a flow-restricting device;

- b. monitoring, inspection, and surveillance procedures pertaining to enforcement of these Policies and Procedures;
- c. enforcing compliance with any term or provision of these Policies and Procedures;
- d. reinitiating service at a property where service has been discontinued pursuant to these Policies and Procedures;
- e. processing any fees necessary to carry out the provisions of these Policies and Procedures.

SEC. 17.17 APPEALS

- a) **Filing an Appeal.** Any person (an “Appellant”) who wishes to appeal the imposition of a civil penalty imposed by the District pursuant to this Article 17 shall comply with the following procedures:
 - 1. The Appellant shall pay all amounts due and owing on his or her water bill, except for any disputed fine(s) imposed by the District pursuant to this Article 17.
 - 2. The Appellant shall submit an appeal in writing to the District’s Administration Department no later than fifteen (15) days from the date of the Citation and Complaint or staff decision being appealed. Additional documentation may be requested at the discretion of the District.

- b) **District Response.** A response to the appeal request shall be provided by the District within thirty (30) days from receipt of the written appeal.

- c) **Review or Denial of Appeal Request.** If an appeal request is denied, the appellant may request a hearing before the District’s General Manager or his or her authorized designee.
 - 1. Any hearing request shall be submitted no later than fifteen (15) days from the denial of the appeal. The hearing shall not be held sooner than 30 days after the Citation and Complaint was issued.
 - 2. At the hearing the Appellant shall be given a reasonable opportunity to be heard and a chance provide evidence in writing or in person in support of his or her appeal to the District’s General Manager, or his or her authorized designee.
 - 3. When a pre-established civil penalty pursuant to these Policies and Procedures is not applicable, the District’s General Manager, or his or her authorized designee, shall when determining the amount of civil penalty to assess, take into consideration all relevant circumstances, including but not limited to:
 - a. The nature and persistence of the violation.
 - b. The extent of the harm caused by the violation.
 - c. The length of time over which the violation occurs.
 - d. Any corrective action taken by the violator.

4. The decision by the District's General Manager, or authorized designee shall be final and shall be memorialized in a final order.
5. Within ten (10) days after issuance of a final order, the Appellant shall pay any disputed civil penalty(ies) imposed by the District.
6. The provisions of Section 1094.5 of the Code of Civil Procedure of the State of California shall be applicable to judicial review of the final order.

SEC. 17.18 SEVERABILITY

If any provision, section, subsection, sentence, clause or phrase or sections of these Policies and Procedures, or the application of same to any person or set of circumstances, is for any reason held to be unconstitutional, void or invalid, the invalidity of the remaining portions of sections of these Policies and Procedures shall not be affected, it being the intent of the Board of Directors in adopting these Policies and Procedures that no portions, provisions, or regulations contained herein shall become inoperative, or fail by reason of the unconstitutionality of any other provision hereof, and all provisions of these Policies and Procedures are declared to be severable for that purpose.

SEC. 17.19 EFFECTIVE DATE

These Policies and Procedures are effective immediately upon adoption or as otherwise established by state law for the District.

ARTICLE 18. ANNEXATIONS AND DETACHMENTS, WATER SERVICE OUTSIDE DISTRICT (*REV. 02/19/26; RESOLUTION NO. 26-02*)

SEC. 18.1 PROCEDURE

The District is subject to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Cal. Gov. Code § 56000 et seq.) (the “Act”). All annexations and detachments of territory to and from the District or contracted water service to properties or parcel(s) outside of the District shall be processed in accordance with that Act.

SEC. 18.2 TERMS AND CONDITIONS

Prior to the annexation or detachment of any territory to or from the District, or contracted water service to properties or parcel(s) outside of the District, the Board shall fix and determine such terms and conditions, including payment of fees, costs and other charges, for the annexation, detachment, and/or contracted water service as it may deem appropriate. Owners of properties or parcel(s) outside of the District's boundaries seeking water service will be required to request annexation into the District or request service as otherwise authorized under the Act. Government Code section 56133 generally prohibits a special district from extending services outside of its boundaries and/or sphere of influence without the Local Agency Formation Commission (“LAFCO”)’s approval. This is also applicable to detachment of any territory from the District. Upon receipt of an annexation or detachment request from the property owner, the District will require a deposit from the property owner for the District to perform a feasibility study. All annexation and detachment requests require the Board of Directors' conceptual approval. In the case of a proposed annexation, if the request is approved by the Board of Directors, the owner will be required to go through LAFCO's approval process prior to the District providing water service to the property. The owner shall be solely responsible for obtaining LAFCO’s approval for the annexation or detachment, including submitting any required petitions, applications, or other materials in compliance with the Act, LAFCO policies, and other applicable law. LAFCO and/or the District will require the owner to pay for their costs of reviewing and processing the request. “Agency-to-Agency Service Exchange” agreements or “Out-of-Service Area” type of agreements in lieu of annexation or detachment may be considered by the Board of Directors on a case-by-case basis and shall be processed as required under the Act.

SEC. 18.3 CRITERIA FOR DETACHMENT

A detachment from the District may be initiated by a Resolution of Application of the Board or another agency, or by a petition from registered voters or owners of land submitted to LAFCO. All detachments from the District will be reviewed and considered by the Board of Directors, subject to the following minimum conditions:

- a. The owner shall initiate a detachment process in accordance with the Act to detach the subject parcels within the District's boundaries.
- b. The owner shall prepare a detailed analysis to determine how the detachment of the subject parcels would impact the District. Potential impacts to the District may include, but are not limited to, loss of property taxes, loss of future water services revenues, and stranded assets. Analysis must include the square footage of the lot(s) being detached from the District and why the detachment is being proposed.
- c. The owner shall pay a deposit to the District to initiate the review of the detailed analysis (section 18.3.b) along with all other parcel maps, documents and information as may be required by the District, and make a recommendation to the Board of Directors.
- d. The potential impacts will be evaluated by the District in making a decision on whether the subject parcels should be detached from the District.

SEC. 18.4 CRITERIA FOR ANNEXATION

An annexation to the District may be initiated by a Resolution of Application of the Board or another agency, or by a petition from registered voters or owners of land submitted to LAFCO. All annexations to the District will be considered by the Board of Directors, subject to the following minimum conditions:

- a. When not detrimental to the District.
- b. When sufficient water supply is available.
- c. When the property cannot feasibly be served by the agency in which it exists (due to physical location, excessive costs, or similar factors; provided, however, excessive costs alone will not be considered as justification for annexation) and a request has been received from that agency requesting that the property be annexed to the District.
- d. All facilities necessary to deliver water to the property will be paid for by the owner of the annexing property.

- e. An annexation fee will be charged at the time of initiating annexation as established by the Board of Directors. The fee will be based on the acreage to be annexed, divided by the total acreage of the District, and multiplied by the total assets of the District without considering the value of the assets donated by the private developer. The total assets will be obtained from the latest annual audit.
- f. After annexation, the property owner will pay all fees, charges, rates, and taxes that any other property within the District would pay.
- g. A determination must be made as to the amount of assessed value that will be transferred to the District from the water agency in which the property exists.
- h. If permitted under the Act, a temporary water supply may be furnished until the annexation process is complete, subject to review and approval by the Board. This may require the execution of an “Agency-to-Agency Service Exchange” agreement or “Out-of-Service Area” agreement, which shall be subject to LAFCO approval.

SEC. 18.5 PROCEDURES AND REQUIREMENTS FOR ALL ANNEXATIONS AND DETACHMENTS

- a. Prior to submission of a petition from registered voters or owners of land to LAFCO or a request for the District to initiate annexation or detachment proceedings, the property owner shall provide to the District's staff, all plat maps, legal description(s) and any other documents that the District's staff deems pertinent or necessary in connection with the proposed annexation or detachment.
- b. All annexations or detachments shall be subject to the condition that the deposit for the District required above shall be paid at the time the request for consideration is made.
- c. In any resolution or other submission to LAFCO on behalf of the District, the District shall include such terms and conditions as the Board may deem appropriate in its sole discretion. Terms and conditions shall include, but not be limited to, the following:
 - 1. Payment of appropriate annexation or detachment fees and charges required under this Code;
 - 2. In the case of annexation to the District, all water distribution and storage facilities required for the delivery of water to the annexed land, including necessary easements or rights of way, shall be provided by the proponent without cost to the District, and the District shall be under no obligation to provide any improvements or service if the facilities are not completed and accepted;
 - 3. All annexations shall be subject to the condition that the land affected by the annexation shall be subject to the payment of the annexation fee provided for above;

4. All annexations shall be subject to the condition that the annexed land shall be subject to the applicable ordinances, resolutions and other rules and regulations of the District in effect, amended or adopted on and after the date of final Board approval;
- d. The District will not defend any action contesting an annexation or detachment and shall leave such defense to the owner of the land affected by the annexation or detachment. The District may take appropriate actions to effectuate this section, including, but not limited to, rescinding a Resolution of Application or requiring the property owner to execute a written agreement concerning defense and indemnification of the District.
- e. For annexations or detachments initiated by a Resolution of Application by the Board, an annexation or detachment shall terminate on the first to occur of: (a) the date of delivery to the District of an affected property owner's written notice requesting termination, unless termination is otherwise governed by contract; or (b) a Board action terminating the annexation or detachment when the Board determines, in its sole discretion, that good cause exists for such termination, or the approval period identified in the conditions of annexation or detachment has expired.
- f. For annexation or detachment proceedings initiated by petition from registered voters or owners of land or a resolution of another agency, the District's Board of Directors may adopt a resolution requesting termination of the proceedings as provided in the Act.
- g. With regard to annexations or detachments initiated by petition from registered voters or owners of land or a resolution of another agency, the District reserves all rights and remedies available to the District under the Act and other applicable laws which may include, but are not limited to, the right to adopt a resolution requesting termination of the proceedings, and the right to submit proposed conditions to LAFCO which are consistent with this Article or are otherwise in the interest of the District.

