



Employee Handbook

Notice of Proprietary Information

The information contained herein is proprietary to the Main San Gabriel Basin Watermaster and may not be copied or reproduced without the express written permission of Watermaster's Executive Officer. This Handbook has been prepared for the express use of personnel employed by the Main San Gabriel Basin Watermaster.

TABLE OF CONTENTS

Section I	1
About Watermaster	1
WELCOME MESSAGE.....	2
ABOUT WATERMASTER.....	3
ABOUT THIS HANDBOOK	4
HARASSMENT, DISCRIMINATION AND RETALIATION POLICY	5
OPEN COMMUNICATION	7
CLIENT RELATIONS.....	8
AT-WILL EMPLOYMENT	8
IMMIGRATION LAW COMPLIANCE	9
Section II	10
Pay Practices and Work Hours	10
CLASSIFICATION OF EMPLOYEES.....	11
REINSTATED/REHIRED FORMER EMPLOYEES.....	11
EMPLOYEE ORIENTATION	12
TIMEKEEPING.....	12
WORKDAY AND WORK WEEK	13
ALTERNATE WORK WEEK	13
MEAL BREAKS AND REST PERIODS	14
PAY FOR MANDATORY MEETINGS/TRAINING	14
LACTATION ACCOMMODATION	15
PAYDAY AND PAYCHECKS.....	15
WAGE AND SALARY INCREASES.....	16
DEFERRED COMPENSATION	16
PAYROLL DEDUCTIONS	16
OVERTIME.....	17
Section III	18
Benefits	18
VACATION PAY	19
HOLIDAY PAY	20
SICK PAY	21
DISABILITY INSURANCE COVERAGE	22
WORKERS' COMPENSATION	22
GROUP INSURANCE PLANS	23
CONTINUATION OF COVERAGE	25
UNEMPLOYMENT INSURANCE	26
CREDIT CARDS	26
COMPUTER PURCHASE PROGRAM.....	26

Section IV 27

Time Away 27

LEAVES OF ABSENCE 28

Workers' Compensation Leave (WCL) 28

California Family Rights Act (CFRA) Leave 28

Pregnancy Disability Leave (PDL) 30

PDL is 30

Personal Leave 31

Bereavement Leave 31

Reproductive Loss Leave 31

Military Leave 32

California Emergency Duty Leave 32

Crime Victims Leave and Accommodation 33

Jury/Witness Duty 34

Subpoenas/Witness Duty 35

Early Return to Work Policy 35

TIME OFF TO VOTE 36

TIME OFF FOR RELIGIOUS REASONS 37

FAMILY SCHOOL PARTNERSHIP LEAVE 37

SCHOOL APPEARANCE LEAVE 37

OFFSET PROVISION 37

Section V 39

Watermaster Rules and Policies 39

WORK RULES AND PERFORMANCE STANDARDS 40

BUSINESS ETHICS AND CONDUCT 41

WHISTLEBLOWER POLICY 41

TALK TO US 42

ATTENDANCE 42

COUNSELING AND DISCIPLINE 43

PERSONAL APPEARANCE AND BEHAVIOR 44

WATERMASTER-SUPPLIED EQUIPMENT 44

ALCOHOL, DRUGS, MARIJUANA AND CONTROLLED SUBSTANCES 44

INSPECTIONS 46

SOLICITATION AND DISTRIBUTION OF LITERATURE 46

THREATS AND VIOLENCE INTERVENTION POLICY 47

CONFLICTS OF INTEREST 48

OUTSIDE ACTIVITIES 48

DRIVER/VEHICLE REQUIREMENTS 48

USE OF CELLULAR TELEPHONES AND DIGITAL DEVICES 49

USE OF WATERMASTER TELEPHONES 50

USE OF WATERMASTER TELEVISION & CONFERENCE ROOM 50

INTERNET, E-MAIL, VOICE MAIL AND BLOGGING 50

SOCIAL MEDIA AND SOCIAL NETWORKING 52

SECURITY 53

TRADE SECRETS AND CONFIDENTIALITY AND NON-DISCLOSURE 53

SAFETY OFFICE POLICY	54
PROPERTY ISSUED BY WATERMASTER.....	54
NO SMOKING	54
TERMINATIONS	54
EXIT INTERVIEWS	55
REDUCTION IN FORCE	55
 Section VI.....	 56
 Training and Development	 56
PERFORMANCE EVALUATIONS	57
JOB DESCRIPTIONS	57
PROMOTIONS, DEMOTIONS AND TRANSFERS.....	57
EDUCATIONAL ASSISTANCE/TUITION REIMBURSEMENT.....	58
 Section VII.....	 59
 Things Employees Should Know.....	 59
PERSONNEL RECORDS/EMPLOYMENT VERIFICATION.....	60
BUSINESS TRAVEL REQUIREMENTS.....	60
EMERGENCY CLOSINGS	60
WATERMASTER BULLETIN BOARDS.....	61
BREAK FACILITIES	61
EMPLOYMENT OF MINORS	61
EMPLOYMENT OF RELATIVES AND OTHERS	61
CREDIT UNION.....	62
EMPLOYEE PARKING	62
EXPENSE ACCOUNTS.....	62
ADULT LITERACY PROGRAM	62
 Employee Handbook Acknowledgements	 63

Section I

About Watermaster

WELCOME MESSAGE

Welcome! Employees of the Main San Gabriel Basin Watermaster (Watermaster) are important members of a team effort. We hope that employees will find their position with Watermaster rewarding, challenging, and productive. We expect an employee's best efforts in the performance of their job since an employee's contribution is important to the success of others with whom the employee works and our clients. Our employees have been the fuel of our successful growth and are the foundation of our future. We expect our employees to strive to be a member of the Watermaster team, cooperate with the employee's co-workers, and follow the Watermaster instructions and procedures while at work.

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

This employee handbook is intended to explain the terms and conditions of employment for all full and part-time employees and supervisors. This handbook summarizes the policies and practices in effect at the time of publication. This handbook supersedes all previously issued handbooks and any policy or benefit statements or memoranda that are inconsistent with the policies described here. A supervisor or manager will be happy to answer any questions an employee may have.

Again, welcome to the Main San Gabriel Basin Watermaster! We trust that our employees will be successful members of our organization.

Sincerely,

MAIN SAN GABRIEL BASIN WATERMASTER

Kelly L. Gardner
Executive Officer

ABOUT WATERMASTER

The Main San Gabriel Basin Watermaster is an agency devoted to the management and protection of groundwater resources within the Main San Gabriel Groundwater Basin in Los Angeles County, California. The Main San Gabriel Basin Watermaster is the agency charged with administering adjudicated water rights and managing groundwater resources within the watershed and groundwater basin known as the Main San Gabriel Basin.

Watermaster was created in 1973 by the California Superior Court of Los Angeles County to administer the Basin's adjudicated water rights and to provide a basin-wide governing body for management of water resources.

The Main San Gabriel Basin Watermaster, a nine-person board appointed by the Los Angeles County Superior Court, administers and enforces the provisions of the Judgment which established water rights and the responsibility for efficient management of the quantity and quality of the Basin's groundwater.

Background

Beginning in the 1940s, the San Gabriel Valley experienced a period of rapid urbanization, which led to an increased demand for water drawn from the Main San Gabriel Basin. The ensuing rise in water consumption--along with an extended period of drought--had by the 1950s put the Basin into a state of overdraft, where water production from the Basin exceeded the amount that could be replaced.

As a result of the decrease in the available water supply, parties downstream of the Basin became especially concerned. These downstream water users rely on the Main San Gabriel Basin for a large portion of their natural water supply, as much of it comes from the Basin by way of outflow through Whittier Narrows. Legal action was initiated on behalf of the downstream users, resulting in a court decision which requires the Upper Area (Main San Gabriel Basin) users to guarantee a source of water to the Lower Area, or downstream, users.

For several years the Upper San Gabriel Valley Municipal Water District (Upper District) administered and took responsibility for the Upper Area's obligations to the Lower Area. The Upper District could not, however, assert control over all producers in the Basin because the district boundaries do not encompass the entire Basin. In 1968, at the request of producers, the Upper District filed a complaint that would adjudicate water rights in the Basin and would bring all Basin producers under control of one governing body. The result was the entry of the Main San Gabriel Basin Judgment in 1973.

ABOUT THIS HANDBOOK

This Handbook is intended to provide you with a general understanding of the Main San Gabriel Basin Watermaster's (Watermaster) human resource policies, benefits, and rules. It is intended to familiarize you with important information about the Watermaster as well as information regarding your own privileges and responsibilities. Although it is not an employment contract or legal document, it is important that all employees read, understand, and follow the provisions of the Handbook. It may be changed from time to time by Watermaster. You will be notified in writing of any amendments and additions to these policies and procedures. Keep this Handbook, additions, and revisions on file for your reference.

This Handbook, however, cannot anticipate every situation or answer every question about employment, nor can it provide information that answers every possible question. Additionally, circumstances will undoubtedly require that guidelines, practices, and benefits described in this Handbook change. Accordingly, Watermaster reserves the right to modify, supplement, or rescind any provision of this Handbook from time to time, as it deems necessary. You will, of course, be advised of changes that occur.

Watermaster is constantly striving to improve its operations, the services that it provides its Producers, and its relations with its employees. You are encouraged to bring suggestions for improvements to the attention of your department manager or Executive Officer. Additionally, if you have any questions or seek clarification, you should see your department manager.

By working together, Watermaster believes that it will share with its employees a sincere pride in the workplace and the services that they are here to provide.

Please remember that the employment relationship is "at-will" and that either the employee or Watermaster can terminate the employment relationship with or without cause and with or without prior notice. No manager has the authority to change this policy. Only the Executive Officer has the authority to change the at-will status of employees, and only in writing.

All benefit plans referred to in this Handbook may be further defined in legal documents, including insurance contracts, official plan texts, and trust agreements. Should any question ever arise about the nature and extent of the benefit plans, the formal language of the plan documents and not the informal wording of this Handbook must necessarily govern.

The Main San Gabriel Basin Watermaster's Governing Board, in keeping with regulations of its funding sources, is the final authority for setting all personnel policies. All employees are under the policy authority of the Governing Board. The Executive Officer or the employee's appointed representative(s) is responsible for implementing these policies and developing administrative procedures to carry out the Board's intent.

Nothing in this 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.

HARASSMENT, DISCRIMINATION AND RETALIATION POLICY

Watermaster is committed to equal employment opportunity for all qualified persons, without regard to race (including traits associated with race, such as hair texture and protective styles), color, national origin, ancestry, sex (including pregnancy, perceived pregnancy, childbirth, breastfeeding, or related medical conditions), religion (including religious belief or observance, religious dress and grooming practices), creed, age, gender, gender identity or expression, sexual orientation, mental or physical disability, veteran status, military or veteran status, medical condition, marital status, registered domestic partner status, citizenship, genetic characteristics, reproductive health decision-making, use of cannabis/marijuana off the job and away from the workplace, or any other basis protected by federal, state or local law or ordinance or regulation. It also prohibits discrimination, harassment, and disrespectful and unprofessional conduct based on the perception that anyone has any of those characteristics or is associated with a person who has or is perceived as having any of those characteristics.

This policy applies to all employment practices, including recruitment, application and hiring, job referrals, job assignments, compensation, leaves of absence, recall, lay off, placement, Watermaster benefits, promotions, demotions, transfers, training, disciplinary action, employment reference, workplace conditions, reasonable accommodations, pre-employment inquiries, internship opportunities, classification, evaluation, and termination.

Non-Discrimination

Watermaster is committed to compliance with all applicable laws providing equal employment opportunities. This commitment applies to all persons involved in Watermaster operations. Watermaster prohibits unlawful discrimination against any job applicant, employee or unpaid intern by any employee of Watermaster, including supervisors and coworkers.

Reasonable Accommodation

Watermaster complies with the requirements of the Civil Rights Department ("CRD") and with the Americans with Disabilities Act ("ADA") and will reasonably accommodate a qualified applicant or an employee with a physical or mental disability impairment that limits a major life activity, with a record of such an impairment, or that is being regarded as having such an impairment, as defined by applicable law, if possible. A reasonable accommodation in the workplace allows an employee to perform the essential functions of the job, as long as it does not create an undue hardship for Watermaster.

Any job applicant or employee who requires accommodation in order to perform the essential functions of the job should contact the Executive Officer and discuss the need. Watermaster will engage in an interactive process with the employee to identify possible accommodations, if any, that will help the applicant or employee perform the job. Watermaster may require a statement from a qualified health professional regarding the type of accommodation(s) that might allow the employee to perform all essential job functions. Watermaster also reserves the right to require an independent medical or psychiatric/psychology evaluation of the employee when permitted by law.

Watermaster allows assistive animals as an accommodation for a person with a disability. According to the California Code of Regulations, an assistive animal is defined as "an animal that is necessary as a reasonable accommodation for a person with a disability," including "guide dogs, service dogs, signal dogs, and support dogs or other animals that provide emotional,

cognitive, or other similar support to a person with a disability.” Employees requesting accommodation for a disability that includes an assistive animal must contact the Executive Officer and bring required supporting medical documentation.

Watermaster is committed to providing a work environment that is respectful of the religious beliefs of all employees. Consistent with this commitment, Watermaster will also reasonably accommodate qualified applicants and employees with sincerely held religious beliefs that require reasonable accommodation. An applicant or employee who requires an accommodation of a religious belief or practice should also contact the Executive Officer and discuss the need for an accommodation.

In considering requests for accommodation, Watermaster will look at a number of factors including the impact on other employees, the cost involved, the health and safety of the employee and others, and other business necessities, to the extent permitted by law.

Harassment

Watermaster also prohibits harassment by all employees and third parties that come into contact with employees. Any form of harassment which even though it might not violate federal, state or local law may violate this policy and, if substantiated, will be addressed with appropriate remedial action designed to prevent the reoccurrence of the same or similar inappropriate conduct in the future.

As used in this policy, “harassment” means disrespectful or unprofessional conduct that is not welcomed by the person being harassed and is based solely or in part on any protected characteristic listed above. Harassment can include verbal conduct (such as slurs, jokes, insults, epithets, gestures, or teasing), visual conduct (such as posting or distributing offensive posters, symbols, cartoons, drawings, computer displays, or emails, staring, or leering), and/or physical conduct (such as physically threatening another person, blocking someone’s way, or making physical contact in an unwelcome manner).

Retaliation

In furtherance of its Equal Employment Opportunity policy, Watermaster does not tolerate retaliation against any employee who in good faith makes a complaint or reports concerns about the workplace or provides information or otherwise participates in an investigation or proceeding regarding complaints or concerns about the workplace. As used in this policy, “retaliation” means any adverse employment action taken against an applicant or employee because that person participated in activity protected under this policy or reasonably thought to be protected under this policy or reasonably thought to be protected under this policy.

Complaint Procedure and Investigation

Watermaster encourages all employees to report any incidents of harassment, discrimination, or retaliation forbidden by Watermaster’s equal employment opportunity, harassment, and retaliation policies promptly so that complaints can be quickly and fairly resolved.

If an employee feels that the employee has been subjected to discrimination, harassment or retaliation, the employee should immediately notify their supervisor or manager. If the employee does not feel that the matter can be discussed with the employee’s supervisor, the employee should contact the Executive Officer to discuss the complaint. The employee will be asked to provide details

of the incident or incidents, names of individuals involved and names of any witnesses. It would be best to communicate the complaint in writing, but this is not mandatory.

Supervisors and managers are required to immediately report any complaints received and inappropriate conduct reported to or observed by them to the Director of Administrative Services or the Executive Officer. Failing to report may result in disciplinary action against the supervisor/manager, up to and including termination.

Watermaster, or our designee, will discreetly, promptly, and thoroughly investigate the complaint to determine whether discrimination, harassment, or retaliation has occurred. While complete confidentiality cannot be guaranteed, Watermaster will perform the investigation as discreetly as possible. When necessary, employees are required to participate fully and honestly in any workplace investigation. Likewise, employees who are involved in any aspect of the investigation must comply with the directions given by the person conducting the investigation.

No notation of the complaint will be included in the complaining employee's personnel file. All records and documentation will be kept separately and the complaint will receive prompt attention. A Watermaster representative will advise parties, who have a business need to know, of the results of the investigation. The degree and/or frequency of a substantiated offense(s) will determine the appropriate remedial action designed to prevent the same or similar conduct in the future.

To protect victims and alleged accused alike, all management personnel are charged with the responsibility of using the utmost discretion in investigating complaints. If you have any questions about this policy, or want more information about it, please contact the Director of Administrative Services or Executive Officer.