SEC. 18.6 CRITERIA FOR CONTRACTING FOR WATER SERVICE TO PROPERTIES OUTSIDE THE DISTRICT

All requests for water service to property located outside of the boundaries of the District shall be referred to the Board of Directors for approval and shall be consistent with the Act. Such methods may include an "Agency to Agency Service Exchange" agreement or "Out-of-Service Area" agreement approved by the Board at its sole discretion. The following minimum conditions shall apply:

- a. When sufficient water supply is available.
- b. A contract fee identical to the annexation fee would be charged.
- c. All facilities necessary to deliver water to the property will be paid for by the owner of the property under contract.

- d. Upon the contract becoming effective, the property owner will pay all fees and charges as a property within the District.
- e. A higher water rate than the water rate charged district customers, reflecting the cost of service to the property, will be assessed and charged to offset not receiving an annual assessment fee.
- f. Final approval may also be required from the San Diego County Water Authority and/or LAFCO. In addition, if the property is located within the boundaries of another water agency, the property owner must obtain approval from that agency to be served by the District.
- g. The District has no obligation to provide out of area service.

ARTICLE 19. PROCUREMENT (REV. 02/19/26; RESOLUTION NO. 26-02)

SEC. 19.1 GENERAL

The Santa Fe Irrigation District (“District”) shall procure required goods and services commensurate with acceptable quality at the lowest possible cost. Appropriate internal financial controls shall be exercised over all procurements. No procurement shall be authorized unless the goods or services to be procured have been approved pursuant to the District’s budgetary process. The General Manager shall execute and maintain administrative procedures to ensure that the procurement of all goods and services are properly documented as conforming to this policy, related internal financial controls, and all applicable administrative procedures.

The District shall not discriminate against any person or entity because of race, color, creed, sex, religion, national origin, disability, medical condition, sexual orientation, or any other protected category under federal, state or local law and shall place, in all procurement related solicitations or advertisements for formal procurement of goods or services, a statement that all qualified bidders will receive consideration without regard to color, creed, sex, religion, marital status, age, national origin, disability, medical condition, sexual orientation, or any other protected category under federal, state or local law, or words to that effect.

The General Manager may, at their discretion, delegate the duties contained in this policy.

SEC. 19.2 PUBLIC WORKS CONSTRUCTION CONTRACT

Sec. 19.2.1 General

All District construction and capital improvements work in excess of \$80,000, unless performed by District forces, shall be let by competitive bidding in accordance with Sections 20560-20570 of the Public Contract Code, unless otherwise approved by the Board, as in an emergency and in accordance with Public Contract Code section 22050.

Sec. 19.2.2 Acceptance of Bids

Acceptance of any bid over \$80,000 shall be by action of the Board. The Board reserves the right to reject all bids or to make such an award as it deems to be in the best interest of the District, and in accordance with law.

The General Manager is authorized to accept any bids of \$80,000 or less and reserves the right to reject all bids or to make such an award in the best interest of the District, and in accordance with law.

Sec. 19.2.3 Relief of Bidders

A bidder shall not be relieved of their bid unless by consent of the Board as provided in Public Contract Code section 5100 et. seq.

Sec. 19.2.4 Prequalified Bidders

The District reserves the right to prequalify bidders on public works projects.

Sec. 19.2.5 Change Orders

Sec. 19.2.5.1 Individual

The General Manager is authorized to approve change orders up to \$80,000 when a change in the scope of work occurs, as long as the project budget has sufficient funds.

Sec. 19.2.5.2 Cumulative Total

The General Manager is authorized to approve change orders as specified in Sec. 19.2.5.1 to a maximum cumulative total value of 15% of the contract amount for contracts under \$1 million and 7.5% of the contract amount for contracts over \$1 million or \$150,000, whichever is greater, without prior approval of the Board.

Sec. 19.2.6 Project Acceptance

Sec. 19.2.6.1 General

The Board of Directors shall accept all public works projects and authorize staff to file a notice of completion.

Sec. 19.2.6.2 Retention

In addition to withholding any amounts as liquidated damages, the District may withhold 150% of the value of all disputed work items, including punch list work items, as disputed funds pursuant to the provisions of Public Contract Code section 7107. Retention shall be released in accordance with Public Works Contract Code section 7107. The District may further withhold funds to sufficiently address stop payment notices at 125% of the amount of an outstanding stop payment notice pursuant to Civil Code section 8522.

Sec. 19.3 Procurement of Goods, Services and Supplies

Sec. 19.3.1 District Procurement Approval Levels

The General Manager is authorized to make purchases of \$80,000 or less for goods, services and supplies. Purchases over \$80,000 require approval of the Board of Directors. The General Manager will designate levels of purchasing authority to appropriate District staff.

Sec. 19.3.2 Authorized Procurement Methods

Sec. 19.3.2.1 Purchase Orders

A purchase order is required for all purchases of \$1,000 or more.

Sec. 19.3.2.2 Open Purchase Orders

Open purchase orders are used when the District must purchase repetitive, specified services or items, or categories of items, from the same vendor over extended periods or on a monthly basis, or requiring numerous shipments.

Sec. 19.3.2.3 Professional Services Contracts

The District may contract for professional services in accordance with Government Code section 4525 et. seq. All contracts awarded for professional services shall be awarded based on demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required at fair and reasonable prices.

Sec. 19.3.2.4 Procurement Card Purchases

Procurement card(s) may be used to purchase supplies, services and equipment. The General Manager shall determine the appropriate number of cardholders and the transaction type, amount and merchant limits of each cardholder.

Sec. 19.3.2.4.1 Procurement Card Purchase Review

The General Manager will review monthly the procurement card purchases made by authorized District staff cardholders. The Finance Committee will review all procurement card purchases made by the General Manager as part of its monthly review of General Manager expenses and reimbursements.

Sec. 19.3.2.5 Petty Cash

The maximum petty cash expenditure allowed is \$100. Splitting purchases in order to utilize petty cash rather than standard purchasing procedures is not permitted.

Sec. 19.3.3 Emergency Purchases

In an emergency, the General Manager is authorized to waive any provision of this policy. Any waiver authorized hereunder will be documented as required by this policy and remedied by informing and retroactively obtaining the approval of the Board of Directors within sixty (60) days of the procurement or the end of the fiscal year, whichever is earlier. Notwithstanding anything to the contrary, the General Manager shall comply with the provisions of Public Contract Code section 22050, as applicable.

Sec. 19.3.4 Sole Source Purchases

Sole source purchases are seldom justified and are discouraged. A sole source purchase must be documented as to why only one supplier is acceptable. This documentation must be verified by the General Manager, who is responsible for making the final determination on sole source purchases.

ARTICLE 20. CAPITALIZATION

SEC. 20.1 CAPITAL ASSETS

Capital assets are assets that are 1) used in the operations of the District, 2) have a probable future benefit either singly or in combination with other assets, and 3) have been the subject of a transaction that gives the District the right to or control of the asset. Capital assets may include land, land improvements, easements, water rights, buildings, building improvements, vehicles, machinery, equipment, works of art, historical treasures, infrastructure, and any intangible assets that have a useful life beyond a single reporting period. Capital assets do not include inventory held for use in unidentified future projects.

It is the purpose of this policy to provide clear guidelines for the financial treatment of capitalizable and non-capitalizable transactions.

SEC. 20.2 GENERAL PROVISIONS

Sec. 20.2.1 Valuation Threshold

The minimum value of an asset that qualifies it to be capitalized is \$7,500. This is the per-unit cost of the asset. Groups of assets that cost more than \$7,500 in aggregate but not individually are not capitalizable except as noted in Section 20.2.4, Groups of Assets.

The cost of the unit is 1) the total cost of all invoices for the item, including transportation and installation charges and interest expense directly related to the unit's acquisition or making it ready for use plus 2) the net book value of any assets given in exchange plus 3) the present value of any liability incurred. If this information is not available, the cost is determined by an appraisal of the unit's value.

The initial development cost of making a decision as to which project to construct or acquire is not capitalizable. It is the responsibility of the employee overseeing the acquisition to provide all relevant data to Accounting.

If the asset is the subject of a federal award program that sets a maximum threshold, it will be capitalized according to the award program rules regardless of the District's threshold.

Sec. 20.2.2 Useful Life

The cost of an asset, less salvage value, is depreciated over its estimated useful life. Standard useful lives for groups of assets are as follows:

| | |
|--------------------------------------|-------------|
| Land Improvements | 20 years |
| Transmission & Distribution Lines | 25-50 years |
| Filtration Plant | 25-40 years |
| Hydroelectric Generation | 25 years |
| Reservoirs | 50 years |
| Buildings | 20-50 years |
| Autos & Trucks | 5 years |
| Construction & Maintenance Equipment | 10 years |
| Office Furniture & Fixtures | 5 years |
| Computer Equipment | 3 years |
| Other Office Equipment | 5 years |

If there is a substantial reason for an asset to be given a non-standard useful life, it should be noted at the time the asset is acquired. Alternative useful lives may be derived from 1) general guidelines from a professional organization, 2) information from other governmental agencies, 3) internal experience, or 4) outside professionals such as engineers, architects, etc. Such alternative method should take into consideration the relative quality of the asset, the intended use, and the environment in which it will be placed.

It is the District's practice to depreciate capital assets other than land over their useful life using the straight-line method. The amount to be depreciated is the asset's adjusted cost less its estimated salvage value. The salvage value is the value an asset is expected to have when it is no longer useful for its intended purpose. If there is a substantial reason for a more rapid method of depreciation to be applied to an asset, it should be noted at the time the asset is acquired.

Assets that are acquired or constructed for a specific short-term purpose and do not have an alternative future use are charged to expense at the time the costs are incurred.

Sec. 20.2.3 Procurement

The procurement process for capital and non capital equipment is outlined in Article 19 and in the District's Procurement Procedures.