Employees also should be aware that the Federal Equal Employment Opportunity Commission and the California Civil Rights Department investigate and prosecute complaints of prohibited harassment, discrimination and retaliation in employment. The nearest office can be found by visiting the agency websites at calcivilrights.ca.gov and eeoc.gov.

If Watermaster determines that harassment, discrimination, retaliation or other prohibited conduct has occurred, appropriate and effective corrective and remedial action will be taken in accordance with the circumstances involved. Watermaster will also take appropriate action to deter future misconduct.

Any employee determined by Watermaster to have engaged in harassment, discrimination, retaliation or other prohibited conduct will be subject to appropriate disciplinary action, up to, and including termination. Employees should also know that if they engage in unlawful harassment, they can be held personally liable for the misconduct.

OPEN COMMUNICATION

Watermaster is committed to providing the best possible climate for maximum development and goal achievement for all employees. practice is to treat each employee as an individual. We seek to develop a spirit of teamwork, individuals working together to attain a common goal.

In order to maintain an atmosphere where these goals can be accomplished, we provide a comfortable and progressive workplace. All management personnel at Watermaster have an open door for an employee to come to them and discuss any job concerns. In most cases, it is preferable

for the employee to use the normal chain of command to communicate concerns to management. This means talking first to an immediate supervisor, whenever possible. However, we understand there may be times when an employee would feel uncomfortable talking to the employee's immediate supervisor or manager. An employee has the right to deal directly with the Executive Officer regarding the Watermaster policies, job assignments, working conditions, or any other concern that may affect the employee's performance and relationship with Watermaster.

An employee is not required to utilize any other person or organization to represent the employee in any question, discussion, or complaint regarding the employee's employment at Watermaster. The employee's supervisor, manager, and any of Watermaster's management are here to answer questions and work with an employee in all matters for the best interests of the employee and Watermaster. The employee has the right, and management encourages employees, to bring business concerns to their attention. Management desires to aid and assist employees, whenever possible, in the resolution of their concerns.

We firmly believe that with direct, open communication, we can continue to resolve any difficulties that may arise and develop a mutually beneficial relationship.

CLIENT RELATIONS

Employees are expected to be polite, courteous, prompt, and attentive to every client. When an employee encounters an uncomfortable situation that the employee does not feel capable of handling, a supervisor should be called immediately.

Watermaster is a service business and all of us must remember that the client always comes first. Our clients ultimately pay all of our wages. Remember, while the client is not always correct, the client should be given the benefit of the doubt and must still be treated in a professional manner.

Both internal and external clients are to be treated courteously and given the proper attention at all times. A client's question or concern should not be regarded as an interruption or an annoyance. An employee must respond to inquiries from clients, whether in person or by electronic communications, promptly and professionally.

Do not place a telephone caller on hold for an extended period. Direct incoming calls to the appropriate person and make sure the call is received.

Through an employee's conduct a desire to assist should be shown to the client in obtaining the help the employee needs. If an employee is unable to help a client, the employee should find someone who can.

All correspondence and documents, whether to clients or others, must be neatly prepared and error-free. Attention to accuracy and detail in all paperwork demonstrates an employee's commitment to those with whom we do business. If a problem develops, or if a client is dissatisfied, ask a supervisor to intervene.

AT-WILL EMPLOYMENT

The relationship between the employee and Watermaster is for an unspecified term and considered employment at-will. This means that Watermaster can change the terms and conditions of employment with or without notice, with or without cause, including, but not limited to termination, demotion, promotion, transfer, compensation, benefits, duties, and location of work. While

supervisors and managers have certain hiring authority, no one other than the Executive Officer has any authority to change the at-will relationship. Any such agreement must be in writing and signed by the Executive Officer and the employee.

Offers of employment are conditional upon passing the pre-employment background (and other industry required background investigations) with prior consent obtained from the prospective employee and satisfactory verification of any and all information contained in your employment application. Any falsification, omission, misrepresentation, or concealment of information on the employment application, during the job interview, or at any time during the hiring process or after being hired may be sufficient grounds for immediate disqualification or termination.

The employment relationship with any employee is at-will and can be ended either by the employee or Watermaster, with or without cause or advance notice, although at least two-weeks' notice is generally requested from employees and will generally be provided by Watermaster unless circumstances dictate otherwise.

IMMIGRATION LAW COMPLIANCE

Watermaster is committed to full compliance with the federal immigration laws and will not knowingly hire or continue to employ anyone who does not have the legal right to work in the United States. At the time of initial hire, the employee must complete Section I of the eligibility I-9 form any time after the employee accepts the offer and no later than the first day at work. The employee must provide proof of the employee's legal right to work in the United States within three days of the date of hire. If the required proof is not provided, Watermaster may terminate the employee as required by law.

As an ongoing condition of employment, employees are required to provide documentation verifying their identity and legal authority to work in the United States. Employees, who were hired with documentation indicating an expiration date to their work authorization period, must provide appropriate new work authorization permission prior to the expiration date. Failure to provide evidence of renewal or eligibility to continue to work in the United States may result in termination.

Section II

Pay Practices and Work Hours

CLASSIFICATION OF EMPLOYEES

Watermaster may change the terms, conditions and benefits of employment with or without notice, with or without cause, including, but not limited to, termination, demotion, promotion, transfer, compensation, benefits, duties, and location of work. Watermaster classifies employees in a number of different ways, as follows:

Introductory Employee – an employee is considered to be an introductory employee if the employee is within the first 180 days of employment (or any extension of that period). Introductory employees are not eligible for the Watermaster benefits except as required by law.

Regular, Full-Time Employee – an employee is considered to be a regular, full-time employee if the employee has satisfactorily completed the introductory period and is regularly scheduled to work thirty (30) hours or more per week. Regular, full-time employees qualify for holiday, vacation, and sick time pay and other designated Watermaster benefits.

Regular, Part-Time Employee – an employee is considered to be a regular, part-time employee if the employee has satisfactorily completed the introductory period and is regularly scheduled to work less than thirty (30) hours per week. Regular, part-time employees are eligible for benefits as required by law and some of the Watermaster benefits.

Temporary Employee/Internship – an employee is considered to be a temporary employee if employed for a specific period of time (such as summer break) with a scheduled termination date, or the employee is employed only to complete a specific project. Temporary employees are **not** eligible for any Watermaster-sponsored benefits. An employee will not change from a temporary status to another status unless notified in writing.

Occasional/Per Diem Employee – an employee is considered an on-call employee if the employee is solely employed for as-needed assignments. On-call employees are guaranteed a minimum of two-hours of paid work when called in to perform a specific assignment. On-call employees are not eligible for employee benefits except those mandated by applicable law. An employee will not change from occasional status to another status unless notified in writing.

Nonexempt Employee – nonexempt employees are eligible to receive overtime pay, if applicable, in accordance with the provisions of federal law.

Exempt Employee – exempt employees, whose duties and responsibilities are executive, administration, or professional, are paid a minimum weekly rate, and are therefore not eligible for overtime pay under federal law. Exempt employees are expected to work the hours that will ensure all projects and work are completed in a timely manner. This is a job requirement and is typical of exempt-level jobs.

REINSTATED/REHIRED FORMER EMPLOYEES

Watermaster may allow employees who have been laid off due to lack of work to be rehired or reinstated. A former employee may be reinstated within 180 days of the employee's effective date of layoff or job elimination. Normally, a reinstated employee can retain the original hire date and benefit levels.

Rehired status applies when an employee returns to regular, full-time employment in the former position or another position after 180 days from separation. The employee will be considered a new hire with a new date of hire and benefits eligibility will be based on this new date of hire.

To be reinstated or rehired, the individual must have been in “good standing” with the Watermaster at the time of separation. Good standing means no performance problems or disciplinary warnings, including performance improvement plans.

Terms and conditions for other rehired employees, where a break in service is longer than 180 days, will be determined at rehire on a case-by-case basis. The Watermaster will comply with any statutory requirements for continuity of benefits or other terms and conditions of employment.

EMPLOYEE ORIENTATION

All new employees receive an orientation within the first weeks of employment. At this time, an employee will learn about Watermaster, its benefits and policies. In addition, we have orientation meetings at each publication of the Employee Handbook. It is our policy to review all benefits and policies on a regular basis and these meetings assure the employee of that.

During the orientation period, the employee’s supervisor will explain the employee’s job responsibilities and the performance standards expected. Be aware that an employee’s job responsibilities may change at any time during the employee’s employment. From time to time, an employee may be asked to work on special projects, or to assist with other work necessary or important to the operation of the employee’s department or Watermaster. An employee’s cooperation and assistance in performing such additional work is expected and appreciated.

TIMEKEEPING

It is Watermaster’s policy to accurately compensate employees for all hours worked in compliance with applicable federal, state, and local laws.

Nonexempt/hourly employees are required to sign in and out each day on a monthly timesheet as follows: when they report to work, when they go for their scheduled meal period, when they return to work after the scheduled meal period, and when they are scheduled to leave work at the end of the day. An employee should not sign in until the employee is ready to report directly to the employee’s workstation and begin working. Any absences, late arrivals, vacation, or sick days should also be recorded appropriately.

Employees may not work overtime unless it has been approved in advance by the employee’s supervisor, and if a change or correction is made on the employee’s timesheet, both the employee and the employee’s supervisor must initial it.

The employee’s electronic submission of the monthly timesheet indicates that the time recorded is accurate. It also confirms that the employee has taken the employee’s meal period and rest breaks for each day worked in the pay period in accordance with the Watermaster policies. The employee’s supervisor electronically approves the employee’s timecard at the end of the pay period.

If an employee believes a timekeeping error has occurred, they must immediately notify their direct supervisor. If Watermaster adjusts any time entries to ensure they are accurate, Watermaster will require employees to acknowledge the accuracy of the time adjustments. The employee and supervisor must complete and sign a time correction form indicating the actual hours worked.

Watermaster will keep the time correction form on file and provide the employee with a copy, upon request.

Exempt employees do not need to sign in and out. They may be asked to keep an attendance log to reflect vacation, sick leave, and other absences such as jury duty or, if applicable, for billable time for client services or projects.

Only the approved, official Watermaster timesheet/timekeeping system will be used for payment of wages. Violations of this policy may result in disciplinary action, up to and including possible termination.

WORKDAY AND WORK WEEK

A workday is defined as a consecutive 24-hour period that begins at 12:01 a.m. each day. A work week is defined as a fixed and regularly recurring period of 168 hours (seven 24-hour periods). Under the 9/80 schedule, the workweek (not the actual work hours) for day shift employees begins between the fourth and fifth hours of work on the designated day of the week and defines the workweek so that employees will not generally be working more than 40 hours. Calculations for overtime pay are based on these definitions.

ALTERNATE WORK WEEK

The regular office hours are Monday through Friday, 8:00 a.m. to 5:00 p.m. Some employees' work schedule is eight hours a day, five days a week.

In addition to the regular work schedule, Watermaster offers an alternative work schedule for its employees. This schedule allows employees to work 80 hours over a 9-day period (the "9/80 schedule"). Employees will be notified at the time of hire of the days they will work. The workday will begin at either 7:30 a.m. or 8:00 a.m., and end at 4:30 p.m. or 5:00 p.m., depending upon the employee's designated work schedule.

The 9/80 schedule is based on 7:30 a.m. to 5:00 p.m., with a 1/2-hour lunch, and every other Friday off. The Friday worked, is an 8-hour day from 8:00 am to 4:30 p.m., with a 1/2-hour lunch. Because of the time balance differential, traditional employees are given a "flex-day" of 8 hours to make up the difference, to be used at their discretion.

There are two groups who work the 9/80 schedule, designated as Group A and Group B. The first work week for Group A will be 36 hrs. ($9 \times 4 = 36$). The first work week for Group B will be 44 hrs. ($9 \times 4 = 36 + 8$ hrs. on Friday). The next work week for Group A will be 44 hrs. and Group B will be 36 hrs. To accommodate this schedule all participating staff are assigned to one of two groups whose schedules are staggered to maintain a workforce each Friday.

Under the 9/80 schedule, whenever one of Watermaster's paid holidays falls on an employee's regular Friday off, the employee will be given the choice of taking off the preceding Thursday, the succeeding Monday, or, if necessary, another day during that pay period with prior approval of the employee's immediate supervisor. Paid holidays will be paid for at the rate of nine (9) hours per day under the 9/80 schedule if the holiday falls on a Monday through Thursday. Friday holidays will be paid for at the rate of eight (8) hours per day.

Watermaster reserves the right to modify its employee work schedule if it determines such modification is in the interest of Watermaster. Supervisors will advise employees of the times their

schedules will normally begin and end. Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week, including overtime.

MEAL BREAKS AND REST PERIODS

All employees who work more than five hours in a workday are entitled to an unpaid, uninterrupted meal break period of at least 30 minutes.

Non-Exempt Meal Breaks

Nonexempt employees should start their meal break no later than the fifth working hour of their shift. A second meal break, if needed, should start before the end of their tenth hour of work. Employees are to be given a reasonable opportunity to take these meal breaks and Watermaster will not impede or discourage them from doing so. Employees who do not work more than six (6) hours in a workday, may voluntarily agree to waive the meal break period in writing. Watermaster will not impede or discourage any employee from taking at least a 30-minute meal break.

Employees are relieved of all work and are free to do whatever they want during the meal break period; however, Watermaster requires employees to clock or sign in and out for meal breaks. Employees must notify their supervisor **and obtain approval** if they are wishing to voluntarily work during their meal period as Watermaster does not have to permit it. Approval must be obtained prior to working during any meal break.

If the employee feels he/she is prevented from taking a meal break as noted in this policy, he/she should contact a member of management. Employees are prohibited from working off the clock and if ever asked to perform any work off the clock, should notify a member of the management immediately.

Non-Exempt Rest Periods

Employees who work at least 3 ½ hours in a workday are authorized and permitted to a fifteen (15) minute paid rest break period for each four hours of work, or major fraction thereof. As much as it is practicable this rest period is to be taken in the middle of each work period. Rest periods are generally taken on either side of a 30-minute meal break so far as it is practical. No rest period is required for an employee whose total daily work time is less than three and one-half hours.

Rest periods cannot be combined with meal periods and employees may not use rest or meal break time to make up for reporting to work late or to leave early. If an employee is prevented from taking a rest break, the employee must report it to a member of management.

PAY FOR MANDATORY MEETINGS/TRAINING

Watermaster will pay non-exempt employees for their attendance at staff or board meetings and training programs under the following conditions:

- Attendance is mandatory;
- The meeting, course, or training is directly related to the employees' job; and
- The employee who is required to attend such meetings or training programs was notified of the necessity for such attendance by the employee's supervisor.

Any hours in excess of the normal work schedule will be paid at the appropriate overtime rate, at the hourly rate in effect at the time the overtime work is being performed.

LACTATION ACCOMMODATION

As part of our family-friendly policies and benefits, Watermaster supports lactating employees and their rights to request and receive lactation accommodations. Watermaster will accommodate lactating employees by providing a reasonable amount of break time and a suitable lactation location to any employee who desires to express breast milk for their infant child.

If possible, the break time should run concurrently with the employee's normally scheduled break time. Any break time to express breast milk that does not run concurrently with the employee's normally scheduled break time will not be paid.

The lactation location provided will be private (shielded from view and free from intrusion from co-workers and the public) and located close to the employee's work area. The location will be safe, clean and free of toxic or hazardous materials; have a surface to place a breast pump and other personal items; have 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.

Watermaster will also provide access to a sink with running water and a refrigerator suitable for storing milk in close proximity to your workspace. If a refrigerator cannot be provided, Watermaster will provide another cooling device suitable for storing milk, such as an employer-provided cooler. The lactation location will not be a bathroom or restroom. The room or location may include an employee's private office if it otherwise meets the requirements of the lactation space.

Employees who desire lactation accommodations should contact the Executive Officer to request accommodations. An employee's request may be provided orally, by email, or in writing, and need not be submitted on a specific form. Watermaster will engage in an interactive process with the employee to determine when and where lactation breaks will occur. If Watermaster cannot provide break time or a location that complies with this policy, it will provide a written response to the employee's request.

Watermaster will not tolerate discrimination or retaliation against employees who exercise their rights to lactation accommodation, including those who request time to express milk at work and/or who lodge a complaint related to the right to lactation accommodation.

PAYDAY AND PAYCHECKS

All employees are paid monthly on the first day of the month. Each paycheck will include earnings for all work performed through the end of the previous payroll period.

In the event that a regularly scheduled payday falls on a day off, employees will receive pay on the last day of work before the regularly scheduled payday. The paycheck will provide all itemized statement information as required by statute.

An employee may have the employee's payroll check electronically deposited directly into the employee's checking or savings account. The employee will continue to receive a normal payroll stub.

Watermaster does not permit advances against paychecks or against non-accrued vacation time. Watermaster will not cash paychecks for employees. Employees should review their paycheck for errors. If an employee finds a mistake, it should be reported to the Director of Administrative Services

immediately. The Executive Officer will assist the employee in taking the steps necessary to correct the error. Watermaster reserves the right to make exceptions to this policy at the discretion of the Executive Officer.

WAGE AND SALARY INCREASES

Pay increases are considered at the time of the employees' annual review. However, pay increases are subject to several internal factors such as: budget availability, overall Watermaster revenue, and the employee's performance. An annual performance review is not a guarantee of a pay increase. Employees should understand that no final or effective decision regarding wage changes will be made until all required approving signatures have been obtained.

DEFERRED COMPENSATION

Watermaster participates in a 457(b) Governmental Deferred Compensation Program whereby employees may make tax-deferred payroll contributions which can be invested in a variety of options. Watermaster does not make any type of matching contributions to this plan and employee contributions are limited by federal regulations. Employees interested in participating in the deferred compensation plan should contact the appointed benefits coordinator for additional information.

The deferred compensation program permits employees to borrow money against the balance in their Deferred Compensation Program accounts. The maximum loan amount is generally equal to 50 percent of the vested portion of the employee's account value, not to exceed \$50,000. Loan payments may be made through payroll deductions or directly to the plan provider. A detailed loan policy is available through the Director of Administrative Services.

PAYROLL DEDUCTIONS

Watermaster makes certain deductions from every employee's compensation as required by state and federal laws. As a benefit to employees, Watermaster pays an amount equal to seven percent of the employee's base salary as the Classic employee's contribution to the California Public Employees' Retirement System (CalPERS). Watermaster also pays an employer contribution to CalPERS for Classic members. For any employee who joined CalPERS for the first time on or after January 1, 2013, and are considered a Public Employee's Pension Reform Act (PEPRA) member, Watermaster will pay the employer contribution. The employee will pay the employee contribution to their retirement benefit. Because Watermaster is a member of CalPERS, neither Watermaster, nor our employees, contribute to the Social Security system. Watermaster offers programs and benefits beyond those required by law. Eligible employees may voluntarily authorize deductions in writing from their paychecks to cover the costs of participating in these programs.

Watermaster does not participate in CA State Disability Insurance or the CA Paid Family Leave Insurance programs. Watermaster does deduct for Unemployment Insurance. If you have questions concerning why deductions were made from your paycheck or how they were calculated, your supervisor can assist in having your questions answered.

OVERTIME

From time to time, nonexempt employees may be asked to work beyond their normally scheduled hours, or on a regularly scheduled day off. Nonexempt employees will be expected to work reasonable amounts of overtime, according to the needs of Watermaster. When nonexempt employees are asked to work overtime, they will receive premium pay at one and a half times their regular rate. On an alternative work week schedule, overtime is paid as follows:

Time-and-one-half

- All work performed in any workday beyond the schedule established by the 9/80 alternative workweek agreement, up to twelve (12) hours a day;
- All work performed beyond forty (40) hours per week;
- Seventh consecutive workday in a single work week.

Double-time

- All work performed in excess of twelve (12) hours per day;
- Any work in excess of eight (8) hours on those days other than those regularly scheduled by the alternative workweek agreement.

However, there are exceptions to these requirements for makeup hours when an employee requests to make up time during a work week.

Nonexempt employees may not work overtime unless it has been approved in advance. Failure to receive prior authorization may result in disciplinary action. Exempt level employees are expected to work the hours that will ensure all projects are completed in a timely manner. This is a job requirement and is typical of exempt-level jobs.

Other paid time such as vacation pay, personal days, bereavement leave, personal leave or medical leave are not considered "hours worked" for the purpose of overtime. Hourly employees who work on a Watermaster recognized holiday shall be paid their straight-time rate of pay for hours actually worked plus the regular holiday pay for the day.

Exempt employees are not eligible for overtime, therefore, are expected to work the hours that will ensure all projects and work are completed in a timely manner. Unlike non-exempt employees, an exempt employee's compensation is not based on the quantity of work performed. Therefore, they are not required to keep timecards recording the hours worked.

Section III

Benefits

VACATION PAY

Vacation is a time for an employee to rest, relax and pursue special interests. Watermaster has provided paid vacation as one of the many ways in which we show our appreciation for our employees' loyalty and continued service. Regular, full-time employees are eligible to earn and use vacation time as described in the following schedule. Regular, part time employees are eligible to earn the same number of vacation days per year as full-time employees; however the number of hours in each vacation day will be calculated by dividing the average number of hours worked per week by five (5). The amount of paid vacation time employees receive each year increases with the length of their employment as shown in the following schedule. Vacation accrues from date of hire.

Completed Years of Continuous Service	Accrual Rate By Month	Equivalent Number of Hours/Days	Maximum Cap On Accrual Regular Rate Plus 10 days
1 – 5 year	5/6 th day, 6.67 hours	80/10	10 days
After 5 up to 10 years	1- ¼ days, 10 hours	120/15	10 days
After 10 years	1 – 2/3 days 13.33 hours	160/20	10 days

After 6 months employees may begin to use accrued vacation. Paid vacation time can be used in minimum increments of one hour. Vacation is paid at 8 hours or 9 hours a day depending upon your work schedule (9/80 or 5/40). For example, if a traditional 5/40 employee takes a vacation day, the employee is charged 8 hours, and the accruals are based on scheduled hours. If a 9/80 employee takes a vacation day Monday - Thursday, the employee is charged 9 hours, but if the employee takes a vacation day on the scheduled Friday to work, the employee is charged 8 hours.

Employees are encouraged to use all vacation during the 12-month period after it has been earned. Every effort will be made to grant an employee the employee's vacation at the time the employee desires. However, vacations cannot interfere with Watermaster's operation and, therefore, written requests for vacation time off must be submitted to an employee's supervisor for approval at least ten (10) days in advance, when feasible. Vacation requests will be approved on a first-come, first-served basis, and only if the time off will not interfere with the normal business operations of Watermaster. The amount of time requested cannot exceed the accrued amount.

If a holiday occurs during an employee's scheduled vacation, the employee will receive holiday pay for that day, and the employee will not be charged for a vacation day on the day the holiday is observed.

Vacation accrual shall not exceed the employee's annual vacation entitlement plus ten (10) days. Once the maximum accrual cap has been reached, no further accrual can occur until the employee has taken vacation time off to bring the vacation hours below the maximum allowed. Vacation pay is not considered "hours worked" when computing overtime pay. Unused, accrued vacation will be paid out at termination.

Vacation time off is paid at the employee's base pay rate at the time of vacation. It does not include overtime or any special forms of compensation such as incentives, commissions, bonuses, or shift differentials.

Watermaster recognizes that staffing shortages and heavy workloads may prohibit extended use

of vacation time. Therefore, with the approval of the Executive Officer, employees may redeem or “cash in” up to 10 days unused vacation time per year, provided that at the time of redemption, the employee has at least 10 days unused vacation time still available in addition to that which is redeemed.

HOLIDAY PAY

The following holidays are recognized by Watermaster as paid holidays for all employees:

New Year’s Day (January 1)
Martin Luther King, Jr. Day (third Monday in January)
Presidents’ Day (third Monday in February)
Memorial Day (last Monday in May)
Independence Day (July 4)
Labor Day (first Monday in September)
Columbus Day (second Monday in October)
Veterans’ Day (November 11)
Thanksgiving (fourth Thursday in November)
Day after Thanksgiving
Christmas (December 25)

Eligible employees are also entitled to a birthday holiday each year, to be taken on a regular workday during the month of the employee’s birthday, and with the employee’s supervisor’s advance approval. Holiday pay is paid at 8 or 9 hours per day depending upon your work schedule.

Paid holiday time off for regular nonexempt eligible employees will be calculated based on the employee’s straight-time pay rate (as of the date of the holiday) times the number of hours the employee would otherwise have worked on that day.

In addition to the recognized holidays previously listed, eligible employees will receive one floating holiday in each calendar year. The floating holiday is designated in advance each year by the Executive Officer. Floating holidays are available at the beginning of each calendar year.

Holidays will be observed on the calendar day designated by Watermaster for observance. A holiday schedule will be posted each year indicating the date for observance of each holiday. If a holiday observed by Watermaster occurs on a Saturday, the holiday will generally be observed on the proceeding Friday. If an observed holiday occurs on a Sunday, it will generally be observed the following Monday.

An employee may take time off to observe the employee’s religious holidays. If available, a full day of unused vacation may be used for this purpose, otherwise time off is without pay. An employee must notify the employee’s supervisor at least five (5) days in advance.

If an eligible non-exempt employee works on a recognized holiday at the request or direction of Watermaster, the employee will receive holiday pay at the rate of two times the employee’s straight-time rate for the hours worked on the holiday.

In order to qualify for holiday pay, an employee must work the employee’s regular schedule the day before and after the holiday. Only excused absences will be considered exceptions to this policy. An

employee is not eligible to receive holiday pay when the employee is on a leave of absence. Holiday pay is not considered "hours worked" when computing overtime pay.

SICK PAY

All employees, including temporary employees, are eligible for paid sick leave if they have worked for Watermaster for more than 30 days within a year. Accrued paid sick leave may be used beginning on the 90th day of employment.

Sick leave with pay is available to regular full-time employees at the rate of 12 days per year from date of hire (1 day for every full month of service). Eligible regular part time employees will also accrue sick leave benefits at the rate of one (1) hour per thirty (30) hours worked, but not less than twenty-four (24) hours or three (3) days of paid sick leave by the 120th day of employment.. Sick leave benefits are calculated on the basis of a "benefit year," the 12-month period that begins when the employee starts to earn sick leave benefits.

Sick leave is paid and accrued to a maximum of twelve (12) traditional 5/40 days or 10.66 days for 9/80 hourly employees. For a traditional 5/40 employee the employee is charged 8 hours, and the 9/80 employee is charged nine (9) hours, unless the day taken is their Friday to work.

Paid sick leave can be used in one-hour minimum increments

An employee may use accrued paid sick leave for the diagnosis, care, or treatment of an existing health condition or preventive care for the employee or a qualifying family member, or specified purposes for an employee who is the victim of, or whose family member is the victim of, a qualifying act of violence. For the purposes of this policy, qualifying family members are a child (defined as a biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis); parent or parent-in-law (defined as 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); spouse or registered domestic partner; grandparent; grandchild; sibling; or other designated person (defined as someone identified by the employee at the time the employee requests paid sick days). Accrued paid sick leave may also be used in the event of a reproductive loss event.

Employees who are unable to report to work due to illness or injury should notify their direct supervisor at the beginning of the scheduled start of their workday. The direct supervisor must also be contacted on each additional day of absence. Employees must make every effort to speak directly to their supervisor, instead of relying on messages, so that the supervisor can ensure that duties and pending work are properly addressed.

Sick leave benefits will be calculated based on the employee's base pay rate at the time of absence and will not include any special forms of compensation, such as incentives, commissions, bonuses, or shift differentials.

Unused sick leave benefits will be allowed to accumulate so that at the time of retirement they may be converted to additional service credit at the rate of 0.004 year of service credit for each day of unused sick leave (i.e., 250 days of sick leave equals one additional year of service credit).

Sick leave benefits are intended solely to provide income protection in the event of personal or family illness or injury and may only be used as described in this section. Unused sick leave

benefits will not be paid to employees while they are employed or upon termination of employment.

DISABILITY INSURANCE COVERAGE

Sick leave cannot be used to add onto disability benefits as it is deemed deductible income. The period from 60 days to 180 days after the person leaves work because of the defined and approved disability is considered Short-Term Disability (STD), and during this period the employee is paid on a weekly basis. The period after 180 days following the onset of the disability is considered Long-Term Disability (LTD), and at this point disability benefits are paid monthly. The amount paid cannot exceed more than the employee's regular rate of pay per week.

WORKERS' COMPENSATION

Watermaster, in accordance with state law, provides insurance coverage for employees in case of work-related injury. Employees will receive notice at the time of hire with the name of the workers' compensation carrier in writing and any changes thereafter. The workers' compensation benefits provided to injured employees may include:

- Medical care;
- Cash benefits, tax free, to replace lost wages; and
- Assistance to help qualified injured employees return to suitable employment.

To ensure that an employee receives any workers' compensation benefits to which the employee may be entitled, the employee will need to:

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

Watermaster provides medical treatment for work-related injuries through a medical provider network, which Watermaster has chosen to provide medical care to injured employees because of their experience in treating work-related injuries. The law requires Watermaster to notify the workers' compensation insurance agency of any concerns of false or fraudulent claims.

Employees, who did not at the time of hire pre-designate a doctor, will at the time of injury be referred to a doctor within Watermaster's Medical Provider Network. Employees who refuse medical treatment for a work-related illness or injury may be required to acknowledge their refusal in writing. However, employees who refuse treatment will still be able to receive treatment, if necessary, in the future.

Watermaster may not be responsible for the payment of workers' compensation insurance benefits for any injury or illness that is not work related and which arises out of an employee's voluntary participation in an off-duty recreational, social, or athletic activity which is not part of the employee's work-related duties.

Workers' compensation fraud is illegal in California. Any person who files or contributes to the filing of a fraudulent workers' compensation claim may be subject to imprisonment in state prison for up to five years, or a fine up to \$50,000, or by both. The following are examples of illegal activities:

- filing a claim for an injury or illness that does not exist;
- pretending that an injury happened at work when it really happened off the job;
- making a false statement to support another employee's claim for workers' compensation benefits.

GROUP INSURANCE PLANS

All regular full-time employees who are regularly scheduled to work a minimum of thirty (30) hours per week are eligible to participate in Watermaster's group medical, life, and long term disability insurance plans. Medical benefits will be effective on the first day of the calendar month following the completion of thirty (30) days of continuous service. Regular part time employees are generally not eligible to receive life insurance, medical insurance or medical allowance benefits. However, regular part-time employees are eligible to receive the dental and optical allowance at one-half the amount provided to regular full-time employees.

Please contact the Director of Administrative Services for plan eligibility, dependent requirements and co-payments. Detailed information on eligibility for participation will be governed by the plan documents including coverage, limitations, exclusions, co-insurance amounts, deductibles, and premiums at the time the employee becomes eligible for coverage.

Life Insurance

At no premium cost to the employee, Watermaster provides a Life Insurance death benefit for each eligible employee in the amount based upon two (2) times annual salary, excluding overtime or bonus, to a maximum of One Hundred Fifty Thousand Dollars (\$150,000.00). Watermaster also offers Basic Life for dependents (\$1,500 for spouse/\$1,000 for child). At the employee's discretion and cost, Supplemental Life Insurance can be applied for in an amount equal to the employee's basic life amount. Supplemental Life Insurance is subject to medical underwriting. Employee contributions to the plan are paid by payroll deduction, which must be authorized in writing.

Medical Insurance

At no premium cost to the employee, Watermaster provides Major Medical and Health Insurance to its eligible employees and dependents.

Medical Reimbursement

Watermaster provides a greater optical and dental reimbursement limit for employees with a spouse and/or dependents. The medical reimbursement is a fixed amount regardless of marital or dependent status. The following are the current reimbursement limits for each calendar year:

- Employee only \$3,250
- Employee/family \$5,500

*Medical Reimbursement also includes optical and dental as a lump sum within the fixed amount per employee only or employee/family. Any remaining balance can be used towards tuition reimbursement at the discretion of the Executive Officer.

Travel Accident Insurance

Watermaster provides eligible employees with an Aggregate Limit of Liability in the amount of One Million Dollars (\$1,000,000.00) per accident in the course of business-related travel. We also provide supplemental Travel Insurance up to \$100,000 to pay employee costs associated with a business-related accident not covered by other insurance.

Medical Benefits for Retirees

Watermaster provides limited medical insurance coverage to eligible retirees through its group medical plan. To qualify, a retiree must have worked for Watermaster for at least ten (10) consecutive years, have reached the age of fifty-five (55) for Classic members, or (62) for PEPRA members and have retired from Watermaster.

In the case of an eligible retiree wishing only for coverage of the employee's self, Watermaster will pay 100 percent of the retiree's medical insurance premium. If the retiree wishes for the employee's spouse, domestic partner, and/or eligible dependents to also be covered, Watermaster will pay 50 percent of the total insurance premium cost for the retiree and spouse/dependents.

Payments for the retiree's portion of family medical insurance premiums are due to Watermaster by the last day of the month prior to the month for which coverage is desired. If payment is not made by this time coverage for the retiree's spouse and/or dependents may be dropped, and the Watermaster will pay only the insurance premiums of the retiree. Please note that ACWA JPIA does not allow for re-enrollment with a lapse in coverage.