Sec. 20.2.4 Groups of Assets

The threshold given in Section 20.2.1, Valuation Threshold, is generally applied to individual items. However, items that are acquired as a group and must be maintained as a group in order to perform their function may be capitalized as a single asset. For example, desks and tables may be acquired in bulk but their usefulness is not affected by dividing them up, so they cannot be considered a group asset. A telephone system, however, must be networked and would therefore be considered a group asset. Also, see Section 20.9, Computers and Software. Items purchased for the purpose of adding to or replacing a part of an existing group asset must meet valuation and useful life thresholds separately from the group.

Sec. 20.2.5 Tagging and Identification

Every moveable physical asset valued over \$500 must have an asset tag affixed at the time it is acquired regardless of it being capitalized or not. This does not include items held in inventories such as meters, pipes, and valves. Assets that are the subject of federal grants or awards must be counted and listed by their custodial department at least every two years per federal regulations.

Sec. 20.2.6 Custodianship

The responsibility for tagging and for control of the asset rests with the department to which the asset is assigned. Each department will maintain a list of assets under its control to be updated at a minimum of once a year. Each department is also responsible for the proper use and care of all equipment in their custody.

Sec. 20.2.7 Impairment

A capital asset that has been impaired must have its cost written down to its remaining fair value, if that is less than its net book value. Circumstances under which an asset may become impaired include physical damage, changes in legal or environmental factors, technological change or obsolescence, changes in use, construction stoppage, and permanent removal from service. An asset is considered impaired when 1) the decline in service utility is significant and 2) the decline in service utility is unexpected.

Assets whose impairment is evidently temporary do not have their cost adjusted. If an asset's cost is reduced for impairment, no recovery gain may be taken should the impairment prove temporary. Impairment costs are calculated using restoration cost, service unit, or deflated depreciated replacement cost as outlined in GASB Statement Number 42.

SEC. 20.3 LAND AND EASEMENTS

Land is real property to which the District holds title and is capitalized, not expensed, but not depreciated. It is recorded at historical cost and remains at that cost until disposal. The cost of non-exhaustible land improvements – those which do not require maintenance or replacement – are included in the cost of land. Easements are an interest in land owned by another party and are not assigned a value unless paid for by the District, in which case they are treated as land.

Costs which are considered a part of the value of acquired land include, but are not limited to: the contract price, brokers' commissions, legal fees, ownership guarantee insurance, real estate surveys, exercised options, special assessments, the cost of building demolition net of salvage (see Section 20.6.3, Demolition Costs), lease cancellation costs, and subsequent costs for permanent improvements.

Costs which are specifically not capitalizable include services related to land not purchased and easements or rights of way that are limited as to time.

SEC. 20.4 LAND IMPROVEMENTS

Land improvements are costs to prepare land for its intended use and may include excavation, roads and driveways, sidewalks, drainage systems, power lines, sanitation systems, fencing, outdoor lighting, landscaping, and any other items that require maintenance or replacement. See Section 20.3, Land and Easements, as to costs of non-exhaustible improvements.

SEC. 20.5 CAPITAL IMPROVEMENT PROJECTS/ CONSTRUCTION IN PROGRESS

The costs for District projects are accumulated over the period that construction occurs and, after the project is substantially complete, are assigned to a capital account as one or more assets. A project is substantially complete when the Engineering Department has certified it is usable for its intended purpose; full completion and acceptance are not necessary for capitalization. Capital improvements are subject to the same valuation thresholds and useful life limitations as other assets. Depreciation is not recorded on projects until they are capitalized.

Costs which are considered a part of a project's capitalized value include internal and external labor, materials, tools and equipment purchased solely for use in the project, outside services, insurance premiums, and overhead. Interest expense net of interest earned that is incurred during construction and preparation for construction is also capitalizable. This is true regardless of whether the associated debt is related to the project, as outlined in Financial Accounting Standards Board Statement Number 34 and amended by Statement Number 62.

If construction is placed on hold, the accumulated costs will remain classified as construction in progress as long as completion is probable and construction will resume within a reasonable period of time. When construction is abandoned, the accumulated costs are expensed.

SEC. 20.6 BUILDINGS AND ADDITIONS

Sec. 20.6.1 General

A building is a permanent structure for the housing of persons, animals, plants, or personal property. An addition is a modification to the structure to create additional space within the building and is treated as a separate asset if it has a substantially different function from the previously existing space.

All costs of building construction are included in its valuation following the guidelines in Section 20.5, Capital Improvement Projects/Construction in Progress. Buildings acquired by purchase are valued at cost. See Section 20.10, Contributed Assets, for valuation of buildings acquired by contribution.

Elements of a building's valuation, in addition to those listed in Section 20.5, include: the original contract price, modifications to make it usable, planning and permitting, temporary structures used during construction, and demolition as outlined in Section 20.6.3. Valuation specifically excludes extraordinary costs such as those due to a strike, flood, fire, or other casualty.

Sec. 20.6.2 Acquired with Land

When land and buildings are acquired together, the total cost is allocated between the assets using an appraisal or fair market valuation unless it is planned to demolish the building at acquisition (see Section 20.6.3, Demolition Costs).

Sec. 20.6.3 Demolition Costs

If a decision has been made to demolish a building at the time it is acquired, the total acquisition cost and the cost of demolition is capitalized as a part of the land value. Any decision to demolish a building subsequently will result in the demolition cost being assigned to new construction on the same site and the net book value of the demolished building will be expensed. If no new construction is intended, both the net value of the building and the cost of demolition are expensed.

SEC. 20.7 OWNED EQUIPMENT

Sec. 20.7.1 Non-Moveable Equipment

Non-moveable or fixed equipment consists of machinery, furnishings, and other items physically attached to a building. If acquired with the building, they are part of the building's value. If the equipment is acquired later, it may be treated as a separate asset.

Sec. 20.7.2 Accessory Equipment

Equipment that is closely related, but not attached, to a capital item and that is a part of the original order becomes a portion of the cost of the capital item. Accessory equipment acquired subsequent to the capital item has the capitalization criteria applied to it separately.

Sec. 20.7.3 Fabricated Equipment

Equipment that is assembled from parts by District staff may be capitalized if it meets the valuation and useful life thresholds. For purposes of valuation, the cost includes the total cost of the parts plus the fully-loaded value of the labor dedicated to assembly. Labor is not included in the cost if the amount is inconsequential or unknown. Networks of computing devices are generally not considered fabricated equipment as the devices may be used separately from the network, but see Section 20.9, Computers and Software.

If all of the parts are to be purchased from a single vendor, they may be listed on a single purchase order, following District Procurement Procedures. Larger projects and those including multiple vendors should be assigned a project number for tracking purposes. It is the responsibility of the department acquiring the equipment to notify the Accounting Department of the project's completion.

SEC. 20.8 LEASED EQUIPMENT

Sec. 20.8.1 Capital Leases

Capital leases are those in which 1) the title to the property passes to the District by the end of the term, 2) there is a bargain purchase option, 3) the term is 75% or more of the economic life of the property, or 4) the beginning present value of the payment stream is 90% or more of the excess fair value as outlined in Statement of Financial Accounting Standards Number 13. The property is capitalized at the net present value of the stream of payments and recorded in the same manner as other purchased assets.

Sec. 20.8.2 Operating Leases

Operating leases are any leases other than capital leases as defined in Section 20.8.1, Capital Leases. They are not capitalized and the payments are expensed in the period they are made.

SEC. 20.9 COMPUTERS AND SOFTWARE

In the case of computer equipment and software purchased as a group and for use as an integrated system, the assets may be considered for capitalization as a group. Items purchased separately or over an extended period of time may not be considered as a group.

SEC. 20.10 CONTRIBUTED ASSETS

Contributed assets are items whose ownership has been transferred to the District for no compensation. These are assigned a fair market value based upon the contributor's carrying

value, values of comparable properties, or deflated current construction costs as obtained from the Engineering Department or outside experts. The estimated historical cost is then reduced by an appropriate amount of depreciation.

SEC. 20.11 MODIFICATIONS OF EXISTING ASSETS

Sec. 20.11.1 Enhancements

Acquisition and installation of component parts for the purpose of extending the life or capabilities of an existing asset are capitalized when the cost and useful life of the components exceed the established thresholds. Enhancements are adjustments to the value of the original asset.

Sec. 20.11.2 Repairs and Maintenance

Parts and labor that do not sufficiently extend the life or capabilities of an existing asset are expensed regardless of the magnitude of cost.

SEC. 20.12 DISPOSITION

Sec. 20.12.1 Sale or Transfer

Sale of District equipment is prohibited without the express consent of the General Manager. Property over \$5,000 may only be sold by consent of the Board of Directors. Sale or lease of real property may be subject to additional rules under state law, including Government Code section 65402 and 54220 et seq..

Proceeds from the sale of equipment are used to offset the write-off of the net book value of the equipment and gains or losses are recognized on the difference. Assets that are transferred from one department to another must be reported. All available information on the asset being sold or transferred must be communicated to the Accounting Department.

Sec. 20.12.2 Trade-in

Trade-ins of existing property for the purpose of obtaining other property are subject to the same limitations as sales under Section 20.12.1, Sale or Transfer. The net book value of the asset to be traded becomes a part of the purchase price of the new asset. All available information on the asset to be traded must be communicated to the Accounting Department.

Sec. 20.12.3 Lost or Stolen

Immediately upon discovery that property has been lost or stolen, it must be reported to Administration. All available information on the property must be subsequently communicated to the Accounting Department as soon as possible. Lost or stolen property is written off when recovery is determined to be unlikely.

ARTICLE 21. MAINTENANCE AND REPLACEMENT OF DISTRICT LINES

SEC. 21.1 OWNERSHIP

All transmission and distribution lines, laterals, service assemblies, meters, fire hydrants and other appurtenances are the property of the District. No person shall connect to, utilize, replace or repair any of such facilities without the express written consent of the District.