Retiree coverage ends when the retiree reaches the age of sixty-five (65) and is therefore eligible to receive Medicare.

Retirees are not eligible to receive the additional medical, dental and vision allowances provided to regular employees.

California Public Employees' Retirement System (CalPERS)

Watermaster provides retirement benefits to its employees through the California Public Employees' Retirement System (CalPERS). The full Benefit Retirement Formula is based upon two percent (2%) of the highest year salary, multiplied by the number of years of CalPERS service, at age fifty-five (55) years for Classic members and (62) years for PEPRA members. Benefits included in the contract with CalPERS are: the highest 12 consecutive months of compensation; credit for unused sick leave; 1959 survivor benefit; and, membership for part-time employees. Contributions to CalPERS are based on a percentage of the employees' gross wages. In addition to paying the employer portion of the CalPERS contribution, Watermaster also pays the employee's seven percent (7%) contribution to CalPERS, as an additional benefit for Classic employees. Because our employees are members of CalPERS, Watermaster does not participate in the Social Security System.

Disability Insurance

Watermaster provides Short-Term and Long-Term Disability Insurance to all eligible employees. If an employee meets the plan's definition of disability and has met the disability waiting period of 60 days, the Short-Term Disability plan pays 60% of an employee's pre-disability earnings up to \$1,731 per week. Deductible income will decrease the benefit amount received from The Standard. Benefits end after a total of 180 days (including the waiting period) have elapsed or the employee no longer meets the definition of disability, whichever comes first. If the employee remains disabled at the end of 180 days, the employee may be approved for Long Term Disability, Long Term Disability pays 60 percent of an employee's salary up to a maximum of \$7,500 per month. Deductible income will decrease the benefit amount received from The Standard. Benefit payments end once the employee no longer meets the definition of disability or exhausts the maximum benefit period as determined by the employee's age at the time of the disability, whichever comes first. See the LTD plan certificate for details. For more information about

Watermaster's disability plans, please see the Short Term and Long-Term Disability certificates of coverage available in the HR department.

Employee Assistance Program (EAP)

Watermaster provides at no cost to regular, full-time employees, an EAP program that provides confidential, professional assistance when personal problems affect an employee's life and work. The program includes information, consultation and counseling for employees and their household members, as well as offering training and consultation to management.

AFLAC Insurance Coverage

All regular, full-time employees have the option to purchase supplemental insurance from AFLAC. This is not mandatory participation, and all premiums are deducted monthly as a payroll deduction. Participation is voluntary and may be cancelled at any time by the employee.

CONTINUATION OF COVERAGE

In accordance with the Federal Consolidated Omnibus Budget Reconciliation Act (COBRA), Watermaster will offer COBRA coverage to employees and qualified beneficiaries to continue their medical insurance benefits. COBRA costs and eligibility will be administered in accordance with all statutory requirements. The length of COBRA continuation coverage, up to a maximum of thirty-six (36) months, will be determined by the qualified event from the list stated below. Group medical and EAP coverage (Watermaster does not provide dental coverage) can be continued when anyone (1) of the following "qualified events" occur:

- Death of the covered employee (spouse, registered domestic partner, and/or dependent child of covered employee are covered for up to 36 months).
- Termination (other than by reason of gross misconduct) or reduction of hours of the covered employee's employment (coverage for up to 18 months for covered employee, spouse and dependent child, followed by 18 months of Cal-COBRA).
- Divorce, legal separation, or dissolution of registered domestic partnership of the covered employee from the employee's spouse (former spouse, registered domestic partner, and/or dependent child covered for up to 36 months).
- The covered employee becomes entitled to benefits under Medicare (coverage for up to 36 months for the covered spouse, registered domestic partner, and/or dependent child).
- The child ceases to meet the requirements of the plan (coverage for up to 36 months for the child).
- An employer's bankruptcy, but only as it relates to health care coverage for retirees and their dependents (coverage for up to 36 months).

At the time of termination, or other qualified event, continuation information, time limits and procedures will be given to the employee or sent to the employee that will include the benefit premium, terms and options available to the employee. Spouses and registered domestic partners, same-sex or otherwise, are considered qualified beneficiaries. If a registered domestic partner was a health plan participant on the day before a qualifying event, the employee would be eligible for continuation of benefits.

If conversion is elected, it is the employee's responsibility to enroll and maintain the benefit premiums in accordance with the procedures in the Notice. The employee should notify Watermaster if the employee has not received the COBRA paperwork within 30 days. At the conclusion of continuation of benefits under COBRA, the employee may have the option to enroll in an individual plan by contacting the insurance carrier directly.

UNEMPLOYMENT INSURANCE

Watermaster pays unemployment insurance taxes on behalf of employees to the state government. These taxes fund the payment of unemployment insurance benefits to an employee should the employee become eligible to receive them. Detailed information about unemployment insurance benefits can be obtained from the Employment Development Department.

CREDIT CARDS

Certain employees of Watermaster may use the Watermaster credit cards when conducting business on behalf of Watermaster. The Controller must approve all applications for the Watermaster credit cards in writing. Cards assigned to individual employees may not be transferred to or used by other employees. Credit cards are assigned to certain employees, who may use them for the following purposes:

- Expenses incurred while attending conferences, conventions, seminars, etc., as a representative of Watermaster.
- Expenses incurred while attending industry-related luncheons, dinners, or meetings.
- Expenses incurred while conducting a business luncheon, dinner, or meeting on behalf of Watermaster.
- If approved in advance, for other business purposes, supplies when there is insufficient time to request an expense check.

Copies of credit card receipts must be turned in with the employee's expense reports to the employee's immediate supervisor/manager for approval.

Employees may not use the Watermaster issued credit card for personal usage. Employees who do not use the credit card in conformity with these standards will be subject to disciplinary action, up to and including termination.

Employees must take precautions to protect access to these credit cards. Lost or stolen cards should be reported immediately to accounting. Upon termination of employment, credit cards must be returned.

COMPUTER PURCHASE PROGRAM

After completing six months of satisfactory service with Watermaster, regular full-time employees may use Watermaster's contacts and accounts with computer vendors to purchase computer hardware, software and peripherals for home use. Upon approval by the Executive Officer and after making a ten percent (10%) down payment toward the cost of the purchase, an employee may borrow up to \$5,000 for computer-related expenses. The employee must repay Watermaster with interest through equal payroll deductions within a period not to exceed 24 months for purchases up to \$2,500 and not to exceed 36 months for purchases up to \$5,000. Interested employees should contact the appointed benefits coordinator for details and for the appropriate form.

Section IV

Time Away

LEAVES OF ABSENCE

Workers' Compensation Leave (WCL)

Leave of absence because of work-related illness or injury. Watermaster participates in and provides workers' compensation. This program provides employees with income protection and medical expense reimbursement in the event of a job-related injury.

Employees who sustain work-related injuries or illnesses must immediately inform their supervisor so that the necessary paperwork can be completed in a timely manner. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately. This will enable an eligible employee to qualify for coverage as quickly as possible. To be eligible for benefits, it must be established that the injury is related to employment, and proper procedures followed. Failure to report an accident within 24 hours can lead to disciplinary action.

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

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

California Family Rights Act (CFRA) Leave

Employees are eligible to unpaid, job protected leave under the CFRA if the employee has been employed by Watermaster for at least 12 months prior to the commencement of leave, and has worked at least 1,250 hours during the previous 12-month period prior to the commencement of the leave.

Eligible employees may take up to 12 weeks (60 days/480 hours) of leave in a 12-month period in accordance with the CFRA for the following reasons:

- The birth or adoption of a child, to care or bond with the newborn child, or placement of a child with the employee and/or the employee's registered domestic partner for adoption or foster care to care or bond with the child so long as the leave is completed within twelve months of the birth or placement of the child;
- For a serious health condition that makes the employee unable to perform the employee's job, including a serious health condition arising from a work-related injury or illness;

- To care for a spouse, parent, parent-in-law, child, grandparent, grandchild, sibling, parent-in-law, registered domestic partner, or designated person with a serious health condition (“designated person” is any individual related by blood or whose association with the employee is the equivalent of a family member); and
- For a qualifying exigency related to covered active duty or a call to covered active duty of the employee’s spouse, registered domestic partner, child, or parent in the Armed Forces of the United States.

Requested leaves must be submitted before the leave begins. See the Director of Administrative Services for appropriate forms and specific information. When leaves are foreseeable, the employee must provide at least 30 days advance notice. If the leave is not foreseeable, the employee must provide notice as soon as practicable. The employee must consult with their supervisor regarding scheduling of any planned medical treatment or supervision in order to minimize disruption to the operation of Watermaster. Any such scheduling is subject to the approval of the health care provider.

Watermaster requires employees to provide certification supporting their need for leave under the CFRA. Employees have 15 calendar days from Watermaster’s request for certification to provide the certification, unless impractical, in which case certification must be provided as soon as practicable. An employee may receive a medical certification form from Watermaster to give to the employee’s healthcare provider.

If an employee does not provide medical certification in a timely manner to substantiate the need for CFRA leave, Watermaster may delay approval of the leave, or continuation thereof, until certification is received. If certification is never received, the leave will be denied and will not be considered job-protected CFRA leave.

Subject to the terms, conditions, and limitations of the applicable plans, Watermaster will continue to provide life and health insurance benefits for the full period of the approved family or medical leave. Other benefit accruals, including CalPERS service credit, vacation, sick leave, or holidays, will be suspended during the leave and will resume upon return to active employment. If leave not qualified under CFRA, the employee will be offered COBRA effective the first of the month following the month the employee goes on leave.

An employee may choose to use any accrued paid leave while taking CFRA leave under certain circumstances. CFRA leave will run concurrently with any other type of paid leave. Any remaining CFRA leave time after the exhaustion of other leave will be unpaid leave. Neither the substitution of paid leave nor the integration of any other wage-replacement benefits for unpaid leave will extend the maximum leave period to which an employee is otherwise entitled, or result in receiving more than 100 percent of pay.

Although Watermaster is not able to guarantee reinstatement in all cases, employees on medical leave who return to work immediately following the end of an approved leave with a physician's written release verifying that they are able to safely perform their duties, may be returned to their former job classification if an opening exists or, if there is no such opening, they may be considered for a comparable position if one is available. Watermaster will not discriminate against any employee who requests an excused absence for medical disabilities associated with a pregnancy. Such leave requests will be made and evaluated in accordance with the medical leave policy provisions outlined herein and in accordance with all applicable federal and state laws.

Pregnancy Disability Leave (PDL)

PDL is a leave of absence when the employee is disabled and unable to work due to pregnancy, childbirth, breastfeeding, and/or related medical condition. This includes time off for severe morning sickness, prenatal or postnatal care, bed rest, gestational diabetes, pregnancy-induced hypertension, preeclampsia, post-partum depression, and/or loss or end of pregnancy.

Employees may submit a written request to the Executive Officer for a pregnancy-related disability leave of absence, without pay, for the length of any pregnancy-related disability, up to a maximum of four months. This leave may be taken incrementally for illness related to the pregnancy and for medical appointments. Four months, means the number of days the employee would normally work within four calendar months (one-third of a year equaling 17.3 weeks, or 693 hours, or 86.625 days for a 40-hours workweek), if the leave is taken continuously, following the commencement date of taking a pregnancy disability leave. If an employee's schedule varies from month to month, a monthly average of the hours worked over the four months prior to the beginning of the leave period would be used for calculating the employee's normal work month. An employee who typically works 20 hours per week would be entitled to 346.5 hours of PDL, for example.

An employee must apply any accrued paid sick leave toward PDL. An employee may choose to apply any accrued vacation, or other personal days toward PDL as well. PDL will run concurrently with any other type of paid leave. Any remaining leave time left after the exhaustion of other leaves will be paid leave. Neither the substitution of paid leave nor the integration of any other wage-replacement benefits for unpaid leave will extend the maximum leave period to which an employee is otherwise entitled, or result in receiving more than 100 percent of pay.

Requests for pregnancy leave will be granted to employees who present a physician's written statement that certifies the need for the leave and estimates the length of time the employee will be unable to work due to the disability. The eligible employee will receive a pamphlet with all the necessary forms. Although Watermaster is not able to guarantee reinstatement in all cases, employees on pregnancy leave who return to work immediately following the end of an approved leave with a physician's written release verifying that they are able to safely perform their duties will be returned to the same job they held immediately prior to their leave or, if that position has been eliminated, a comparable position if one is available.

If available, a transfer to a less strenuous or hazardous position will generally be granted to an employee who submits a certification from a health provider that a transfer is medically advisable. Certification must include the date of the medical advisability of the transfer, the probable duration of the need for the transfer, and a statement that, due to a pregnancy related disability, the employee is unable to work at all, or perform any one or more of the essential functions of the job, without undue risk to her or the successful completion of her pregnancy. However, Watermaster will not create a new position for the pregnant employee that would not have otherwise been created to meet its own business needs, nor will Watermaster be required to discharge any employee, transfer any employee, or promote any employee to accommodate the pregnant employee. Upon transfer, an employee will receive the salary and benefits that are regularly provided to employees in the position to which the employee has transferred.

Watermaster will not discriminate against or harass an applicant or employee based on perceived pregnancy. Perceived pregnancy is defined as being regarded or treated by an employer as being pregnant or having a related medical condition.

Personal Leave

Personal leave is a leave of absence for a compelling personal reason. Employees who have completed at least one (1) year of continuous service may submit a written request for a personal leave of absence, without pay, for any length of time up to a maximum of thirty (30) days within a 12-month period. Written requests must state the reason for the leave, as well as the beginning and ending dates. If this initial period of absence proves insufficient, consideration will be given to a written request for a single extension of no more than 30 calendar days. With the supervisor's approval, an employee may take any available sick leave or vacation leave as part of the approved period of leave.

Requests for personal leave will be evaluated based on a number of factors, including anticipated workload requirements and staffing considerations during the proposed period of absence.

Subject to the terms, conditions, and limitations of the applicable plans, Watermaster will continue to provide life and health insurance benefits for the full period of the approved personal leave. Medical insurance and EAP will be provided through COBRA. Vacation, sick leave, and holiday benefits will not continue to accrue during the approved personal leave period.

Requests for personal leave will be granted at the sole discretion of the Executive Officer, based on the facts and circumstances surrounding each individual request. Employees who return to work at the end of a personal leave may be returned to their former job classification if an opening exists. However, Watermaster cannot guarantee reinstatement for an employee who takes a personal leave.

Bereavement Leave

Watermaster provides all employees with up to five (5) days of bereavement leave a year. Bereavement leave is a leave of absence due to the death of a family member. For the purposes of this policy, a "family member" is defined as the employee's child, spouse, registered domestic partner, parent, sibling, grandchild, grandparent, or parent in law. Days of bereavement leave need not be consecutive.

Additional unpaid time off may be granted at the discretion of management. Bereavement leave must be completed within three months of the family member's death.

Reproductive Loss Leave

Up to five days of unpaid reproductive loss leave are available to employees who have experienced a qualifying reproductive loss event. A "reproductive loss event" for the purposes of this policy means the day or, for a multiple-day event, the final day of a failed adoption, failed surrogacy, miscarriage, stillbirth, or an unsuccessful assisted reproduction.

Employees wishing to take leave under this policy must provide notice of their need for leave as soon as practical. Any information received by Watermaster regarding an employee's request for reproductive loss leave will be treated as confidential, to the extent possible, and will not be disclosed except to internal personnel, as necessary, or as otherwise required by law.

Leave taken under this policy must be completed within three months of the event entitling an employee to leave. An employee who experiences more than one reproductive loss event within a 12-month period may take up to 20 days of leave within the 12-month period.

Employees taking leave under this policy may elect to use any accrued vacation time or other accrued paid time off available to them.

Military Leave

Military leave is a leave of absence for required military service. According to the Employment and Re-Employment Rights Act of 1994 (USERRA), an employee who is assigned to a U.S. Military Armed Forces Reserve organization and is subject to active or inactive duty training will be granted leaves of absence without pay. Employees who are members of the Reserves, National Guard or Naval Militia will be permitted up to seventeen (17) days of unpaid time off per calendar year (including travel time) to participate in military training, drills, encampment, naval cruises, special exercises, or similar activities.

An employee who is eligible for vacation benefits may use accrued, unused vacation benefit hours for all or part of an unpaid leave of absence for Reserve training to supplement the employee's military pay so as to equal the amount of pay that would have been received from Watermaster if the employee were not on leave of absence. Any portion of a leave that occurs after all available accrued vacation benefits have been used will be without pay. Benefit accruals for any employee serving on active duty longer than thirty (30) consecutive days will be calculated in accordance with applicable Federal laws.

All military leaves of absence requests must be presented in writing to the employee's supervisor as far in advance as possible. Such requests will then be forwarded to the Executive Officer for final approval.

Vacation, holiday and sick leave benefits will continue to accrue during military leave of absence for up to a maximum of 30 days. However, after a total of 30 days of military leave, vacation, holiday and sick leave benefits will no longer accrue. Medical and EAP coverage will continue for 30 days from the first day of the leave. After 30 days, the participant will be offered health insurance coverage to employees taking military leave for the lesser of 24 months or duration of the leave.

Leaves of absence and re-employment resulting from service in the National Guard or U.S. Military Armed Forces will be in accordance with applicable State and Federal laws provided an employee returns or applies for reinstatement within the time allowed by law.

A copy of the applicable, official military orders for active-duty training must accompany an employee's request for a leave of absence. Under USERRA, Watermaster will reasonably accommodate and reemploy, as applicable, the individual no matter the type and nature of military leave. USERRA supersedes former laws as well as any other policy.

California Emergency Duty Leave

Watermaster provides an unpaid leave of absence for employees required to perform emergency duty as a volunteer firefighter, reserve peace officer, or emergency rescue personnel. "Emergency rescue personnel" is defined as any person who is an officer, employee, or member of a fire department or fire protection or firefighting agency of the Federal Government, the State of California, a city, county, district, or other public or municipal corporation or political subdivision of California, or a sheriff's department, police department, or a private fire department, whether that person is a volunteer or partly paid or fully paid, while the employee is actually engaged in providing emergency services. Watermaster allows an employee who is a volunteer firefighter to take temporary leaves of absence, up to a total of fourteen (14) days per calendar year, to engage in fire or law enforcement training. Watermaster asks the employee to provide as much advance notice to the employee's supervisor or the Executive Officer prior to taking this leave so arrangements can be made to cover

the employee's duties and responsibilities. Employees must also submit documentation substantiating the need for this leave.

Crime Victims Leave and Accommodation

An employee who is a victim of, or whose family member is a victim of, a qualifying act of violence, as defined in this policy, may take time off for any of the following purposes:

- To seek, obtain, or assist a family member to seek or obtain, medical attention for or to recover from injuries caused by a qualifying act of violence.
- To seek, obtain, or assist a family member to seek or obtain services from a domestic violence shelter, program, rape crisis center, or victim services organization or agency as a result of a qualifying act of violence.
- To seek, obtain, or assist a family member to seek or obtain psychological counseling or mental health services related to an experience of a qualifying act of violence.
- To participate in safety planning and take other actions to increase safety from future qualifying acts of violence.
- 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.
- To seek, obtain, or assist a family member to seek or obtain civil or criminal legal services in relation to the qualifying act of violence.
- To prepare for, participate in, or attend any civil, administrative, or criminal legal proceeding in relation to the qualifying act of violence.
- To obtain or attempt to obtain any relief for a family member who is a victim, 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 family member of the victim.
- To provide care to a family member who is recovering from injuries caused by a qualifying act of violence.
- To seek, obtain, or provide childcare or care to a care-dependent adult if the childcare or care is necessary to ensure the safety of the child or dependent adult as a result of the qualifying act of violence.

Under this policy, a "qualifying act of violence" means any of the following, regardless of whether anyone is arrested for, prosecuted for, or convicted of committing any crime:

- Domestic Violence;
- Sexual Assault;
- Stalking;
- An act, conduct, or pattern of conduct in which an individual causes bodily injury or death to another individual;
- An act, conduct, or pattern of conduct in which an individual exhibits, draws, brandishes, or uses a firearm, or other dangerous weapon, with respect to another individual;
- An act, conduct, or pattern of conduct in which an individual uses, or makes a reasonable perceived or actual threat to use, force against another individual to cause physical injury or death.

Leaves for the purposes set forth in this policy are unpaid, but employees may use accrued vacation or paid sick leave for any leave taken under this policy. Employees wishing to take time off must provide their supervisor reasonable advance notice of their intention to take time off, unless the advance notice is not feasible or possible. If advance notice is not feasible or possible, the employee

must provide written certification of the reason for the absence within a reasonable amount of time upon return to work. Written certification is met by the following:

- A police report indicating that the employee or a family member of the employee was a victim;
- A court order protecting or separating an employee or a family member of the employee from the perpetrator of the qualifying act of violence;
- Documentation from a medical professional, domestic violence counselor, a sexual assault counselor, a licensed health care provider, or a counselor that the employee or a family member of the employee was undergoing treatment or seeking or receiving services directly related to the qualifying act of violence; or
- Any other form of documentation that reasonably verifies that the qualifying act of violence occurred, including, but not limited to, a written statement signed by the employee, or an individual acting on the employee's behalf, certifying that the absence is for a purpose authorized by this policy.

In accordance with this policy, Watermaster seeks to protect those employees who are victims, or whose family members are victims, of any qualifying act of violence, and will extend reasonable accommodations in an effort to provide for their safety. Such reasonable accommodations may include the implementation of safety measures, including a transfer, reassignment, modified schedule, changed work telephone, permission to carry telephone at work, changed work station, installed lock, assistance in documenting domestic violence, sexual assault, stalking, or another qualifying act of violence that occurs in the workplace, an implemented safety procedure, or another adjustment to a job structure, workplace facility, or work requirement in response to domestic violence, sexual assault, stalking, or other qualifying act of violence, or referral to a victim assistance organization.

To the extent allowed by law, Watermaster will maintain the confidentiality of any employee requesting leave and/or accommodation under this policy.

Watermaster will not threaten to, nor will it discriminate, discharge, or in any way retaliate, against: (1) An employee because of the employee's status as a victim of a qualifying act of violence; (2) An employee because of the employee's family member's status as a victim of a qualifying act of violence; (3) An employee who is a victim of a qualifying act of violence who takes such time off or requires reasonable accommodation; or, (3) An employee whose family member is a victim of a qualifying act of violence who takes such time off or requires reasonable accommodation.

Jury/Witness Duty

Jury/Witness duty is a leave of absence to serve on jury duty or to appear as a court witness. Jury duty pay for non-exempt and exempt employees will be calculated at the employee's base pay rate times the number of hours the employee would otherwise have worked on the day of absence, up to five workdays per year or a maximum of 10 days in two years. Exempt employees will be paid for jury duty unless they are out for one full week or more and no work is performed. Employees who are required to serve for more than 10 working days may take time off, without pay, for the balance of the time.

Employees are encouraged to fulfill their civic responsibilities by serving on jury duty when required. If an employee receives a jury duty summons, the employee should notify the employee's supervisor **immediately** so the employee may plan the work with as little disruption as possible.

Employees may use accrued vacation to compensate for unpaid time off.

When on jury duty, employees must report for work whenever their presence is not required at court. Employees who are released from jury service before the end of their regularly scheduled shift or who are not asked to serve on a jury panel are expected to call their supervisor as soon as possible and report to work if requested.

An employee must immediately provide a copy of this notice to the employee's supervisor that specifies the dates that the employee will be serving as a juror. An employee must also give a copy of the jury duty notice to the employee's supervisor for retention in the employee's personnel file before reporting for jury duty service.

Upon completion of jury duty, a Verification of Attendance Form must be presented to Watermaster. Employees who are excused from jury duty for the day, or are excused early, should report to work when it is practical to do so.

In the event compelling business reasons make postponement of jury duty service necessary, Watermaster on behalf of the employee may submit a request for postponement.

Subpoenas/Witness Duty

Employees will be paid their normal wage or salary if required by a subpoena to appear in court on Watermaster business. Employees will not be paid for their time off if summoned to appear in court because of a subpoena on matters not pertaining to Watermaster business or on matters in which they are personally involved in the legal action.

Early Return to Work Policy

Watermaster recognizes the need to provide transitional work to employees who are unable to perform regular duties due to non-occupational or occupational injury or illness as soon as the treating physician deems it medically feasible. The Early Return to Work Program applies to all employees with modified work duties resulting from an occupational injury. The number of transitional work positions available may be limited. The ability to participate in this program will be dependent upon the nature of the job, types, and duration of any restrictions and Watermaster's ability to provide such work. We will work with the department and the employee on all aspects of this program.

The following general provisions apply to leaves of absence:

- Employees on leave of absence in excess of thirty (30) days must provide written certification to the Executive Officer from their physician every thirty (30) days to support their continued disability.
- A request for an extension of leave of absence must be made in writing prior to the expiration date of the original leave, and when appropriate, must be accompanied by a health provider's written statement that certifies the need for the extension.
- Failure to return to work on the first workday following the expiration of an approved leave of absence may be considered a voluntary termination.
- Eligibility for continued coverage under Watermaster's group insurance plans will be determined based on the type of leave. Details will be explained to eligible employees at the time of leave.
- Employees must make arrangements with Watermaster to pre-pay their share of the first month's voluntary insurance premiums before going on leave of absence. Payment for additional months must be received by the first of the month. Failure to pay the share of the premium may result in loss of coverage. Certain types of leaves preclude cancellation of coverage, even if premiums are not paid by the employee. Employees who fail to return to work at the end of an approved leave of absence may be required to reimburse

Watermaster for insurance premiums paid by Watermaster while the employee was on leave.

- Employees on leave of absence may be subject to lay off on the same basis as employees who are actively at work.
- Watermaster may hold in abeyance or proceed with any counseling, performance review or disciplinary action, including discharge, that was contemplated prior to any employee's request for or receipt of a leave of absence or that has come to Watermaster's attention during the leave. If any action is held in abeyance during the leave of absence, Watermaster reserves the right to proceed with the action upon the employee's return.
- Requesting or receiving a leave of absence in no way relieves employees of their obligation while on the job to perform their job responsibilities capably and up to Watermaster's expectations and to observe all the Watermaster rules, policies and procedures.
- Employees on leave of absence must communicate with Watermaster on a regular basis, at least once a month, regarding their status and anticipated return to work date.
- Employees who return to work from a medical, pregnancy related disability, family medical, or workers' compensation leave of absence may be required to submit to a physical examination, at Watermaster's expense, to determine their fitness for duty.
- Employees on leave of absence who seek or accept other employment for work that is prohibited by leave restrictions or employment without following the Watermaster policy, may be subject to disciplinary action, up to and including possible termination. Such employment may not conflict with the employee's assigned schedule or responsibilities with Watermaster.
- An employee who is granted a medical leave of absence should use any accrued vacation or sick benefits during the period of the employee's disability unless the type of leave makes such use optional.
- Vacation time and sick leave do not accrue during leaves of absence.
- Employees who falsify the reason for their leave of absence may be subject to disciplinary action, up to and including possible termination.
- All foreseeable leaves of absence must be approved in advance, in writing, by an employee's supervisor.
- Watermaster will attempt to work with the employee in order to provide reasonable accommodation, as applicable. A doctor's note must be provided to the Executive Officer to begin the interactive process and to consider what type of accommodation would be suitable.
- Employers can make hourly deductions from an exempt employee's leave bank for partial-day absences when such deductions are made in accordance with a bona fide plan, practice or policy providing for such leaves.

TIME OFF TO VOTE

If an employee is a registered voter and does not have enough time outside of working hours to vote in a state-wide election, the employee may take time off work to vote. Up to two (2) hours may be taken without loss of pay and any additional time off will be unpaid. The requested time off should be at the beginning or the end of the work schedule in order to minimize the length of time needed. Employees must request time off to vote at least three working days prior to the election.

TIME OFF FOR RELIGIOUS REASONS

It is Watermaster's intent to reasonably accommodate the known religious observances and practices of employees, when to do so would not impose an undue hardship on Watermaster. Employees should talk to their supervisor if the employee needs to take time away from work for religious reasons. The employee's time away from work will be without pay, unless the employee wishes to use accrued vacation benefits.

FAMILY SCHOOL PARTNERSHIP LEAVE

An employee may take time off to attend the school activity of the employee's child. An employee who is a parent, guardian or custodial grandparent of a dependent child enrolled in a licensed day care center, kindergarten or grades 1 through 12 may take up to forty (40) hours off work without pay each calendar year to participate in the activities of the child's school. An employee may not miss more than eight (8) hours of scheduled work time per month and must schedule all such absences with the employee's supervisor as far in advance of an absence as possible. When both parents of a child are employed by Watermaster, and both request time off work for the same date, only the employee who made the first request will be granted time off in accordance with this leave policy.

School activity leave may be charged to the employee's unused accrued vacation in one-hour increments. Leaves of absence in excess of available, accrued vacation time will be without pay for nonexempt employees. Employers can make hourly deductions from an exempt employee's leave bank for partial-day absences when such deductions are made in accordance with a bona fide plan (vacation), practice or policy providing for such leaves. Employees must provide written verification to the Executive Officer from the child's teacher or principal regarding the employee's participation in a school activity.

SCHOOL APPEARANCE LEAVE

An employee who is the parent or guardian of a child and is requested from the child's school for any reason may take time off if the employee needs to appear at the school in connection with that request. These reasons may include, but are not limited to: the school or child care provider has requested that the child be picked up; behavioral or discipline problems; closure or unexpected unavailability of the school or child care provider; or a natural disaster.

Employees may charge the time off in one-hour increments to unused vacation time or it will be unpaid for nonexempt employees, up to 40 hours a year. Employers can make hourly deductions from an exempt employee's leave bank for partial-day absences when such deductions are made in accordance with a bona fide plan (vacation), practice or policy providing for such leaves. Employees must provide reasonable notice of time off and provide written verification to the Executive Officer from the child's teacher or principal regarding the request.

OFFSET PROVISION

Watermaster intends to administer its leave of absence policies in accordance with the requirements of all applicable state and federal laws. Instances may exist where two or more leave of absence policies provide overlapping protections for an eligible employee. However, it is the general intention of Watermaster's policies to limit employees to the time available under the single most favorable leave of absence policy and to prevent employees from exceeding the limitations of that policy. Accordingly, any leave of absence that is taken by an employee under any policy or based upon any

request for time off that could have been taken under any other policy of Watermaster (if the employee had requested the opportunity to do so) shall be credited against the maximum limit on leaves established in each of the policies that provided the employee a basis to request a leave. Exceptions to the offset provision will be made only where required by law.

Section V

Watermaster Rules and Policies

WORK RULES AND PERFORMANCE STANDARDS

Employment is by the mutual consent of an employee and Watermaster. Consequently, both the employee and Watermaster have the right to terminate the employment relationship at any time, at-will, with or without cause or advance notice.

It is not possible to provide a complete list of every work rule or performance standard. As a result, the following are presented only as examples, and the list is not exhaustive. Employees are responsible for understanding and following these standards and work rules. Employees who do not comply may be subject to disciplinary action, up to and including possible termination.

Job Performance – employees may be disciplined, up to and including possible termination, for poor job performance, as determined by Watermaster. Some examples of poor job performance are as follows:

- Below average work quality or quantity.
- Inappropriate workplace behavior and/or demeanor, including rudeness, or lack of cooperation.
- Excessive absenteeism, tardiness, or abuse of break and meal privileges.
- Failure to follow instructions or the Watermaster policies and procedures.

Misconduct – employees may also be disciplined, up to and including possible termination, for misconduct. Some examples of misconduct are as follows:

- Insubordination, including improper conduct toward a supervisor or refusal to perform tasks assigned by a supervisor in the appropriate manner.
- Abuse, misuse, theft, or the unauthorized possession or removal of Watermaster property to include records, data, confidential material, supplies, etc., or the personal property of others.
- Falsifying or making a material omission on Watermaster records, reports, or other documents, including payroll, personnel and employment records.
- Divulging confidential Watermaster information to unauthorized persons.
- Disorderly conduct on Watermaster designated property, including fighting or attempted bodily injury, or the use of profane, abusive, or threatening language toward others, or possession of a weapon.
- Violation of any law adversely affecting Watermaster, or conviction in court of any crime which may cause the employee to be regarded as unsuitable for continued employment.
- Violation of Watermaster's alcohol, drugs, marijuana and controlled substances policy.
- Violation of Watermaster's policy against harassment.
- Altering the timesheet of another employee or knowingly allowing another employee to alter your timecard.
- Interfering with the work performance of others or willfully restricting work output or encouraging others to do the same.
- Not following safety rules and procedures.
- Gambling on Watermaster premises or while conducting Watermaster business.
- Sleeping on the job or leaving the job without Watermaster authorization.
- Failure of the employee to properly maintain and update all job-required license, licensure or certifications, based on applicable position.