Sec. 21.2 MAINTENANCE AND REPAIRS

Sec. 21.2.1 Main Lines

Transmission and distribution lines of the District shall be maintained in a serviceable condition. Such lines shall be replaced as necessary, subject to the availability of District funds.

Sec. 21.2.2 Services

The District shall maintain and repair services as needed, and replacements shall be made when necessary.

Sec. 21.2.3 Meters

The District shall maintain and repair meters as needed, and replacements shall be made when necessary. The District owns the meter. The District's ownership and maintenance, repair and replacement obligations stop at the meter. The maintenance of the flange or coupling on the customer's side of the meter and any valves, pressure regulators, backflow device or piping are the responsibility of the customer. The District is under no obligation to repair leaks on the customer's side of the meter. It is recommended that the customer obtain the services of a licensed plumber to make necessary repairs.

Sec. 21.2.4 Improvements and Upgrades

If the District determines that the meter, District service line, or other District improvement needs to be repaired, replaced, or relocated, the customer shall permit the District reasonable access for the District to perform the work. This work is to be performed at the discretion of the District and intended to ensure proper meter installation and compliance with current construction codes and standards. All work performed by the District will be in accordance with San Diego Water Agencies' Standards and documented in the District's asset maintenance

system. If the District's work requires relocation, reconnection, or reconfiguration of any piping or other improvements on the customer's side of the meter, the District will generally offer to perform such work upon the customer's written consent and agreement to release the District from general liabilities or warranties related to the work on the customer side of the meter. If, in the determination of the District, prior natural or unnatural changes to the property or the customer improvements caused the need for relocation, reconnection, or reconfiguration of any piping or other improvements on the customer's side of the meter, or materially increase the cost or complexity thereof, the customer shall be responsible for such work. Options may include obtaining the services of a licensed plumber or, if offered by the District, consenting in writing to the District's performance of the work and releasing the District from general liabilities or warranties related to the work on the customer side of the meter.

ARTICLE 22. EXTENSION OF DISTRICT PIPELINES (REV. 2/19/26; RESOLUTION NO. 26-02)

SEC. 22.1 PIPELINE EXTENSION COSTS

District pipelines within its service areas may be extended at the request of a property owner subject to evaluation and at the total expense of the owner. The District shall not finance the construction of any pipeline extensions.

SEC. 22.2 SUBDIVISIONS

Pipelines and facilities installed by a developer within a subdivision will be accepted by the District as part of its system, provided that plans for the system are prepared by a licensed engineer in the State of California and approved in advance by the District. Before a letter or report is given to the Division of Real Estate, the developer must agree in writing to install such facilities and such agreement must be secured by an approved surety bond from a California admitted surety. A developer must grant to the District any easements, including operation and maintenance access easements, which the District requires for the location of proposed water facilities.

SEC. 22.3 DISTRICT SPECIFICATIONS

The District adopted the San Diego Water Agencies' Standards ("SDWAS") for the design and construction of pipelines, services and valves. All such facilities that are to become the property of the District must be designed and installed in accordance with SDWAS with no exceptions.

SEC. 22.4 PLAN CHECKING, INSPECTION AND HYDRAULIC ANALYSIS FEES

The District shall charge the applicable fee(s) set forth in the District' Schedule of Fees and Charges as established by the Board of Directors for the plan checking of a water facility proposed by developers, inspection of the installation of such facility and any hydraulic analysis or design review performed by the District. All fee(s) shall be paid by the developer prior to review, inspection or analyses performed by the District.

SEC. 22.5 WATER AVAILABILITY LETTERS, COUNTY, AND CITY FORMS (REV. 02/19/26; RESOLUTION NO. 26-02)

Prior to the District signing and sending a water availability letter or other requested forms (including County 510 excavation/building permit or City Water Certification Form) to the County or City, the Owner/Developer must submit specific plans for the proposed tentative parcel map for the subdivision, proposed lot split, proposed lot line adjustment, or other improvement. In addition, the Owner/Developer shall provide documentation from the applicable Fire Department that the fire flow requirements for the proposed development can be met by the District without modification of its system or facilities. Owner/Developer shall be solely responsible for making any improvements to their property as may be necessary to decrease the fire flow requirements for the proposed development to a level that can be provided by the District without modification of its system or facilities. If the fire flow requirements for the proposed development as set by the applicable Fire Department cannot be met without modification of the District's system or facilities, then prior to the District signing the letter or forms described above, the Owner/Developer shall request in writing, and pay the full cost of, a cost estimate to install upgrades to the District's system or facilities, including, but not limited to, new dedicated fire protection systems, or enter into a developer agreement with the District to upsize such systems and facilities to meet the requirements for fire flow. All fees shall be as noted in the District's Schedule of Fees and Charges.

ARTICLE 23. EASEMENTS, ENCROACHMENTS, AND OTHER PERMITS

SEC. 23.1 ACCEPTING EASEMENTS

The General Manager of the District is authorized to accept, on behalf of the District, any deed or grant conveying any interest in or easement upon real property to the District for a public purpose. The General Manager is authorized to consent to the recording of any such deed or grant. (Government Code § 27281).

The General Manager is also authorized to accept easements on behalf of the District dedicated on a final subdivision map. (Government Code § 66440). When so accepted, the following certificate will be included on the final map:

“Santa Fe Irrigation District, an irrigation district of the State of California, pursuant to a duly adopted resolution of its Board of Directors, hereby accepts the interest in real property shown and designated on this map as being offered for dedication to Santa Fe Irrigation District for the public purposes set forth in the offer to dedicate, and the grantee consents to the recording thereof.

Dated: _____ SANTA FE IRRIGATION DISTRICT

By: _____
General Manager's Name and Signature

If the General Manager determines that it is not in the interest of the District to accept a deed or grant, or to execute a certificate on a final map, the General Manager shall not accept the deed or grant or execute the certificate unless instructed otherwise by the Board of Directors.

Sec. 23.1.1 Easements of Rights of Way

When notified by the county or the city of a proposed vacation of a street or highway, and a pipeline exists or has been planned to be installed in the street or highway to be vacated, District staff shall reply that an easement is required from the county or the city or, if the property over which the street or highway lies is not owned by the county or city, from the underlying property owner. On the contrary, the District shall reserve its prior rights if a pipeline or facility exists in real property that is identified as needed to build, reconstruct and/or maintain roads and highways.

SEC. 23.2 RELEASE OF EASEMENTS

Sec. 23.2.1 Policy

The District will consider easements for relinquishment on a case-by-case basis, in conformance with this policy and in the best interest of the District. A resolution from the Board of Directors is required to release an easement.

Sec. 23.2.2 Procedure (*Rev. 02/19/26; Resolution No. 26-02*)

- a. A person applying for the quitclaim of a District easement must submit proof of ownership of the underlying property and the existence of the District easement, the legal description of the property, and the recording date (date, book and page number) of the easement to be released. The applicant must also pay a processing fee based on the District's current Schedule of Fees and Charges to cover staff time and administrative processing of the request. Once all items listed above have been submitted and all fees have been paid, District staff will provide a list of three qualified appraisers. The applicant must then obtain an appraisal of the easement requesting to be quitclaimed from one of the appraisers on the list and provide the appraisal to District staff for Board consideration. The following must then be determined by the Board of Directors:
 1. Future need of the easement by the District for potable or recycled water;
 2. Quitclaim of the easement will not require the District to purchase an alternative easement for a current or new facility or pipeline;
 3. There is no other property that is dependent on the easement proposed for quitclaim for water service now or in the future; and
 4. The acceptance of the land value of the appraised easement.

If approved, the property owner shall pay the assessed value to the District prior to execution and recordation of the quitclaim document. The Board of Directors may waive the requirement to pay the assessed value if there is a valid public purpose consistent with applicable law.

Where a water pipeline is known to exist in the easement being released, a provision, in substantially the form provided below, shall be included in the quitclaim indicating that a pipeline is being abandoned in place, . The provision shall include the size if known or show "unknown size" if not known.

The above-described real property being quitclaimed includes "[description of facilities]" buried below the surface of the ground, which are being left in place in an "as-is" condition. Owner of Record acknowledges that the Santa Fe Irrigation District is conveying all rights, title and interest to the easement, right-of-way, and abandoned pipeline to the Owner of Record in an "as-is" condition. Owner of

Record acknowledges that the portion of the pipeline not removed by the Owner shall be cut and plugged in accordance with the San Diego Water Agencies' Standards. Owner of Record further acknowledges that the Santa Fe Irrigation District does not warranty the condition of the abandoned pipeline nor guarantee its fitness for any purpose. Owner of Record agrees to the foregoing, and to indemnify, protect and hold harmless the Santa Fe Irrigation District, each member of its board of directors, its agents, officers and employees from and against any and all claims asserted or liability established for damages or injuries to any person or property including bodily injury to Owner of Record's employees arising out of or in any manner directly or indirectly connected with Owner of Record's use of the quitclaimed easement, right-of-way, and abandoned pipeline, however caused, except for the sole negligence, willful misconduct or active negligence of the Santa Fe Irrigation District.

The owner of record shall acknowledge such conditions by formal acceptance/signature.

- b. When the District abandons a facility in place, in an "as-is" condition within an easement and determines no future use for the easement is needed, the property owner shall be notified that they may request the easement be released.

SEC. 23.3 ENCROACHMENTS ON DISTRICT PROPERTY (REV. 02/19/26; RESOLUTION NO. 26-02)

- a. Any existing encroachment that inhibits the District's use of its easement or real property, as determined upon evaluation by the District, shall be removed at the expense of the property owner.
- b. When an encroachment is discovered on, or work is undertaken on or within, a District easement or real property without a valid District Encroachment Permit or similar document (encroachment agreement or license agreement) (collectively, "Encroachment Agreement"), the General Manager may take any or all of the following actions:
 1. Give appropriate notice that in the opinion of the District, the current improvement or work constitutes or may constitute an encroachment and order the work or improvements to be stopped or removed until an Encroachment Agreement is executed, or a determination is made that the work does not constitute an encroachment; and either:
 - a. Require the property owner or other person encroaching on the District easement or real property to remove the encroachment and/or stop encroaching on the District's real property or easement, and restore the District's real property or easement and any associated facilities, pump stations, pipelines or other appurtenances to their original condition at the sole cost of the person encroaching upon the property or easement; or

- b. Require the property owner or other person encroaching on the District easement or real property to apply for an Encroachment Agreement, including the payment of District processing and inspection fees for the Encroachment Agreement, in addition to any time and materials costs incurred by the District related to inspection of the encroachment before filing of the application. If an Encroachment Agreement is not applied for within 15 business days after the notice is given, the General Manager will give notice that the District's real property or easement and any associated facilities, pump stations, pipelines or other appurtenances must be restored to their original condition at the sole cost of the person encroaching upon the property or easement. Should restoration not begin promptly, legal action may be commenced to protect the District's interests.
 - c. If the Board of Directors determines that reasonable restoration of the site to its lawful condition is infeasible under either (a) or (b), the Board of Directors may agree to allow the property owner or other person encroaching on the District easement or real property to mitigate the unauthorized encroachment. Mitigation may include the relocation of the District's pipeline/facility within the public right of way. Mitigation shall be at the sole cost of the encroacher.
2. Take any or all other actions available under applicable law relating to unauthorized encroachments.
- c. When an encroachment on a District easement is requested, the District will evaluate the potential impact including, but not limited to, the following factors:
 - 1. Size and depth of the District's pipeline(s) within the easement.
 - 2. Water pipeline pressure.
 - 3. Number of customers served by the pipeline or facility.
 - 4. Cost of immediate removal of an encroachment versus the District's need for access.
 - 5. Potential for interference with existing or future facilities and District's access for maintenance, operation, or replacement.
 - d. An encroachment upon a District easement may only be authorized by the Board of Directors. If the Board authorizes such an encroachment, the property owner shall enter into the District's standard "Encroachment Permit Agreement", or a license agreement, with the District, each of which shall contain such safeguards as deemed necessary and appropriate to protect the District's facilities, and use of and access to such facilities, within the easement. The agreement shall be recorded against the owner's property.

- e. A processing fee based on the District’s current Schedule of Fees and Charges must be paid to the District to cover staff and administrative processing of the encroachment request. The owner must submit proof of property ownership and existence of the District easement, the legal description of the property, plus the recording date (date, book and page number) of the easement at issue.

SEC. 23.4 GRANTING AN EASEMENT ON DISTRICT PROPERTY (REV. 02/19/26; RESOLUTION NO. 26-02)

Requests for an easement to construct a facility or gain an ingress/egress access easement on District-owned property will be considered and reviewed on a case-by-case basis. Requests should be made in writing to the District Engineering Department. Proposed projects will be evaluated by the District on a time and materials basis. A deposit is required to initiate the review of plans and discussion with the developer/requester. A final decision will be at the sole discretion of the Board of Directors. If the requested easement is to be granted, the requester shall pay to the District the assessed land value of the easement appraised by a qualified appraiser. The easement document shall provide all safeguards as deemed necessary by the District and appropriate to protect the District's ability to use its property and maintain its facilities within the property.

SEC. 23.5 OTHER PERMITS AND LICENSES

Sec. 23.5.1 Communication Site License Agreements (Rev. 02/19/26; Resolution No. 26-02)

The District may, at its sole discretion, consider requests from communication providers to enter into a communication site license agreement. All requests shall be accompanied by a deposit in an amount to be determined at the sole discretion of the General Manager. If a communications site license agreement is to be entered into, the provider and the District shall enter into a District standard "Communications Site License Agreement" which provides all safeguards as deemed necessary and appropriate to protect the District's ability to use its property.

Sec. 23.5.2 Other Licenses and Permits

The District may, at its sole discretion, consider other licenses, leases or permit requests. All requests shall be accompanied by a deposit to be determined by the General Manager.

ARTICLE 24. INTERRUPTION OF SERVICE

SEC. 24.1 NOTICE OF INTERRUPTION

When necessary, water may be shut off from the District's mains and conduits, but such stoppage will be for the shortest time possible. Whenever possible, customers will be notified at least 24 hours in advance of such action.

SEC. 24.2 EMERGENCY INTERRUPTION

In case of an emergency, water service may be interrupted without notice.

SEC. 24.3 CUSTOMER RESPONSIBILITY

The District will not be responsible for the safety of boilers, hot water tanks and other facilities or appliances on the premises of any customer due to interruption of service. The customer shall be responsible for shutting off the gas or electricity to hot water tanks and to take such steps as may be appropriate to protect other facilities and appliances.

ARTICLE 25. FIRE HYDRANTS & DEDICATED FIRE PROTECTION SYSTEMS (REV. 2/19/26; RESOLUTION NO. 26-02)

SEC. 25.1 PUBLIC FIRE HYDRANTS

Sec. 25.1.1 Ownership

Fire hydrants on District lines are the property of Santa Fe Irrigation District (the District). However, installation and moving expenses are the responsibility of the appropriate fire protection agency, or of the affected property owner. Maintenance shall be coordinated with the appropriate fire protection agency. Overall maintenance and repair shall be the responsibility of the District, except as provided in Section 25.1.5 below.

Sec. 25.1.2 Location

Public fire hydrants shall be located at such points as shall be determined by the appropriate fire protection agency upon agreement of this District and payment of the charges fixed by Section 25.3 hereof.

Sec. 25.1.3 Charges

A construction deposit will be determined on a case-by-case basis by staff, to be paid prior to construction of all new public fire hydrant connections. The deposit must take into consideration the length of the hydrant run, and other pertinent factors. The customer will be refunded or billed the difference between the deposit and actual costs.

Sec. 25.1.4 Repairs

Repairs of public fire hydrants shall be done by the District.

Sec. 25.1.5 Maintenance

Maintenance such as painting, removal of brush or weeds shall be the responsibility of the Solana Beach Fire Department and the Rancho Santa Fe Fire Protection District.

Sec. 25.1.6 Use of Fire Hydrants

No person, other than the District and a fire protection agency, shall use a District hydrant for any purpose without the express written consent of the District. Fire hydrants may be used for construction purposes in the manner provided in Article 15 hereof.

Sec. 25.1.7 Fire Hydrant Flow Tests

Only the District may access a public fire hydrant for the purpose of performing a flow test. Upon a customer's request, the District will perform a flow test and provide resulting data, provided that the flow test does not have potential to cause property damage and that the Regional Water Quality Boards discharge requirement can be met. The customer shall be required to pay the District for all fees and costs associated with performance of the flow test including time, material and water used. The District shall not perform flow tests on privately owned fire hydrants.

SEC. 25.2 DEDICATED FIRE PROTECTION SERVICES

A dedicated fire protection service is a separate lateral for fire flows, typically sized 6 inches in diameter or larger, connected to the District's distribution system. The dedicated fire protection service shall include a connection to the District main, a gate valve at the main and a lateral pipeline terminating at the property line, edge of District easement or other points designated by the District. The termination point is also the point at which the District's maintenance responsibility ends.

Sec. 25.2.1 Installation

Dedicated fire protection services will be installed to Private Residential and Non-Residential/Commercial properties that require on-site fire suppression systems greater than typical residential sprinkler requirements. The appropriate fire protection agency shall approve and properly size these services. Fire sprinkler systems shall not be connected to private dedicated fire protection services. Fire sprinkler meters shall be installed in accordance with article 14.

Installation shall be performed in accordance with the San Diego Water Agency Standards, up to and including the appropriate backflow prevention device as required under Article 26.

A construction deposit will be determined on a case-by-case basis by staff, to be paid prior to construction of all new dedicated fire protection services. The deposit must take into consideration the length of the hydrant run, and other pertinent factors. The customer will be refunded or billed the difference between the deposit and actual costs.

After all required charges, plan approval, deposits, agreements and rights of way are provided, the District will perform the work required as soon as practical.

The District may request that the property owner/developer install the connection to the District's main by entering into a developer agreement for installation. The owner/developer will be responsible for District plan review and inspection fees.

Sec. 25.2.2 Ownership and Maintenance Responsibilities

All fire hydrants and/or fire sprinkler services, mainlines and appurtenances, beyond the District's owned portion, installed for Private Residential or Non-Residential/Commercial purposes shall be owned and maintained by the property owner.

Dedicated fire protection systems shall be a closed system with no other outlets other than the onsite fire protection devices (commercial sprinklers, private fire hydrants, etc.).

At the sole discretion of the District, dedicated fire protection services to Private Residential, Multiple-Family Residential and Non-Residential/Commercial properties shall incorporate a reduced pressure principal detector assembly (RPDA) device be installed in accordance with the District Cross Connection Control Program and Administrative Code Article 26.

An approved backflow prevention device shall be installed and maintained by the property owner, in accordance with the District's latest Cross Connection Control Program and Administrative Code Article 26. Maintenance of the device shall include the maintenance and necessary replacement of the detector meter assembly. The metering assembly shall measure in cubic feet. The District may require the customer provide proof of accuracy for the detector meter assembly at any time after installation pursuant to Article 26, Section 26.7.2.

The District shall have no responsibility for the proper functioning of the dedicated fire system or for the availability of water from its mains for fire protection in the event of emergency. The District shall incur no liability nor be subject to any damage resulting from a failure or malfunctioning of a designated fire service lateral or fire protection systems, discontinuation of service, per Section 25.2.3, or lack of water in adequate quantity or pressure to make it fully effective.