Although one or more of these disciplinary steps may be taken in connection with a particular employee, no formal order or system is necessary. In general, the more serious the problem to be corrected or performance improved, the more serious the corrective action step that will be utilized. Watermaster may also terminate the employment relationship without following any particular series of steps whenever it deems, in its own discretion, that such action should occur based on the severity of the problem, misconduct and the circumstance.

BUSINESS ETHICS AND CONDUCT

The successful business operation and reputation of Watermaster is built upon the principles of fair dealing and ethical conduct of our employees. Our reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as a scrupulous regard for the highest standards of conduct and personal integrity.

The continued success of Watermaster is dependent upon our client's trust and we are dedicated to preserving that trust. Employees owe a duty to Watermaster and its clients to act in a way that will merit the continued trust and confidence of the public.

We will comply with all applicable laws and regulations and expect its directors, officers, and employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws and to refrain from any illegal, dishonest, or unethical conduct.

In general, the use of good judgment, based on high ethical principles, will guide you with respect to lines of acceptable conduct. If a situation arises where it is difficult to determine the proper course of action, the matter should be discussed openly with the Director of Administrative Services. If necessary, it can be discussed with the Executive Officer for advice and consultation.

Supervisors and managers are required to report suspected violations to the Executive Officer, who will initiate investigation of all reported violations. Alternatively, if the employee, supervisor or manager believes that a conflict exists for the Executive Officer in pursuing the violation; reports may be made directly to a Watermaster officer (i.e., Watermaster Chair, Vice Chair, Secretary or Treasurer) or to Watermaster's general counsel for investigation. All reports shall be promptly investigated, and the results of the investigation shall be reported to the Watermaster Administrative Committee.

Compliance with this policy of business ethics and conduct is the responsibility of every employee. Disregarding or failing to comply with this standard of business ethics and conduct could lead to disciplinary action, up to and including possible termination of employment.

WHISTLEBLOWER POLICY

A whistleblower as defined by this policy is an employee of Watermaster who reports an activity that the employee considers to be illegal or dishonest to one or more of the parties specified in this Policy. The whistleblower is not responsible for investigating the activity or for determining fault or corrective measures; appropriate management officials are charged with these responsibilities.

Examples of illegal or dishonest activities are violations of federal, state or local laws; billing for services not performed or for goods not delivered; and other fraudulent financial reporting.

If an employee has knowledge of or a concern of illegal or dishonest fraudulent activity, the employee is to contact the employee's immediate supervisor or the Executive Officer. The employee must exercise sound judgment to avoid baseless allegations. An employee who intentionally files a false report of wrongdoing will be subject to disciplinary action up to and including termination.

Whistleblower protections are provided in two important areas -- confidentiality and against retaliation. Insofar as possible, the confidentiality of the whistleblower will be maintained. However, identity may have to be disclosed to conduct a thorough investigation, to comply with the law and to provide accused individuals with their legal rights of defense. Watermaster will not retaliate against a whistleblower. This includes, but is not limited to, protection from retaliation in the form of an adverse employment action such as termination, compensation decreases, or poor work assignments and threats of physical harm. Any whistleblower who believes the employee is being retaliated against must contact the Executive Officer immediately. The right of a whistleblower for protection against retaliation does not include immunity from any personal wrongdoing that is alleged and investigated.

All reports of illegal and dishonest activities will be promptly submitted to the Director of Administrative Services or Executive Officer who are responsible for investigating and coordinating corrective action.

TALK TO US

Watermaster encourages employees to bring their questions, suggestions and complaints to our attention. We will carefully consider each of these in our continuing efforts to improve operations.

If an employee feels that the employee has a problem, the employee should present the situation to the employee's supervisor so the problem can be settled by examination and discussion of the facts. Watermaster hopes the employee's supervisor is able to satisfactorily resolve most matters.

If an employee still has questions after meeting with the employee's supervisor or if the employee would like further clarification on the matter, the employee should request a meeting with the Director of Administrative Services. The manager will review the issues and meet with the employee to discuss possible solutions.

Finally, if the employee still believes that the employee's problem has not been fairly or fully addressed, the employee should request a meeting with the Executive Officer.

The employees' suggestions and comments on any subject are important and Watermaster encourages the employee to take every opportunity to discuss them with Watermaster. The employee's job will not be adversely affected in any way because the employee chooses to use this procedure.

If at any time an employee does not feel comfortable speaking with the employee's supervisor or the next level of management, the employee should discuss the employee's concern with the Executive Officer or any other supervisor with whom the employee feels comfortable.

ATTENDANCE

Employees are expected to be at their workstation and ready to work at the beginning of the employees' assigned daily work hours, and employees are expected to remain at their workstation,

unless performing work-related duties, until the end of the employee's assigned work hours, except for breaks and meal periods.

From time to time, it may be necessary for an employee to be absent from work. Watermaster is aware that emergencies, illnesses, or pressing personal business that cannot be scheduled outside work hours may arise. If an employee is unable to report to work, or if the employee will arrive late, the employee must notify the employee's supervisor prior to the employee's start time or within one (1) hour after the employee's normal start time. If the employee knows in advance that the employee will need to be absent, the employee is required to notify the employee's supervisor with as much advance notice as possible. It is not appropriate to leave a message or have a friend or relative call in for an employee except in an emergency. The employee must make every attempt to speak with the employee's supervisor.

It is the employee's responsibility to make arrangements with management to keep Watermaster informed during an absence and to provide medical verification when asked to do so and notify the supervisor as instructed.

Watermaster may require a doctor's statement certifying the employee's capability to return to work when the employee has been absent for three (3) or more days as a result of illness or injury. The Doctor's statement should be provided to the Director of Administrative Services. If the employee's doctor requires restrictions on the employee's normal duties, the employee's supervisor may assign other duties, if available, or have the employee remain at home until the employee is able to work without restrictions which could not be accommodated.

A consistent pattern of absence will be considered excessive, and the reasons for the absences may come into question. Tardiness or leaving early is as detrimental to Watermaster as an absence. A "tardiness pattern" will carry the same weight as an absence. Other factors, like the degree of lateness, may be considered.

Tardiness or absence is considered "*excused*" only when an employee calls ahead of time and the tardy or absence is for a compelling reason. Watermaster reserves the right, at its sole discretion, to determine what constitutes a compelling reason. Tardiness or absence for a non-compelling reason and failing to call in according to the Watermaster policy, will be considered "*unexcused*."

Watermaster considers "*unexcused*" tardiness and absence to be a serious problem. However, employees who are tardy or absent excessively or show a consistent pattern of absence, whether "*excused*" or "*unexcused*," will be subject to disciplinary action, up to and including possible termination. Absences which are protected by law are excluded from this provision.

Employees who do not call in or report to work may be subject to disciplinary action, up to and including possible termination. Watermaster will make a concerted effort to contact the employee notifying that their job is in jeopardy, however absence from work for three (3) consecutive days without response or notification to the employee's supervisor will be considered as a voluntary resignation.

COUNSELING AND DISCIPLINE

Occasionally, it becomes necessary for an employee and their supervisor to formally address a problem by identifying unacceptable behavior and establishing a clear plan to correct it. The goal of this counseling is to help the employee resolve the employee's problems and to continue or return

to work in a manner that is productive for Watermaster. This process usually begins after informal attempts to resolve the situation have failed.

When verbal warnings are given, they are noted in the employee's personnel file. When written warnings are given, they are signed by the supervisor and the employee. When the employee signs the warning, the employee receives a copy, and a copy of the warning is placed in the employee's personnel file. While employees should take both verbal and written warnings seriously, written warnings are particularly serious because they usually constitute a final warning to the employee that the employee may be suspended and/or terminated if there is any further poor performance or violation of any Watermaster rule or policy or misconduct.

Although one or more of these steps may be taken in connection with a particular employee, no formal order or system is necessary. In general, the more serious the problem to be corrected or performance improved; the more serious the corrective action step that will be utilized. Watermaster reserves the right to use any step in the process, including suspension or immediate termination of employment, based on the severity of the problem or misconduct and the circumstances.

PERSONAL APPEARANCE AND BEHAVIOR

We do not have a formal dress policy and prefer to rely on every employee's good judgment to dress appropriately for a business such as ours and the job the employee is performing. We do expect all employees to present a neat, well-groomed appearance and a courteous disposition. We feel that these qualities are important to making a favorable impression on the public and fellow workers.

Employees should dress in a businesslike manner. Employees should avoid extremes in dress, jewelry, accessories, and behavior. Non-businesslike clothing and unprofessional behavior is unacceptable. Likewise, unprofessional behavior in the workplace, such as sexually related conversations, inappropriate touching (i.e., kissing, hugging, massaging, sitting on laps) of another employee, and any other behavior of a sexual nature is prohibited. Employees who fail to observe these standards will be subject to disciplinary action, up to and including termination.

Employees are expected to observe Watermaster's personal appearance and behavior policy at all times while at work. Employees who report to work in unacceptable attire may be requested to leave work and return in acceptable attire. Such time off from work will generally be without pay for non-exempt employees. We may relax our dress code a little on Fridays but not our standards of professionalism.

WATERMASTER-SUPPLIED EQUIPMENT

Employees may be issued tools/equipment or other Watermaster property during the course of a job or project. When an employee checks them out, the employee will be required to return them in good condition, except for normal wear and tear. Employees should take care of all the Watermaster equipment as if it were their own. If the loss or damage to the Watermaster property is as a result of an intentional act or gross negligence, the employee may be required to pay for tools, and other Watermaster property, that has been damaged or lost as permitted by law.

ALCOHOL, DRUGS, MARIJUANA AND CONTROLLED SUBSTANCES

Watermaster is a drug and alcohol-free workplace. Watermaster requires employees to maintain high standards of safety, quality, and personal conduct in the workplace. In keeping with that

standard, it is essential that the workplace be kept free of alcohol and drugs. Therefore, the following actions are prohibited:

- Reporting to work under the influence of alcohol, intoxicants, illegal drugs, or controlled substances.
- The illegal use, possession, manufacture, transfer, purchase, sale, or attempted purchase or sale of intoxicants, illegal drugs, or controlled substances in any manner during working hours, or while on the job, in the Watermaster building, including adjoining parking lots.
- In any way using the Watermaster property or an employee's position within Watermaster to make or traffic intoxicants or illegal drugs.

Additionally, if an employee is taking a drug or medication, whether or not prescribed by a physician, that may adversely affect the employee's ability to perform the employee's duties in a safe or productive manner, the employee must report such use of medication (not the reason or diagnosis) to the employee's supervisor. This includes drugs that are known or advertised as possibly affecting judgment or causing drowsiness or dizziness or marked with a notice to exercise caution in the operation of moving vehicles or mechanical equipment. The employee has the responsibility to report any drug, alcohol, or controlled substance situation that affects the workplace.

Occasionally, Watermaster may have employer-sponsored social functions on or offsite which the employees may attend. Attendance at these functions is strictly voluntary. Watermaster limits the availability and consumption of alcohol at these functions. No supervisor or manager may purchase additional individual alcoholic drinks for employees at these functions. Employees must still obey the Alcohol, Drug and Marijuana policy at employer-sponsored events. The Watermaster policy on professional behavior and preventing discrimination and harassment must still be followed. Questions concerning this policy or its administration should be directed to the Executive Officer.

Watermaster reserves the right to inspect Watermaster vehicles and property at any time. These include but are not limited to: lockers, desks, packages, lunch boxes, containers, articles in such areas, and other objects brought onto the Watermaster property that might conceal alcohol, illegal drugs, and/or other inappropriate materials. In order to promote a safe, productive and efficient workplace, Watermaster reserves the right to inspect employees, as well as any articles and property in their possession, to detect inappropriate materials. Employees should have no reasonable expectation of privacy in any work-related areas.

For the safety of all our employees, Watermaster may test for drugs, marijuana and/or alcohol in the following circumstance:

- during the pre-employment period
- when there is reasonable suspicion of prohibited drug, marijuana or alcohol use
- after an accident, if the use of drugs, marijuana or alcohol is believed to have contributed to cause of the accident

Such testing will be at Watermaster's expense and at a facility designated by Watermaster. Failure to report for such testing on management's request will be grounds for termination or the rescission of a job offer.

If there are reasonable grounds for suspecting that an employee is in violation of this policy, Watermaster has the right to require testing at Watermaster's expense. Any employee in violation of this policy will be subject to discipline, including termination. Other actions, such as notification of law

enforcement agencies, may be taken depending on circumstances.

Watermaster will attempt to reasonably accommodate any employee who wishes to voluntarily enter and participate in a drug, marijuana or alcohol dependency rehabilitation program at the employee's expense, unless it places an undue hardship on Watermaster. This is not applicable if the employee has violated this policy and is already subject to discipline for a drug, marijuana or alcohol policy violation and could be terminated. Leave of absence for such purpose shall be without pay.

INSPECTIONS

Lockers, desks, computers, printers, fax machines, copiers, and other office and shop work equipment are the Watermaster property and must be maintained according to the Watermaster rules and regulations. They must be kept clean and are to be used only for work-related purposes. Watermaster reserves the right to inspect all the Watermaster property to ensure compliance with its rules and regulations, without notice to the employee and/or in the employee's absence.

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

For security reasons, employees should not leave personal belongings of value in the workplace. An employee's personal property, including but not limited to packages, purses and backpacks, lunch-boxes, computers, electronic devices or articles, and other possessions, carried into or from Watermaster's premises may be inspected and searched, with or without notice, with or without the employee's prior consent, upon reasonable suspicion of unauthorized possession of Watermaster property including the trunk, glove compartment, and containers in the vehicle, at any time, with or without prior notice or consent. Employees should have no expectation of privacy in any work-related areas.

Further, offices, desks, filing cabinets, lockers, and other storage devices are provided for the convenience of employees, but remain the sole property of Watermaster. Accordingly, they, as well as any articles found within them, can be searched by a representative of Watermaster at any time, with or without prior notice or consent.

Employees working in, entering or leaving the premises who refuse to cooperate in an inspection will be subject to disciplinary action, up to and including termination. If upon investigation, employees are found to be in violation of Watermaster's drug-free or weapon-free workplace policy, security procedures or any other Watermaster policies and procedures, these employees will be subject to disciplinary action, up to and including termination.

SOLICITATION AND DISTRIBUTION OF LITERATURE

It is Watermaster's intent to provide a pleasant and interruption free workplace for employees. We prohibit the solicitation, distribution and posting of materials on or at Watermaster property by any employee or non-employee, except as may be permitted by this policy.

Non-employees may not solicit employees or distribute literature or other material of any kind on Watermaster premises during working hours. Employees may only admit non-employees to work areas with management approval or as part of a Watermaster-sponsored program. These visits should not disrupt workflow. An employee must accompany the non-employee at all times. Former employees are not permitted onto the Watermaster property except for official Watermaster business.

Employees may not solicit other employees during working times, except in connection with a Watermaster approved or sponsored event. Employees may not distribute literature of any kind during working times, or in any work area at any time, except in connection with a Watermaster-sponsored event. The posting of materials or electronic announcements are permitted with approval from Executive Officer.

Working time includes the working time of both the employee doing the soliciting and distributing, and the employee to whom the soliciting and distributing is being directed. Working time does not include break periods, meal periods, or any other specified periods during the workday when employees are not properly engaged in performing their working tasks. Employees who are unclear whether an area is a work or non-work area should consult with a supervisor for clarification.

Solicitation or distribution that is in any way connected with the sale of goods or services must be approved in advance by the Executive Officer.

Nothing in this policy is intended to limit an employee's right to engage in conduct protected by the National Labor Relations Act.

THREATS AND VIOLENCE INTERVENTION POLICY

Watermaster is committed to ensuring that the work environment is as safe as possible for all employees and clients. A Workplace Violence Prevention Plan (WVPP) has been developed to ensure employee safety. Any form of threat or violence, no matter how minor, is prohibited and will not be tolerated. Violent behavior can include fighting, extreme verbal abuse, vandalism, bodily injury, destruction of property, etc. All violent behavior, whether verbal or physical, is prohibited and will be addressed immediately. It is the responsibility of every employee to report immediately any situation involving a threat and/or any form of violent behavior to the Director of Administrative Services or Executive Officer. Even veiled threats or jokes should be taken seriously.

The only way to prevent a potentially dangerous situation is if the appropriate people within Watermaster are notified. Coworkers, not necessarily supervisors, are often times the first and only ones to become aware of such threats. Once notified, Watermaster will take steps to immediately intervene and defuse a situation which involves threats and violence. To this end, employees should report all outstanding restraining orders to the Director of Administrative Services or Executive Officer or if a potentially violent non-work-related situation exists that could result in violence in the workplace.

If an employee is fearful of retaliation, the employee may make an anonymous call to any member of management. Anonymous reporting of threats or violence will be investigated promptly. An employee should be sure to give as much information as possible so that the threat can be investigated swiftly and effectively. Depending on the severity of the situation, the local police may need to be called for assistance.