Sec. 25.2.3 Water Use

If water is used through a designated fire protection service for any purpose other than to extinguish a fire, including leakage, the District reserves the right to: 1) charge all appropriate penalties rates and charges for water uses, 2) modify the water service to be fully metered, at the owners' expense, and/or 3) discontinue service and notify the appropriate fire protection agency.

Unauthorized use of dedicated fire services shall be grounds for immediate discontinuation of services. Theft of water shall be enforced per Section 11.10 of the District's Administrative Code.

Water use will be measured by the detector assembly meter and/or estimated by the District and billed to the property owner at the Fire Line Use Class Rate.

Water service for domestic, irrigation or commercial purposes shall be furnished only after a meter, or meters have been installed on separate laterals connected to the District's system.

Sec. 25.2.4 Fees

The Board of Directors may establish fees for all dedicated fire protection services including maintenance and replacement associated with the connection to the District main, gate valve at the main and lateral pipeline, and other appurtenances, terminating at the property line, edge of District easement or other points designated by the District.

ARTICLE 26. CROSS- CONNECTION CONTROL AND BACKFLOW PREVENTION

SEC. 26.1 RULES AND REGULATIONS

Sec. 26.1.1 State and Local Regulations

This cross- connection control and backflow prevention policy (“Policy”) contained in Article 26 of the Santa Fe Irrigation District (“District”) Administrative Code is intended to comply with the State Water Resources Control Board (“SWRCB”) Cross-Connection Control Policy Handbook (“CCCPH”) and implement a Cross-Connection Control Program (“Program”). To the extent anything in this Policy conflicts with applicable laws or regulations, including without limitation the provisions of the CCCPH, as may be amended from time to time, the provisions of such laws or regulations, including the CCCPH, shall control.

Sec. 26.1.2 Purpose

A public water system must protect the public water supply through implementation and enforcement of a cross-connection control program. The District maintains a written Cross Connection Control Program that meets the requirements of the State Water Resources Control Board Cross Connection Control Policy Handbook. This Policy, as well as the District’s Cross Connection Control Program and CCCPH, are intended to protect the District’s water distribution system from the possibility of contamination or pollution, by isolating within customer systems potential on-site hazards, contaminants or pollutants which could backflow or back-siphonage into the District’s distribution system. This Policy and the Program are also intended to provide for the maintenance of a continuing program of cross-connection control which will systematically and effectively prevent the contamination or pollution of the District’s distribution system.

SEC. 26.2 COMPLIANCE

Failure to comply with this Policy, the Program, or the CCCPH shall constitute a violation of the District’s rules and regulations for service. The District may implement corrective actions in the event a water user fails to comply in a timely manner with this Policy’s provisions regarding installation, inspection, field testing, or maintenance of backflow prevention assemblies (“BPAs”). Such corrective actions include but are not limited to: (1) denial or discontinuation of water service; (2) installation, inspection, field testing, or maintenance of a BPA at a water user’s premises at the water user’s cost; and (3) instituting legal action to obtain compliance.

Sec. 26.2.1 Discontinuation of Service

If an approved BPA required by this Policy and applicable State law or regulation (including the CCCPH) is not installed, tested, and maintained, or if it is found that a BPA has been removed or bypassed, or if an unprotected cross-connection exists on the premises, service of water to any premises shall be discontinued by the District. Without limiting the generality of the foregoing or other provisions of this Policy, water service shall be discontinued if District or County Health Department personnel determine that any of the following have occurred:

- a. The District's water system is being polluted or is in immediate danger of contamination from a cross-connection;
- b. The BPA has not been installed after due notice has been given;
- c. A defect found in the BPA has not been corrected after due notice has been given to make repairs; or
- d. The owner of the property has failed to submit written test results after receipt of the District's letter requesting certification of the BPA.

The District may discontinue or terminate water service for violations of this Policy that do not create an immediate health risk to the public water system after providing 48 hours' notice of the scheduled discontinuance. The District will post such notice in a conspicuous location on the property and make a good faith effort to contact an adult person at the property by telephone or in person. A fee will be assessed for each posted notice delivered by the District per the fee schedule adopted by the District's Board of Directors, as may be amended from time to time.

Notwithstanding the above, the District may discontinue or terminate water service without advanced notice anytime a condition exists which creates an immediate health risk to the public water system. The District will require a fee to discontinue service per the Board of Directors' adopted fee schedule, as may be amended from time to time, for violations of this policy.

Sec. 26.2.2 Restoration of Service

Service will not be restored until the appropriate BPA, as determined by the District's designated Cross-Connection Control Specialist, has been installed or repaired at the customer's expense and is in good working order, the cross-connection is abated to the satisfaction of the District, or the violation is otherwise corrected or remediated. The District will require a fee to reinstate service after such a turnoff.

Sec. 26.2.3 Coordinator; Administration and Enforcement

The District's Cross Connection and Recycled Water Technician is hereby designated as the program coordinator ("Coordinator"), responsible for being involved in the development of, and the reporting, tracking, and other administrative duties of the Program. The Coordinator

shall maintain status as a cross-connection control specialist. The Coordinator and the District General Manager (or designee) are authorized to administer and enforce this Policy and the Program.

SEC. 26.3 HAZARD ASSESSMENTS

The District has the authority to conduct hazard assessments as required under the CCCPH. All customer systems and premises shall be open for inspection at all reasonable times by authorized representatives of the District to enable completion of hazard assessments to determine if actual or potential cross-connection hazards exist, the degree of such hazards, and the appropriate cross connection prevention measures necessary for protection of the public water system.

The District may request a customer complete and return a Cross Connection Control Questionnaire to aid the District in performing a hazard assessment, within 90 days of receipt of such request.

At the District's sole discretion, a property owner may be required to hire and consult with a certified Cross Control Specialist, in lieu of the District's Coordinator, to conduct a hazard assessment of their premises and provide findings to the District's Coordinator within 90 days of notice from the District.

Property owners who fail to timely return a Cross-Connection Control Questionnaire, provide a hazard assessment conducted by an independent certified specialist, or allow access for the District to inspect their premises or system, will be required to install a backflow prevention assembly or upgrade their existing backflow prevention assembly within 30 days of notice. The degree of protection from an actual or potential cross-connection and the type of backflow prevention assembly required to be installed will be determined by the District. Failure to install or upgrade a backflow prevention assembly, or to provide written proof satisfactory to the District that the required backflow prevention assembly is already installed, will result in immediate discontinuation of service.

SEC. 26.4 BACKFLOW PREVENTION ASSEMBLY INSTALLATION AND MAINTENANCE

Sec. 26.4.1 Installation of Approved BPA

No person is permitted to install, maintain, or allow a water service connection to any premises served by the District unless the District system is protected in conformance with applicable State law or regulation (including the CCCPH) and this Policy. Any person who is required to install an approved BPA must install such assembly within the time specified by the District for installation, and must install, maintain, inspect, and test such assembly in accordance with applicable State law

or regulation (including the CCCPH) and this Policy at their own expense. Every BPA required by law, regulation, or this Policy must be of the model and size approved by the District. Failure, refusal, or inability on the part of the customer to install said assembly or assemblies constitutes grounds for discontinuing water service to such metered or non-metered water service connections until such assembly or assemblies have been properly installed.

Sec. 26.4.2 Entry and Inspection

All customer systems and premises shall be open for inspection at all reasonable times by authorized representatives of the District to enable the District to ascertain the existence of cross-connections or other structural or sanitary hazards, including violations of this Policy.

Sec. 26.4.3 Levels of Protection Required

- a. Customers shall install BPAs as required in this Section. BPAs installed must be no less protective than that which is commensurate with the degree of hazard at a user premises, as specified in this Policy and the CCCPH (see CCCPH Appendix D) and as determined based on the results of the hazard assessment conducted pursuant to CCCPH section 3.2.1 and Section 26.3 of this Policy. The hazard assessment conducted pursuant to CCCPH Section 3.2.1 and Section 26.3 of this Policy, once complete, is incorporated herein by reference to establish hazard levels for which customers must account.
- b. Customers shall at all times protect the public water system from high hazard cross-connections through premises containment, through the use of air gap separation (“AG”) or a reduced pressure principal backflow prevention assembly (“RP”). Customers shall comply with any additional requirements or degrees of protection for particular high hazard cross-connections set forth in CCCPH Appendix D.
- c. Unless an exemption applies, customers shall protect the public water system with no less than a reduced pressure prevention assembly (“RP”) for a user premises serviced by a separate residential or commercial fire sprinkler meter service. For user premises serviced by an existing fire sprinkler meter, customers must install a RP BPA within 10 years of adoption of the CCCPH, or sooner as directed by the District. A BPA is not needed for a low hazard fire protection system on a residential user premises if the District determines all of the criteria listed in CCCPH section 3.2.2(e)(3) are satisfied.
- d. Unless an exception applies, customers shall protect the District system with no less than a reduced pressure detector assembly type I or II (“RPDA I” or “RPDA-II”) protection for a new dedicated fire service connection at a user premises.

- e. Unless an exemption applies, existing premises served by a dedicated fire system protected with less than a DCDA or RPDA must install a reduced pressure detector assembly type I or type II (“RPDA I” or “RPDA-II”) within 10 years of adoption of the CCCPH, or sooner as directed by the District.

Sec. 26.4.4 Backflow Prevention Assembly Standard

- a. Each AG must meet the requirements in Table 1, Minimum Air Gaps for Generally used Plumbing Fixtures, page 4 of the American Society of Mechanical Engineers ASME) A112.1.2- 2012(R2017) (See Appendix B of CCCPH).
- b. Each replaced or newly installed BPA other than AG must be approved through both laboratory and field evaluation tests performed in accordance with at least one of the following: (a) Standards found in Chapter 10 of the Manual of Cross- Connection Control, Tenth Edition, published by the University of Southern California Foundation for Cross-Connection Control and Hydraulic Research; or (b) certification requirements for BPAs in the Standards of ASSE International current as of 2022 that include ASSE 1015- 2021 for the DC, ASSE 1048- 2021 for the DCDA & DCDA- II, ASSE 1013- 2021 for the RP, and ASSE 1047- 2021 for the RPDA & RPDA- II and must have the 1YT mark. BPAs must not be modified following approval. A BPA tester shall notify the District if a BPA has been modified from the CCCPH section 3.3.1(b) approval.

Sec. 26.4.5 Backflow Prevention Assembly Installation Criteria

- a. BPAs must be installed in accordance with the San Diego Water Agency Standards (SDWAS) and all criteria set forth in CCCPH Section 3.3.2.
- b. Except as otherwise provided and required by the CCCPH, approved BPAs shall be installed and located as close as practical to the customer’s service connection, or at a location approved by the General Manager or designee, and all approved BPAs shall be installed before the first branch line leading off the service.

SEC. 26.5 BACKFLOW PREVENTION ASSEMBLY TESTING

Sec. 26.5.1 General Provisions

All BPA tester and cross-connection control specialists shall be certified per the CCCPH Chapter 3, Article 4.

Sec. 26.5.2 Testing

- a. **Testing by Customer.** The customer will own the approved BPA and will have full responsibility for annual testing (or more frequent intervals if required by the District) and other testing in compliance with this Policy and CCCPH section 3.3.3, as well as maintenance, repair, and retesting, and providing the District with proper records and test data. The customer shall also field test all BPAs following installation, repair or permanent relocation. Air-gap separations must be visually inspected at least annually. Testing and inspection reports must be submitted on District test forms.
- b. **Service is Contingent.** The District will not provide continuous water service to a water user with a newly installed BPA until the District receives passing field tests. The water user is responsible for providing the District with passing field tests to receive service.
- c. **Annual Testing Notices.** Annual testing/ inspection notices will be mailed to the District's customers giving them 60 days to test/inspect, and repair, if necessary, their assembly and furnish the test/inspection and repair data to the District. After 30 days, if no test/inspection data is furnished to the District, the District will mail a second notice of the due date. If no test/inspection data is furnished to the District within the 60-day period, the District will give the water user a 15-day period to have their backflow prevention assembly tested. If no action is taken within this time period, the District will commence proceedings to terminate water service in accordance with this Policy. Nothing in this section precludes the District from terminating service without notice, where the District determines that a condition exists that creates an immediate health risk to the public water system. The District may adjust the customer's annual test date at its discretion to ensure compliance with CCCPH and SWRCB requirements.
- d. **Certified Testers.** Air-gap separations must be visually inspected by certified backflow prevention assembly testers or certified cross-connection control specialists. Other tests required by this section must be conducted by certified BPA testers approved by the District.
- e. **Additional Tests.** Additional tests shall be conducted as frequently as necessary to ensure the effectiveness of the BPAs and in any event not less frequently than once a year, as determined by the District.
- f. **Failed Tests.** In the event a BPA is found to be unsatisfactory, the General Manager or their designee shall take immediate steps to ensure that corrective measures are accomplished and/or service terminated in accordance with the provisions of this Policy. BPAs that fail field tests/inspections must be repaired or replaced by the customer within 30 days of notification from the tester of the failure. The District may allow extensions if included as part of the District's Program.

- g. **Backflow Incidents.** BPA testers shall notify the District as soon as possible (within 24 hours maximum) if a backflow incident or an unprotected cross-connection is observed at the BPA or prior to the user premises during field testing. The District will immediately conduct an investigation and discontinue service to the user premises pursuant to this Policy if a backflow incident is confirmed, and water service will not be restored to that user premises until the District receives a confirmation of a passing BPA field test from a BPA tester and the District determines the BPA is protecting the District.

Sec. 26.5.3 Approved Testers

- a. All testers working within the District must meet all the following criteria:
 - 1. Possess a current valid Backflow Prevention Tester's Certification from a certifying organization recognized by the SWRCB pursuant to Article 4 of the CCCPH, and provide the District with a copy of such Certification prior to performing any testing within the District.
 - 2. Prior to performing any testing within the District, file with the District a signed acknowledgment of the requirements of and compliance with this Policy, the CCCPH, and other applicable law.
- b. The District may disallow the use of any individual tester certified pursuant to Article 4 of the CCCPH if the District has reason to believe the tester may not be proficient in accurately determining the operating condition of BPA, or for any other reason, including, but not limited to, fraud, deceit, negligence, misconduct, or falsifying reports. The District will report any evidence of a tester falsifying reports to the tester's certifying organization.

ARTICLE 27. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

SEC. 27.1 DISTRICT GUIDELINES

The Santa Fe Irrigation District (the District) has adopted the GUIDELINES IMPLEMENTING CALIFORNIA ENVIRONMENTAL QUALITY ACT, Title 14 California Code of Regulations section 15000 et seq., as amended from time to time, which shall be deemed to be a part of this Administrative Code as though fully set forth herein.

SEC. 27.2 COMPLIANCE WITH GUIDELINES

Prior to the approval of any project, as defined in the guidelines, the District shall comply with the procedures set forth therein.

ARTICLE 28. REIMBURSEMENT AGREEMENTS

SEC. 28.1 REIMBURSEMENT AGREEMENTS

The District shall not enter into any agreement for reimbursement with a developer prior to Board approval.

ARTICLE 29. TORT CLAIMS ACT POLICY AND PROCEDURE

SEC. 29.1 GENERAL: POLICY (*REV. 02/19/26; RESOLUTION NO. 26-02*)

The California Government Claims Act (commencing with section 810) of the California Government Code governs the manner in which a public agency must handle claims for money or damages filed against it. All claims against the District, including claims for money and damages which are excepted by Section 905 from Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of the Government Code and which are not governed by any other statutes or regulations expressly relating thereto, shall be governed by the Claims Presentation Procedure (“Procedure”) set forth below, in accordance with the provisions of Government Code section 935.

SEC. 29.2 CLAIMS PRESENTATION PROCEDURE

Sec. 29.2.1 Notice of Claims (Government Code §§ 905, 915.4, 945.4)

No suit for money or damages may be maintained against the District on a cause of action for which this Procedure requires a claim to be presented until a written claim has first been timely presented to the District and has been acted upon by the Board or its designee or has been deemed to have been rejected by the Board, in conformity with this Procedure.

Sec. 29.2.2 Claims Subject to Claims Presentation Procedure

All claims against the District for money or damages, including claims which are otherwise exempted by section 905 of the Government Code from the claims procedure provided in Part 3 of Division 3.6, Title 1 of the Government Code and which are not expressly governed by any other statute or regulation, shall be governed by this Procedure. Claims set forth in section 905 of the Government Code include the following:

- a. Claims under the Revenue and Taxation Code or other statute prescribing procedures for the refund, rebate, exemption, cancellation, amendment, modification or adjustment of any tax, assessment, fee, charge or any portion thereof, or of any penalties, costs or charges related thereto.
- b. Claims in connection with which the filing of a notice of lien, statement of claim, or stop notice is required under any provision of law relating to mechanics', laborers' or materialmen's liens.

- c. Claims by public employees for fees, salaries, wages, mileage or other expenses and allowances.
- d. Claims for which the workers' compensation authorized by Division 4 (commencing with Section 3200) of the Labor Code is the exclusive remedy.
- e. Applications or claims for any form of public assistance under the Welfare and Institutions Code or other provisions of law relating to public assistance programs, and claims for goods, services, provisions or other assistance rendered for or on behalf of any recipient of any form of public assistance.
- f. Applications or claims for money or benefits under any public retirement or pension system.
- g. Claims for principal or interest upon any bonds, notes, warrants, or other evidences of indebtedness.
- h. Claims which relate to a special assessment constituting a specific lien against the property assessed and which are payable from the proceeds of such an assessment, by offset of a claim for damages against it or by delivery of any warrant or bonds representing it.
- i. Claims by the State or by a state department or agency or by another local public entity.
- j. Claims arising under any provision of the Unemployment Insurance Code, including but not limited to claims for money or benefits, or for refunds or credits of employer or worker contributions, penalties, or interest, or for refunds to workers of deductions from wages in excess of the amount prescribed.
- k. Claims for the recovery of penalties or forfeitures made pursuant to Article 1 (commencing with Section 1720) of Chapter 1 of Part 7 of Division 2 of the Labor Code.
- l. Claims governed by the Pedestrian Mall Law of 1960, part 1 (commencing with Section 11000) of Division 13 of the Streets and Highways Code.

Sec. 29.2.3 Purpose of Claims Presentation Procedure

- a. Provides the District with an opportunity to settle just claims before suit is brought.
- b. Permits the District to make an early investigation of the facts on which the claim is based, enabling the District to defend itself against unjust claims and to correct the conditions or practices which gave rise to the claim.

Sec. 29.2.4 Party Responsible to Allow or Reject Claims

- a. The Board, or its designee, has the authority to allow, compromise, or reject claims.
- b. The Board hereby designates and authorizes the General Manager of the District to perform all functions of the Board as granted under this Article including examination, allowance, compromise or rejection of all claims submitted in accordance with this Article under \$35,000.
- c. The Board's designee's allowance, compromise or rejection of claims shall have the same effect as allowance, compromise or rejection by the Board of Directors.

SEC. 29.3 WRITTEN CLAIM: SUFFICIENCY

Sec. 29.3.1 Written Claim: Required Information (Government Code § 910)

Written claims must contain the following information:

- a. The name and post office address of the claimant;
- b. The post office address to which the person presenting the claim desires notices to be sent;
- c. The date, place, and other circumstances of the occurrence or transaction which gave rise to the claim asserted;
- d. A general description of the indebtedness, obligation, injury, damage or loss incurred so far as it may be known at the time of presentation of the claim;
- e. The name or names of the public employee or employees causing the injury, damage or loss, if known;
- f. The amount claimed if it totals less than Ten Thousand Dollars (\$10,000) as of the date of claim presentation, including the estimated amount of any prospective injury, damage, or loss, insofar as it may be known at the time of the presentation of the claim, together with the basis of computation of the amount claimed. If the amount claimed exceeds ten thousand dollars (\$10,000), no dollar amount shall be included in the claim.
- g. The signature of the claimant or some person on his or her behalf (Government Code § 910.2).
- h. The District may provide a form that the claimant may use in lieu of submitting a claim containing the information specified in Section 29.3.1.
- i. A claim presented on a form provided pursuant to this Section shall be deemed to be in conformity with Section 29.3.1, if the claim complies substantially with the requirements of the form or with the requirements of Section 29.3.1. (Government Code § 910.4).