All employees must report all acts of violence to their supervisor/manager and others designated by Watermaster. All reports will be kept as confidential as possible. If a determination is made that an act of violence has occurred, appropriate disciplinary action, which may include a mandatory psychiatric fitness-for-duty examination or termination of the offender, will be taken. The severity of the discipline will be determined by the degree and/or frequency of the offense.

Watermaster expects each employee to support this policy and understand how their behaviors may impact the safety of the workplace. In addition, each supervisor is required to enforce all safety-related policies in an attempt to avoid potential hazards. All employees share the responsibility of assuring that misunderstandings and other problems are resolved in a timely and respectful manner so that a productive work environment is maintained.

CONFLICTS OF INTEREST

All employees must avoid situations involving actual or potential conflicts of interest including personal or romantic involvement with a co-worker, competitor, supplier or subordinate employee of Watermaster, which impairs an employee's ability to exercise good judgment on behalf of Watermaster, creates an actual or potential conflict of interest.

A conflict of interest shall also be deemed to exist whenever an employee has a financial interest, or potential conflict of interest between the employee's personal interests and the interests of Watermaster; direct or indirect, or in a client, supplier or other principal dealing with Watermaster and that interest is of such extent or nature that it might reasonably affect the employee's judgment or decisions exercised on behalf of Watermaster. If there is conflict of interest, Watermaster and the employees involved in a romantic relationship will have to decide who may stay at Watermaster. Such conflicts might require dismissal from Watermaster. Officers of Watermaster shall be held to the highest degree of integrity and ethics in all their dealings.

OUTSIDE ACTIVITIES

Outside employment is permissible as long as it does not have an adverse effect on or create a conflict of interest with Watermaster. Employees must inform their manager when they have secured outside employment so that a determination can be made if a conflict of interest exists.

Employees on leave of absence who seek or accept other employment for work that is prohibited by leave restrictions or employment without following the Watermaster policy, may be subject to disciplinary action, up to and including possible termination.

Watermaster asks that the employee think seriously about the effects that such extra work may have on the limits of the employee's endurance, overall personal health and effectiveness with Watermaster. Watermaster will hold all employees to the same standard of performance and scheduling demands and cannot make exceptions for full-time employees who also hold outside jobs.

DRIVER/VEHICLE REQUIREMENTS

Employees whose work requires operation of a motor vehicle must present and maintain a valid driver's license, proof of insurance and a driving record acceptable to Watermaster's insurance carrier. Employees must carry insurance that does not exclude coverage when they use their personal vehicle for business and/or commercial purposes. From time to time, employees will be asked to submit a copy of their driving record. Any changes in an employee's driving record or automobile insurance must be reported to Watermaster immediately. Failure to do so may result in disciplinary action, up to and including termination.

Watermaster participates in the California Employers Pull Notice Program. This program will notify Watermaster to any changes in the employee's driving record directly.

Employees who cannot maintain insurance or an acceptable driving record will not be permitted to operate a motor vehicle in the course of their duties. If the employee's job requires driving, failure to maintain insurance and/or an acceptable driving record may result in termination.

Watermaster accepts no responsibility when an employee makes a substantial deviation or departure from the employee's job duties for unforeseeable personal errands while driving on Watermaster business. Watermaster business is defined as driving at the direction, or for the benefit, of Watermaster. It does not include normal commuting to and from work. Nonworking hours generally refers to time driving to and from the normal place of business.

All employees driving a vehicle on Watermaster business must immediately report to their supervisor any accident and any moving or non-moving violation for which they are cited while driving any vehicle. Watermaster expects employees to obey all traffic laws, including speed limits. Watermaster accepts no responsibility for citations issued to an employee by any law enforcement while driving a vehicle on Watermaster business, except those for mechanical violations on Watermaster owned or leased vehicles. Liabilities created by any citation issued due to driver action will be the responsibility of employees who receive them. Employees who drive their own vehicles on Watermaster business will be reimbursed for mileage at the applicable IRS rate.

Watermaster retains the right to transfer to an alternative position, suspend, or terminate an employee whose license is revoked, or who fails to maintain personal automobile insurance coverage or who is uninsurable under Watermaster's policy.

USE OF CELLULAR TELEPHONES AND DIGITAL DEVICES

Employees should have no expectation of privacy in using cellular telephones issued by Watermaster for employee use for business purposes. Employees should exercise judgment in the use of cellular telephones at all times. Watermaster policy expressly prohibits the use of cellular telephones and receiving and/or sending text messages or browsing the web by employees while driving any Watermaster vehicles. Employees must adhere to all federal, state, or local rules and regulations regarding the use of cellular phones while driving. Employees must inform the caller that the employee is in a moving vehicle and needs to pull over to talk to the person. If an employee's job requires that the employee use a cell phone, take notes, or keep the employee's cell phone turned on while driving, the employee must use a hands-free device and safely pull off the road before conducting Watermaster business, including taking notes or instructions. Inappropriate use of cellular telephones is not acceptable and will not be permitted.

Personal cellular telephones or electronic devices should be set to silent mode, or turned off, during working hours. Camera telephones are not allowed in restrooms, changing areas, lockers, or to be used to invade another employee's or client's privacy. Other items covered under this policy include but are not limited to any and all communication and/or recording devices Blackberries, iPods, iPads, including iPhones or other PDA tablet devices. All employees will be required to sign an acknowledgement regarding there is no expectation of privacy in the use of the Watermaster cellular phones and other equipment. *Please see Watermaster's Issued Devices Policy.*

Watermaster recognizes that some cellular phones have the capability to take photographs. Because this capability could allow for theft or disclosure of trade secrets or expose confidential information, employees are prohibited from taking photographs without prior approval anywhere on the Watermaster premises.

USE OF WATERMASTER TELEPHONES

Employees are required to limit both the frequency and length of non-business use of the Watermaster telephones to emergencies or other urgent matters. Watermaster asks that each individual exercise good judgment in the use of the Watermaster telephones. Failure to do so may result in disciplinary action, up to and including termination.

USE OF WATERMASTER TELEVISION & CONFERENCE ROOM

Watermaster television and conference room are available for employee use during rest periods given the following conditions:

- Employees must first check with their direct supervisor prior to using television if there is any outside representative or visitor in the office
- The room must not otherwise be occupied or scheduled for another business-related meeting or event.
- Use is limited to rest periods, which may overlap for some employees, and is therefore on a first come, first served basis.
- Consideration and respect should remain the highest priority; therefore, volume should be kept low enough so as not to disturb or interrupt other co-workers.
- Consult the user menu/guide. If help is needed operating the television/controls, ask a supervisor who will address the issue at their earliest convenience.
- Sites and services such as Netflix and Hulu (on the smart-tv, if available) are permitted given that the material is appropriate for the workplace. *If in doubt, select something e/se.* Be aware that use of such programs may slow down the office network and if so, at the discretion of management, television use may be restricted.
- Television may not be used to download or purchase any programs, movies, subscriptions or other services.
- Television may not be used for social media (See Social Media policy for more.)
- Television should be turned off and the conference room left in good, clean order after use.

Use of the television is a privilege, not a right, and may be revoked at any time by the Executive Officer should the above policies be abused. Abuse or misuse of any company resources, not limited to the Watermaster conference room and television, may result in disciplinary action up to and including termination.

INTERNET, E-MAIL, VOICE MAIL AND BLOGGING

Watermaster provides a number of electronic business tools for use by its employees for business use. These may include, but are not limited to telephone, cell phones, voice mail, fax and copy machines, tape recorders and an array of information system tools, computers, e-mail, internet, and the Watermaster-issued and owned PDAs, or other electronic communications systems. All messages or information sent, received, composed and/or stored on these systems are the property of Watermaster and considered to be proprietary information. Watermaster reserves the right to inspect and confiscate any devices issued to or used by employees.

In line with our general non-solicitation policy, e-mail using Watermaster's computers must not be used to solicit for outside business ventures, personal parties, social meetings, charities, membership in any organization, political causes, religious causes, or other matters not connected to Watermaster's business.

Important: Changes to this policy and its intended purpose can only be made by the individual authorized by the Executive Officer. Employees should have no expectation of privacy in using Watermaster's electronic communication systems. Employees are not authorized to retrieve any voice mail or e-mail messages that are not addressed to them unless approval is obtained from the appropriate manager. All e-mails are subject to review by management. The use of Watermaster's e-mail system grants consent to the review of any of the messages to or from you in Watermaster's system in printed form or in any other medium. Watermaster prohibits employees from copying Watermaster's files, records, and documents for personal use and/or emailing such documents to a personal email account. Access to the Internet will be permitted in accordance with the standard established by Watermaster for job related work.

Due to widespread use of the internet to receive and send communications, Watermaster has established detailed policies regarding the use of electronic communications devices. As a result of the popularity of "blogs," Watermaster has established an additional policy on blogging. This policy identifies standards regarding activities associated with blogging, including posting information, pictures, or other material on web logs(blogs) or the internet and creating or maintaining blogs. Even though blogs are frequently used to express personal views, they can directly or indirectly impact Watermaster as well as employees and clients. This policy emphasizes the importance of good judgment, common sense, courtesy, and respect for clients, co-workers and vendors. It will not be interpreted or administered in a manner that interferes with or conflicts with an employee's right to engage in protected activities under the law.

Employees may not use any Watermaster computer or systems, or other electronic communications devices or access, review, or post information on blogs or other social media while they are on Watermaster premises or on duty. Employees should also recognize that the creation of or participation in a blog or other form of online publishing or communication, even outside of work, can affect the Watermaster and our clients. Employees should use common sense and good judgment when participating in a blog or online posting. Communications that are associated with Watermaster, even indirectly or by innuendo, which disparage or exhibit disrespect for other individuals are not appropriate. The blogging or posting of statements or disclosures that violate privacy, trade secret, intellectual property, or other proprietary rights of any individual or organization, including Watermaster, are inappropriate. Also, Watermaster does not condone or tolerate any form of unlawful discrimination, harassment, including harassment based on sex, race, color, religion, national origin, ancestry, age, disability, sexual orientation, or any other characteristic protected by state, federal, or local law. Employees are prohibited from engaging in any conduct, activities, communications or postings that violate these policies.

Watermaster does not permit employees to take photos of clients or disseminate any images, photos, or depictions of our clients, employees, uniforms or facilities for any purpose that is not expressly authorized by Watermaster. Watermaster does not permit the use of the Watermaster logo, name, confidential or proprietary information without explicit written authorization.

Employees who elect to mention Watermaster or their employment online should include a prominent disclaimer that clearly and conspicuously states that the views expressed reflect only their personal views and not the views of Watermaster. Employees should also state that Watermaster does not encourage, endorse, contribute to or edit any posted information.

Watermaster reserves the right to access any of its computers and electronic communications systems and to monitor blogs, online sites, and online communications. Employees should not maintain any expectation of privacy with respect to information transmitted over, received by, or posted on such sites.

If an employee believes that a blog or other online communication violates the Watermaster policies, the employee should report the matter to the Asst. Executive Officer or the Executive Officer. Watermaster may investigate this matter. Any violation of this policy may result in disciplinary action for the responsible party, up to and including termination. Other legal action may also be taken where the rights of others are violated.

SOCIAL MEDIA AND SOCIAL NETWORKING

The use of social media on company-owned computers and devices during work hours is prohibited unless such uses are authorized for Watermaster business. Such websites and media include but are not limited to: Facebook, LinkedIn, X (formerly Twitter), Pinterest, Tumblr, Flickr, Google, Instagram, Snapchat, YouTube or any other social media or networking site for personal use that may be perceived as inappropriate for the workplace by management. When employees are authorized to make postings on behalf of Watermaster, prior approval is required and training will be given.

Employees should use their real names and the Watermaster name when posting on Watermaster's behalf. In using authorized social media posts via the Watermaster computers or devices, employees must refrain from inappropriate comments about Watermaster, its clients and vendors and from divulging any trade secrets or other confidential Watermaster information. In using authorized social media posts on the Watermaster-owned computers, employees are also required to use appropriate business decorum and comply with all the Watermaster policies, including the Watermaster's anti-discrimination, harassment policies, internet, e-mail, voice mail and blogging policies and confidentiality policies. Employees should also respect and comply with all laws, including, but not limited to, laws against discrimination and harassment, defamation laws, privacy laws, branding, trademark, copyright, and fair use laws, trade secret laws, criminal laws, and financial disclosure laws. If you have any questions about these before posting, you should contact the Director of Administrative Services.

Nothing in this policy, however, is intended to prohibit the personal use of social media via personal computers during off hours for the discussion of terms or conditions of employment among employees. However, an employee's comments posted on social media are generally not protected if they are mere gripes not made in relation to group activity among employees. Employees should not engage in conduct or behavior that compromises or undermines the business interests or reputation of Watermaster or any of its employees, suppliers, vendors or business partners. There is no expectation of privacy when engaging in social networking. These are public forums. As a practical matter, it may be impossible to delete information that is shared. Comments may be publicly available for years. Employees should not refer to Watermaster without proper authorization. Employees should at all times make it clear that their opinions do not represent those of Watermaster. They should include disclaimers in online communications advising that they are not speaking officially or unofficially on behalf of Watermaster.

Nothing in this policy is intended to limit an employee's right to engage in conduct protected by the National Labor Relations Act.

SECURITY

Watermaster has developed guidelines to help maintain a secure workplace.

- Be aware of persons loitering for no apparent reason in parking areas, bathrooms, walkways, entrances and exits, and service areas. *The only way to prevent a potentially dangerous situation is if the appropriate people within Watermaster are notified. Coworkers, not necessarily supervisors, are often times the first and only ones to become aware of such threats.*
- Employees should report any suspicious persons or activities to management personnel. Employees should immediately notify their supervisor when unknown persons are acting in a suspicious manner in or around the facilities.
- The lobby shall remain closed and locked during the workday unless a meeting is being conducted. A ring doorbell camera has been installed for notification of visitors. After the meeting has concluded, staff will promptly secure the lobby doors that will remain locked.
- Office employees should secure their desk or office at the end of the day, this includes locking their monitors or shutting down their computers so sensitive records are not accessible, and closing window blinds. *The security of facilities as well as the welfare of our employees depends upon the alertness and sensitivity of every individual to potential security risks.*
- Employees should change their computer login passwords at least every 6 months.
- Employees are also responsible for immediately notifying a supervisor when keys, security passes or identification badges are missing or are lost.

TRADE SECRETS AND CONFIDENTIALITY AND NON-DISCLOSURE

Employees will acquire, will become acquainted with and will have access to trade secrets, confidential information and property relating to Watermaster and its client's business. All information obtained in the course of employment is to be used for conducting Watermaster business only. Employees should never discuss or disclose such trade secrets, confidential information or property, either directly or indirectly with or in the presence of persons outside Watermaster, or those employees who do not have a need to know, either during employment or at any time thereafter without the prior written authorization of duly authorized Watermaster personnel.

All Confidential Information is the property of Watermaster and must never be given to an outside firm or individual except with authorization of the Executive Officer or Chairman. To ensure that Confidential Information is not inadvertently disclosed, all requests for information by outside parties must be reviewed and authorized by the Executive Officer before the information is released.

Watermaster information in any form, including but not limited to documents, tapes, lists, computer printouts, studies, surveys, reports, drafts, pictures, charts, maps, drawings, programs, equipment, blueprints, vendor lists, client lists, employee information, all financial reports, all accounts payable/receivable information, payroll information, records, files, and other materials pertinent to Watermaster or its clients, may not be removed from the facilities without prior permission of the Executive Officer.

Employees may not disclose, directly or indirectly, or use proprietary or confidential information except as their jobs require and only to other employees on a need-to-know basis. This same level of confidentiality must be maintained regarding co-workers, employee relations matters, and company operations. Employees should make sure that all confidential papers and files are locked

away at night. Employees should not discuss confidential information in elevators, hallways, restaurants, and in any place where they may be overheard. Employees should not leave confidential documents in unattended desks and conference rooms when a conference or meeting is over.

If an employee observes a violation of this policy, the employee should report it immediately to the employee's supervisor or Executive Officer. Watermaster will immediately investigate and take appropriate preventative and/or corrective action. Violation of this policy will result in disciplinary action, up to and including termination.

SAFETY OFFICE POLICY

Watermaster has a long-standing philosophy of taking pride in its practices to ensure the safety, health and well-being of all of our employees. This program serves to outline our commitment to this philosophy and provide guidance to all employees on the standards Watermaster expects its employees to adhere to. Watermaster will investigate promptly and thoroughly, every work-related injury or illness to determine its cause and to correct the problem so that it won't happen again. In keeping with this commitment, and as required by law, Watermaster has established an Injury and Illness Prevention Program (IIPP).