SEC. 29.4 WRITTEN CLAIM: INSUFFICIENCY (GOVERNMENT CODE §§ 910.8 AND 911)

Sec. 29.4.1 Claim Insufficiency

If the written claim does not substantially comply with the contents requirements of Section 29.3.1 or with the requirements of a District form provided under Section 29.3.1, the claim is insufficient. (Government Code § 910.8).

An insufficient claim should not be rejected but should be acknowledged with written notice of insufficiency.

Within twenty (20) days after the claim is presented, the Board, or its designee, shall give written notice of the claim's insufficiency, stating with particularity the claim's defects or omissions. (Government Code § 910.8).

Written notice of insufficiency shall be given in one of the following ways (Government Code § 915.4):

- a. Personally delivering the notice to the person presenting the claim;
- b. Mailing the notice to the address, if any, stated in the claim or the application.
- c. If the claim was submitted electronically, by sending the notice to the electronic address from which the claim was received unless the person presenting the claim requests the notice to be sent to an alternative electronic address.

No notice needs to be given when the claim fails to state either a street address or post office address. (Government Code § 915.4(b))

The Board, or its designee, may not take action on the claim for a period of 15 days after the written notice of insufficiency is given. (Government Code § 910.8).

SEC. 29.5 TIMELINESS (GOVERNMENT CODE § 911.2)

Sec. 29.5.1 Claims Which Must be Presented Within Six Months

A claim relating to one of the following must be presented not later than six (6) months after accrual of the cause of action for:

- a. Death or personal injury;
- b. Injury to personal property or growing crops.

Sec. 29.5.2 Claims Which Must be Presented Within One Year

A claim relating to any other cause of action must be presented within one (1) year of the accrual of the cause of action (Government Code § 911.2).

SEC. 29.6 REJECTION/ALLOWANCE OF SUFFICIENT AND TIMELY FILED CLAIMS

Sec. 29.6.1 Board Action Within Forty-Five Days (Government Code § 912.4) (Rev. 02/19/26; Resolution No. 26-02)

The Board, or its designee, shall act on a sufficient and timely submitted claim within forty-five (45) days after the claim has been presented, except as provided in Sections 29.6.5 and 29.6.7 below.

Sec. 29.6.2 Actions the Board or its Designee May Take (Government Code § 912.6)

The Board or its designee may act on the claim in one of the following ways:

- a. Reject the claim if the Board or its designee finds the claim is not a proper charge against the District;
- b. Allow the claim if the Board or its designee finds the claim is a proper charge against the District and is for an amount justly due;
- c. Either reject the claim or allow it in the amount justly due and reject it as to the balance if the Board or its designee finds the claim is a proper charge against the District but is for an amount greater than is justly due;
- d. Reject the claim or compromise it if the legal liability of the District or the amount justly due is disputed.

Sec. 29.6.3 Reject or Allow only Timely, Proper and Sufficient Claims

Only those claims with proper and sufficient contents, as provided in Section 29.3, and presented in a timely fashion can be rejected or allowed.

Sec. 29.6.4 Board Action Within Forty-Five Days on Amended Claim (Government Code § 912.4(a)) (Rev. 02/19/26; Resolution No. 26-02)

If a claim is amended, the Board or its designee shall act on the amended claim within forty-five (45) days after the amended claim is presented, except as provided in Sections 29.6.5 and 29.6.7 below.

Sec. 29.6.5 Extension of Time by Agreement

The claimant and the Board or its designee may extend the time period within which the Board is required to act on the claim by written agreement. (Government Code § 912.4(b)).

The extension of time must be given:

- a. Before the expiration of the forty-five (45) day period; or
- b. After the expiration of the forty-five (45) day period if an action based on the claim has not been commenced and is not yet barred by the period of limitations provided in Section 29.5. (Government Code § 945.6).

Any claim which is not acted upon within the extended time period shall be deemed to have been rejected by the Board or its designee on the last day of the extended time period. (Government Code § 912.4(c)).

Sec. 29.6.6 Written Rejection (Government Code § 913) (Rev. 02/19/26; Resolution No. 26-02)

The claimant has six (6) months in which to file a suit on a claim which has been rejected in writing within forty-five (45) days of presentation.

- a. The written letter of claim rejection must be substantially in the form found at Government Code § 913.
- b. The written letter of claim rejection must be given as provided in Section 29.4.1.

Sec. 29.6.7 Rejection by Operation of Law (Government Code § 912.4)

A claim that is not rejected in writing within forty-five (45) days of presentation is deemed rejected by operation of law on the forty-fifth (45th) day following presentation.

- a. Written notice of rejection must be provided to the claimant for claims deemed rejected by operation of law.
 1. The claimant has six (6) months in which to file suit in a claim deemed rejected by operation of law if written notice of rejection is provided. (Government Code § 945.6(a)(1)).
 2. The claimant has two (2) years in which to file suit on any claim deemed rejected by operation of law if written notice of rejection is not provided. (Government Code § 945.6(a)(2)).
- b. The written letter of claim rejection must be substantially in the form found at Government Code § 913.

SEC. 29.7 LATE CLAIMS (GOVERNMENT CODE §§ 911.4, 911.6 AND 911.8)

Sec. 29.7.1

Any claim which is filed late, and which is not accompanied by an Application to Present a Late Claim shall be returned because it is late and shall not be considered on its merits. The notice of the returned claim shall include a warning in substantially the form described in Government Code § 911.3.

Sec. 29.7.2 Application to Present a Late Claim (Government Code § 911.4)

Should the claimant fail to present a claim within the time provided in Section 29.5, the claimant must present an Application to Present a Late Claim.

The Application to Present a Late Claim must:

- a. Be presented within one (1) year after the accrual of the cause of action;
- b. Set forth the reasons for the delay;
- c. Have a written claim attached.

Partially Late/Partially Timely Claims

- a. A claim which contains several causes of action must be carefully reviewed to determine which causes of action are timely or untimely filed.
- b. Written notice of rejection or allowance, pursuant to Section 29.6, must be provided to claimant for those causes of action within the claim which are sufficient and timely presented.
- c. Written notice of late filing, pursuant to Section 29.7, must be provided to the claimant for those causes of action within the claim which are not timely presented.

Sec. 29.7.3 Acceptance of Application to Present a Late Claim (Government Code § 911.6)

The District shall grant the Application to Present a Late Claim only in the following instances:

- a. The failure to timely present the claim was due to mistake, inadvertence, surprise or excusable neglect, and the District is not prejudiced in its defense of the claim by the claimant's failure to timely present the claim; or
- b. The person who sustained the alleged injury, damage or loss was a minor during all the time specified in Section 29.5 for the presentation of the claim; or

- c. The person who sustained the alleged injury, damage, or loss was a minor during any of the time specified in Section 29.5 for the presentation of the claim, provided the application is presented within six months of the person turning 18 years of age or a year after the claim accrues, whichever occurs first; or
- d. The person who sustained the alleged injury, damage or loss was physically or mentally incapacitated during all the time specified in Section 29.5 for the presentation of the claim; or
- e. The person who sustained the alleged injury, damage, or loss was physically or mentally incapacitated during any of the time specified in Section 29.5 for the presentation of the claim and by reason of that disability failed to present a claim during that time, provided the application is presented within six months of the person no longer being physically or mentally incapacitated, or a year after the claim accrues, whichever occurs first; or
- f. The person who sustained the alleged injury, damage or loss died before the expiration of the time specified in Section 29.5 for the presentation of the claim.

The Board or its designee must grant or deny the Application to Present a Late Claim within forty-five (45) days after it has been presented, except as provided below.

- a. The claimant and the Board or its designee may extend the period within which the Board must act on the application by written agreement made before the end of the forty-five (45) day period.
 - 1. The Board or its designee must act within the extended period of time, or the application shall be deemed denied on the last day specified in the agreement.

If the Board or its designee fails to act on the application within the forty-five (45) days following the presentation of the claim, the application shall be deemed to have been denied on the forty-fifth (45th) day. (Government Code § 911.6(c)).

Sec. 29.7.4 Denial of Application to Present a Late Claim (Government Code §§ 911.8, 946.6)

The District shall deny the Application to Present a Late Claim if it is not excused pursuant to Section 29.7.3.

Any denial of an Application to Present a Late Claim must be in writing and must advise the claimant that he or she has six (6) months to petition the appropriate court for relief.

The denial of the Application to Present a Late Claim is unrelated to the validity of the claim. Denial of an Application to Present a Late Claim means only that this claim was not properly presented.

Any Application to Present a Late Claim filed or presented a year from the date of accrual of the cause of action shall be rejected in writing. (Government Code § 911.8).

- a. Written notice of denial of an Application to Present a Late Claim shall be given as provided in Section 29.4.1 and shall include a warning substantially the form described in Government Code section 911.8.

SEC. 29.8 AMENDMENT OF CLAIMS (GOVERNMENT CODE § 910.6)

Sec. 29.8.1 Time to Amend Claim

A claim may be amended at any time before the expiration of the period designated in Section 29.5 or before final action on the claim is taken by the Board, whichever is later.

Sec. 29.8.2 Amended Claim Must Relate to Original Claim

The amended claim must relate to the same transaction or occurrence which gave rise to the original claim.

The amendment shall be considered a part of the original claim for all purposes.