The facility where you are assigned has emergency procedures and evacuation plan to follow in the event of fire or other disaster. These are posted prominently in common areas and bulletin boards on each floor of the facility. Exits, fire extinguishers and first aid kits are available. All employees are expected to familiarize themselves with the location of such equipment.

PROPERTY ISSUED BY WATERMASTER

It is the responsibility of any terminating employee to return all property issued by Watermaster to employee at any time during their term of employment that has not previously been returned to Watermaster. All such property must be returned on or before the employees last day of work. If an employee loses or damages Watermaster property as a result of an intentional act or gross negligence, the employee may be required to pay for the Watermaster property that has been damaged or lost.

NO SMOKING

Watermaster recognizes that smoking in the workplace can adversely affect some employees and prohibits smoking and E-cigarettes inside the facility or in the Watermaster owned or leased vehicles. Watermaster provides a work environment that promotes the productivity and well-being of its employees.

Employees are not to smoke while on duty. Watermaster will comply with all applicable ordinances governing smoking in the workplace or community.

TERMINATIONS

Employees will receive their final paycheck within the time required by law. Employees who are voluntarily terminating their employment with Watermaster are encouraged to give at least two weeks' notice to their immediate supervisor or manager. Notice should be in writing. All Watermaster property, such as keys, business cards, records, documents and equipment, must be returned by each employee immediately upon termination.

- If the employee has given at least 72 hours' advance notice, the final paycheck will be issued on the last day worked.
- If less than 72 hours' notice is given, the final paycheck will be mailed no later than 72 hours after the last day worked, unless other arrangements are made.
- Employees who are terminated involuntarily will be provided with their final paycheck on their last day of work.
- Employees are paid for unused accrued vacation hours.
- Unused sick time is forfeited.
- Earned overtime is included.
- Bonuses/incentives will be paid in accordance with the terms and conditions of the specific bonus/incentive program applicable to the employee.

Voluntary Termination – a voluntary termination is a termination of employment that is initiated by the employee. Watermaster would like employees to give at least two (2) weeks' written notice before leaving their job. Written notice should include the reason for leaving, as well as the name and address of any new employer, if applicable.

Involuntary Termination – an involuntary termination is a termination of employment that is initiated by Watermaster.

EXIT INTERVIEWS

Exit interviews may be conducted with employees that leave Watermaster. The purpose of the exit interview is to determine why the employee chose to resign and obtain feedback concerning any problems the employee encountered. This policy benefits employees and Watermaster.

REDUCTION IN FORCE

Under some circumstances, Watermaster may need to restructure or reduce our workforce. If restructuring our operations or reducing the number of employees becomes necessary, Watermaster will attempt to provide advance notice, if possible, to help prepare affected individuals. If possible, employees subject to layoff will be informed of the nature of the layoff.

In determining which employees will be subject to layoff, Watermaster will take into account operating requirements, the skill, productivity, ability, and past performance of those involved, and also, when feasible, the employee's length of service.

Section VI

Training and Development

PERFORMANCE EVALUATIONS

The performance of all employees is evaluated at least once during a 12-month cycle, with regular annual reviews generally at the fiscal-year end (June 30th).

The purpose of the performance evaluation is to let employees know how they are doing. Written performance evaluations may include commendation for good work, as well as specific recommendations for improvement and further development. Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. Additional formal performance reviews are conducted to provide both supervisors and employees with the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals.

Employees will have the opportunity to discuss their performance evaluation with their supervisor. This is a good time to ask questions and clarify important points. Performance evaluations help Watermaster make important decisions about job placement, training and development, and pay increases. A satisfactory performance evaluation does not guarantee a salary increase nor does it alter, modify, or amend the at-will employment agreement between employees and Watermaster.

It should be remembered that employment is at the mutual consent of the employee and Watermaster. Accordingly, either the employee or the Watermaster can terminate the employment relationship at-will, at any time, either with or without cause or advance notice.

JOB DESCRIPTIONS

Employees are generally given a job description when they start to work. A job description summarizes the employee's duties and responsibilities and gives an employee important information about the employee's new job. Employees should read and study their job description carefully and discuss it with their supervisor if the employee has any questions. From time to time an employee may be asked to work on special projects or to assist with other work necessary or important to the operation of the employee's department or Watermaster or perform other duties as assigned. The employee's cooperation and assistance in performing such additional work is expected. Watermaster reserves the right to revise and update job descriptions from time to time, as it deems necessary and appropriate.

PROMOTIONS, DEMOTIONS AND TRANSFERS

It is Watermaster's intent to give qualified employees consideration when filling job openings within Watermaster. However, because of the experience, skills, and educational requirements of many jobs, promotions from within Watermaster are not always possible.

An employee's past performance, experience, qualifications, and length of continuous service are all important factors which will be considered in making promotion and transfer decisions. An employee applying for a new position must be in the employee's current position for at least one year and in good standing with Watermaster.

Watermaster reserves the right, at its sole discretion, to promote, demote, and transfer employees, with or without cause or advance notice.

EDUCATIONAL ASSISTANCE/TUITION REIMBURSEMENT

The Educational Reimbursement and Financial Assistance Program is available to any regular full-time employee, after completing one year of satisfactory service with Watermaster, subject to availability of budgeted funds, and with the approval of the Executive Officer. The Program reimburses qualified employees for tuition and costs associated with job-related courses or certificate programs, or degree-related classes at an accredited college or university. Any regular full-time employee who wishes to participate in this Program, but is unable to pay tuition and associated costs, may request that reimbursement be made in the form of a loan (Participation and Loan Agreement). Upon successful completion of the class(es), with a grade of "C" or better, the loan will be voided and instead, considered tuition reimbursement. Each loan will be repaid in equal installments over a maximum period of 12 months.

Employees are eligible for educational assistance if they meet the following requirements:

- Regular full-time employees.
- The employee must be in good standing (i.e., good performance, good attendance).
- Training must be job-related and essential for job performance.
- After the completion of one year of continuous employment.

To be eligible for an educational reimbursement, an employee must complete a request form and obtain approval from the Executive Officer **prior** to enrolling. Upon completion of the course, the employee must submit itemized expense receipts as well as acceptable proof of their final grade to the Executive Officer. Proof of tuition costs or payment and verification of enrollment will be required. Maximum costs for tuition and required class materials shall be based on the current California State University per unit charge (at time of request), and actual receipts for materials.

As an additional benefit, at the end of each calendar year, any money left over from the individual employee's Medical, Dental, and Vision Allowance fund, may be used towards properly documented tuition reimbursement, at the discretion of the Executive Officer. It is Watermaster's first and foremost intent that an employee does not forgo proper medical treatment for themselves or dependent in any case. Any intent to apply this surplus must be provided to the Executive Officer within 30 days of the end of the calendar year. As this is a limited budget item each year, employees are encouraged to purchase used and/or electronic textbooks when available.

Educational assistance programs are restricted to essential job-related training and education only. Tuition, textbook, and related expenses for approved job-related training may be paid by Watermaster through these programs. Watermaster may pay for job-related tuition and associated costs of certificate or degree-related classes at an accredited college or university. Any money left over from the insurance reimbursement fund may be used towards tuition reimbursement.

Section VII

Things Employees Should Know

PERSONNEL RECORDS/EMPLOYMENT VERIFICATION

It is important that Watermaster have current information about its employees. Employees should let their supervisor know immediately if they change their name, address, phone number, or marital status, etc. If for some reason an employee needs to change the employee's name and/or Social Security number, the employee will be asked to provide original documentation authorizing the change.

Within 30 days of written receipt to review an employee's personnel records, Watermaster will allow the current or former employees or the authorized representative to review and receive copies of the personnel records. Watermaster has a request form that employees may use to review their records. Records will be maintained for a minimum of four (4) years after termination.

Watermaster will limit disclosure of personnel files to authorized individuals within the organization. Any request for information contained in personnel files must be directed to the Executive Officer. Only the Executive Officer and Director of Administrative Services are authorized to respond to employment verification requests about current or former employees. Watermaster will cooperate with requests from authorized law enforcement, or local, state or federal agencies conducting official investigations and as otherwise legally required.

BUSINESS TRAVEL REQUIREMENTS

With prior approval, employees on business travel may be accompanied by a family member or friend, when the presence of a companion will not interfere with successful completion of business objectives. Generally, employees are also permitted to combine personal travel with business travel, as long as time away from work is approved. Additional expenses arising from such non-business travel or the travel of a family member are the responsibility of the employee.

When travel is completed, employees should submit completed travel expense reports within 60 days. All requests for travel and expense reimbursement must be submitted on the appropriate claim form and must be accompanied by actual receipts for all expenditures exceeding \$10.00.

Employees should contact their supervisor for guidance and assistance on procedures related to travel arrangements, travel advances, expense reports, reimbursement for specific expenses, or any other business travel issues. Abuse of this Business Travel Expenses policy, including falsifying expense reports to reflect costs not incurred by the employee, can be grounds for disciplinary action, up to and including termination of employment.

EMERGENCY CLOSINGS

At times, emergencies such as severe weather, fires, power failures, earthquakes, pandemics, or other causes can disrupt office operations. In extreme cases, these circumstances may require the closing of a work facility.

When operations are officially closed due to emergency conditions, the time off from scheduled work will be paid provided the duration of the emergency closing does not exceed state and county guidelines. In the event of extreme conditions that require the office to remain closed, Watermaster may choose to make individual arrangements with employees to 1) take available vacation time, 2) take an unpaid leave, 3) temporarily perform regular duties from another available office location, or 4) temporarily work at home. The decision to make any such alternative arrangements during an emergency closing is at the sole discretion of the Executive Officer.

WATERMASTER BULLETIN BOARDS

Posted information on Watermaster bulletin boards is for the benefit of all employees. Employees will find posters that explain state and federal law, as well as updated information about the Watermaster policy and procedures. You are responsible for checking the Watermaster bulletin boards on a regular basis and for reading all posted materials. Employees may not post, remove, or alter materials on the Watermaster bulletin boards at any time, without prior written Watermaster approval.

BREAK FACILITIES

Watermaster maintains break facilities which have a refrigerator and microwave oven for the convenience of our employees. Coffee and tea are also provided by Watermaster. All employees are responsible for cleaning any materials they may use for their own needs, including coffee cups, dishes, trays and refuse. Employees are expected to help keep the refrigerator in good order by not keeping leftover food or condiments for indefinite or extended periods.

Employees who place items in the refrigerator are requested to put their name and the date on the item when it is placed in the refrigerator. The refrigerator will be periodically cleaned out; a notice will be posted so that employees may remove items they do not want discarded.

EMPLOYMENT OF MINORS

If an employee is not at least 18 years old, the employee is required by law to provide a valid Work Permit, High School Diploma, or Certificate of Proficiency, before the employee will be allowed to work. The employment of minors is restricted by the terms and conditions of the Work Permit, as well as the provisions of state and federal law. Watermaster will comply with all regulations governing the employment of minors.

EMPLOYMENT OF RELATIVES AND OTHERS

In keeping with good personnel management procedures and guaranteeing equal employment opportunities to all, employees may not participate in career decisions (including supervision, promotion, merit, reassignment, hours, scheduling, etc.) that affect other members of their immediate family or someone with whom they have a romantic relationship.

For purposes of this policy, "immediate family" is defined as: spouse, registered domestic partner, or a relative of domestic partner, mother, father, son, daughter, brother, sister, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, step-relatives, grandparent and legal guardian or another person who stands in place of a parent.

This policy will be upheld regardless of the gender of the parties involved and will be equally applied to both males and females. If a proposed hire, promotion or other job action place an employee in a supervisory role with another immediate family member or person with whom they have a romantic relationship (listed above); the matter should be brought to the attention of the Executive Officer. If a marriage or registered domestic partner arrangement results in immediate family members coming into direct reporting relationships with one another, Director of Administrative Services and the Executive Officer must be informed. While appointment of spouses, or registered domestic partners or other members of the immediate family to the same department or unit is not necessarily in conflict with this policy, employees may not participate in career decisions (including promotion, merit, reassignment, etc.) of other members of their immediate family or those with whom they have a

romantic relationship. If there are other relatives that preside with the employee, the provisions of this policy may also be applicable.

Watermaster will do whatever is possible to avoid the conflict or appearance of a conflict of interest although all parties should recognize that easy accommodation of the situation may not always be possible.

CREDIT UNION

Watermaster is a member of the L.A. Financial (formerly Courts and Records Federal) Credit Union. Through this membership, employees are entitled to participate in the various programs offered by the credit union, including checking and savings accounts, deposits through payroll deductions, and other options, subject to credit union approval. Interested employees should contact the appointed Director of Administrative Services for additional information.

EMPLOYEE PARKING

Designated free parking is available to employees. It is advisable for employees to always lock their car, and it is suggested that employees take all reasonable precautions. Watermaster assumes no responsibility for damage to cars or for loss of personal property while on Watermaster's premises. For safety, it is recommended that employees do not leave the facility alone after dark. Upon request, an employee will be escorted to the employee's vehicle by another employee or supervisor.

EXPENSE ACCOUNTS

All expenses must be approved in advance. Employees are reimbursed for all reasonable out-of-pocket expenditure which they incur in the performance of their duties.

All expenditures must be submitted within 60 days to the employee's supervisor on an Expense Report, along with receipts, invoices or other appropriate documentation. Management approvals must be obtained from the report prior to submitting it to Accounting.

ADULT LITERACY PROGRAM

Watermaster shall reasonably accommodate and assist any employee who reveals an illiteracy concern and requests employer assistance in enrolling in an adult literacy education program, provided that this reasonable accommodation does not impose an undue hardship on the employer. Reasonable accommodation may include providing time off without pay to participate in such a program. Watermaster will make reasonable efforts to safeguard the privacy of an employee who has disclosed their illiteracy.

For purposes of this section, employer assistance includes, but is not limited to, providing the employee with the locations of local literacy education programs or arranging for a literacy education provider to visit the jobsite.

Employee Handbook Acknowledgements

By signing these acknowledgements, you agree to abide by the policies/provision in this handbook.

At-Will Employment Acknowledgement

I understand and acknowledge that my employment with Watermaster is "at-will," which means that Watermaster or I may terminate my employment with or without notice, with or without cause, at any time. There is no agreement, expressed or implied, between Watermaster and me for continuing long-term employment and that nothing in this handbook creates a promise of continued employment. While supervisors and managers have certain hiring authority, no one other than the Executive Officer has any authority to alter the at-will relationship. Any such agreement must be in writing and signed by the Executive Officer and the employee.

Initial_____

Employee Handbook Acknowledgement

This is to acknowledge I have received a copy of Watermaster Employee Handbook. As a condition of employment, I agree to conform to all of the policies, rules, safety rules and regulations of Watermaster, including those contained in the Employee Handbook. My signature below certifies that I have received the Employee Handbook and agree to abide by its provisions and any arbitration policies, as applicable, during my employment.

I further understand and acknowledge that any of Watermaster may amend, interpret, modify, or withdraw any of the provisions of the Handbook at any time in its sole discretion, with or without notice.

Initial_____

Policy Against Discrimination, Harassment and Retaliation Acknowledgement

I acknowledge receipt of the attached copy of the Watermaster Policy Against Discrimination, Harassment and Retaliation. I understand that Watermaster is committed to providing a work environment that is free from discrimination, harassment and retaliation. I understand and acknowledge that I must conform to and abide by the requirements describe in the policy. I understand that I may be held personally liable and responsible for acts of harassment that I commit, condone, tolerate or fail to investigate.

Initial_____

Acknowledgement of Cellular Phone/Device Texting Policy

By signing this form, I acknowledge that I fully understand Watermaster's Cellular, Texting, PDA, etc. Policy, and there is no expectation of privacy using a Watermaster cellular device. I have read and agree to follow this policy.

Initial_____

Acknowledgement of the Watermaster Computer System, Television, Social Media, Internet Policy

By signing this form, I acknowledge that I fully understand Watermaster's Computer System Policy including the Internet, Voicemail, Email, Blogging, Social Media etc. policy, and that there is no expectation of privacy using Watermaster's Computer Systems. I have read and agree to follow this policy.

Initial_____

Acknowledgement of the Trade Secrets/Confidentiality Policy

By signing this form, I acknowledge that I fully understand Watermaster's Trade Secret/Confidentiality Policy. I agree that I will not disclose any of the above-mentioned trade secrets, directly or indirectly, or use them in any way, except as required in the course of my employment with the organization. I have read and agree to follow this policy.

Employee's Name (*Please Print*)

Employee's Signature/Date